# SPARC ELECTREX LIMITED

## CIN: L31100MH1989PLC053467

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

**PREAMBLE:**

All Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interest of the Company and its Stakeholders.

With a view to maintain the high standard the following rules / code of conduct is laid down by the Board which should be observed in all activities of the Board. The compliance officer for the purposes of the code will be available to answer questions and to help Directors and senior management to comply with the code.

For the purpose of this Code, "Senior Management" shall mean personnel of the Company who are members of its core management team excluding the Board of Directors, comprising all members of management two levels below the Managing Director/Executive Directors (including functional heads).

**APPLICABILITY & CORE PRINCIPLES:**

Every Director and member of Senior Management must observe the following standards of conduct:

- **Integrity and Honesty:** Act in a fiduciary capacity with the utmost honesty, integrity, fairness, and good faith. Perform duties responsibly with due care, competence, and diligence without allowing independent judgment to be subordinated.

- **Compliance with Laws:** Strictly comply with all applicable statutory laws, rules, regulations, SEBI guidelines, Listing Regulations, and the Companies Act, 2013.

- **Fair Dealing:** Deal fairly with the Company's customers, suppliers, competitors, bankers, shareholders, and employees without taking improper advantage through manipulation or misrepresentation.

**CONFLICT OF INTEREST:**

Directors on the Board of the Company and the Senior Management shall not engage in any business relationship or activity, which may be in conflict with the interest of the Company or its subsidiaries / associates.

Following are the circumstances which will amount to conflict of interest.

a) Directors / Senior Management should not engage in any activity / employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company.
b) Directors / Senior Management and their immediate family members should not invest in a company, customer, supplier, or competitor and generally refrain from investments that compromise their responsibility to the company.

c) Directors / Senior Management should avoid conducting business with the Company

either directly or through a relative or through a firm / company in which he/she or a relative / related party is associated in any significant manner.

**Disclosure & Approval Mechanism:**

- Any potential or actual conflict/Related Party Transaction must be disclosed in advance to the Board or the Chief Financial Officer (CFO) / Audit Committee.
- The Board/Audit Committee shall review and comply with statutory approval procedures under the Companies Act, 2013 and SEBI Listing Regulations.
- Concerned Directors/Senior Management personnel must abstain from discussions, voting, or attempting to influence decisions on matters where they have a potential conflict of interest.

## OTHER DIRECTORSHIPS:

All Directors and Senior Management personnel shall disclose their directorships, committee memberships, and shareholdings in other corporate bodies to the Board on an annual basis. Serving on the Board of a competing entity is strictly restricted and requires prior approval of the Board.

## CONFIDENTIALITY AND TRADE SECRETS:

Any information concerning the company's business, its customers, suppliers etc., which is not in the public domain and to which the Director has access or possesses such information, must be considered confidential and held in confidence, unless authorized to disclose so or when disclosure is required under the laws of the country. No Director shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.

## PREVENTION OF INSIDER TRADING:

Any Director of the Company and Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the company, not in public domain and which therefore constitutes insider information. All Directors and members of Senior Management will comply with Insider Trading Regulations as issued by SEBI and the Code of Insider Trading of the Company.

## GIFTS & DONATIONS:

No Director of the Company or Senior Management shall receive or offer, directly or indirectly, any gifts, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business favour or decisions for the conduct of business. Nominal gifts of commemorative nature, for special events may be accepted.

## PROTECTION AND USE OF COMPANY ASSETS:

Directors and Senior Management are responsible for safeguarding Company assets, property, and operational information under their control. Company assets must be used strictly for legitimate business purposes and not for personal gain unless specifically approved by the Board.

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**REPORTING CONCERNS AND WHISTLE BLOWER POLICY:**

All the events such as bribery, corruption and sexual harassment must be reported to the Board immediately. The Board has put in place a Whistle Blower Policy and anybody having any concern/matters which he /she thinks worth reportable to the management of the Company, is free to approach the Chairman of the Audit Committee and can report his/her concern to him in suitable manner either verbally or in writing. The Chairman of the Audit Committee will take suitable action in the matter if he so thinks fit and proper. However, the person reporting the concern shall be fully protected/safeguarded against all kinds of threats and probable victimization from any quarter.

**DUTIES OF DIRECTORS:**

The Directors of the Company shall comply with the provisions of section 166 of the Companies Act, 2013. They will discharge their duties as a director of the Company as laid down under the provisions of the Companies Act, 2013 and that:

1. Subject to the provisions of the Companies Act, 2013, they will act in accordance with the Company's Articles of Association.

2. They will act in good faith, in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company, its employees, the shareholders, the community and for the protection of environment.

3. They will discharge their duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

4. They will not involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

5. They shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners or associates.

6. They shall not assign their office as Director and any assignments so made shall be void.

**ANNUAL ACKNOWLEDGMENT & COMPLIANCE REVIEW:**

- **Annual Affirmation:** Every Director and member of Senior Management shall execute an acknowledgment affirming compliance with this Code on an annual basis and upon any revision of this document.

- **New Appointments:** Newly appointed Directors or Senior Management personnel shall sign an undertaking to comply with this Code at the time of assuming office.

- **Waivers & Amendments:** Any amendment or waiver of any provision of this Code for a Director or Senior Management member may be made only by the Board of Directors / Audit Committee and shall be promptly disclosed as required by law.

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