



**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL  
OF  
MOSCHIP TECHNOLOGIES LIMITED**

**(A) Background**

Pursuant to Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (Listing Regulations), 2015, the Board of Directors (the Board) of MosChip Technologies Limited (the Company) adopted the following Code of Conduct for its Board of Directors and Senior Management Personnel (the Code).

The purpose of this Code is to demonstrate the ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Management by the stakeholders and business partners. Directors and Senior Management Personnel are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.

This Code may be amended by the Board of Directors of the Company from time to time provided that such revised Code complies with the Listing Regulations.

**(B) Definitions**

**“Board”** or **“Board of Directors”** shall mean the board of directors of the Company.

**“Company”** shall mean MosChip Technologies Limited.

**“Group”** shall mean the MosChip group Companies.

**“Compliance Officer”** shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.

**“Director”** shall mean a member of the Board.

**“Listing Regulations”** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“Senior management personnel”** shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the “chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

**“Relative”** shall mean ‘relative’ as defined in Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014 as reproduced in **“Annexure-IV”** hereto.

In this Code, words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

### **(C) Applicability of the Code**

The Code applies to Directors and Senior Management Personnel of the Company.

The independent directors of the Company are subject to certain additional duties as laid down by the Companies Act, 2013 which are set out in “**Annexure – I**” of the Code.

The Code has been formulated and approved by the Board and is to be strictly observed by the Directors and Senior Management Personnel of the Company for the governance of good corporate practices.

Any issue relating to the interpretation of the Code will be handled by the Board. The Company Secretary of the Company is appointed as the Compliance Officer under the Code and will be available to answer any questions, provide clarification and to help in ensuring compliance with the Code.

### **(D) Guidelines for Conduct**

The Directors and Senior Management Personnel shall act within the authority conferred upon them in the best interests of the Company and will:

- act in the best interest of, and fulfil their fiduciary obligations to the Company and its shareholders;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;

### **(E) Conflict of Interest**

The Directors and Senior Management Personnel shall not engage in any activity, business, or relationship, which may be in conflict with the interest of the Company or prejudicial to the Company’s interest. They should avoid transacting company business with their relative or with a firm/ company in which either they themselves or their relative are interested or plays any significant role and in case such related party transaction is unavoidable, it must be made only after proper and fullest disclosure to the Board.

The Directors and Senior Management Personnel shall also not accept gifts from persons or firms who deal with the Company, or are seeking to deal with the Company, where the gift is being made in order to influence the director’s actions as a member of the Board, or where acceptance of the gift could create the appearance of a conflict of interest.

The Directors and Senior Management Personnel shall not have any financial interest, including through a relative directly or indirectly, in any organization if that interest would give or appear to give a conflict of interest with the Company. The Directors and Senior Management Personnel shall be particularly sensitive to financial interests in competitors, suppliers, customers, distributors and strategic partners.

It is clarified that it would not be a conflict of interest for the Director & Senior Management Personnel of the Company or members of their immediate family to have dealings in normal course with and to obtain services from persons or entities who also deal/provide services to the Company, including legal, accounting or brokerage services, loans & services from banks or insurance from insurance companies etc., at rates customary for similarly situated customers.

#### **(F) Outside Directorships**

Unless specifically permitted by the Board, the Board Members shall not serve as Director of any other Company or as Partner of a Firm that is engaged in a competing business with the Company. This clause is not applicable to Independent Directors.

Senior Management Personnel shall obtain prior approval of the Chairman and Managing Director/Competent Authority for accepting Directorship of any other company or partnership of a firm.

#### **(G) Disclosure of Interest**

The Directors shall promptly disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws.

The Directors and Senior Management Personnel shall also promptly disclose their relationships with other individuals, firms or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

#### **(H) Honesty, Integrity, Fairness and Accountability**

The Directors and Senior Management Personnel are entrusted with the responsibility to oversee and formulate the policies for the management and affairs of the Company. Therefore in the interest of good corporate governance they shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. All of them must act in good faith with honesty and accountability and with due care, competence and diligence.

The Directors and Senior Management Personnel shall encourage employees of the Company to report violations of laws, rules, regulations or this Code to the appropriate personnel.

#### **(I) Insider Trading**

The Directors and Senior Management Personnel shall comply with the Code of Conduct for Prevention of Insider Trading or Insider Trading Policy and adhere to the provisions of SEBI

(Prohibition of Insider Trading) Regulations, 2015, in dealing with the securities of the Company as applicable from time to time.

#### **(J) Confidentiality**

The Directors and Senior Management Personnel should maintain the confidentiality of information entrusted to them by the Company.

The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the Director/ Senior Management Personnel or anyone other than the Company.

Confidential information includes any information relating to the Company's business, Financials, customers, suppliers, employees etc., which is not available in the public domain and to which the Director/Senior Management Personnel has access or they possess such information because of their position in the Company.

#### **(K) Company Property**

Directors and Senior Management Personnel have a fiduciary relationship with the Company and they should act like a trustee for the Company's property/ assets as well as the property/ assets of other organizations that have been entrusted to the Company. They are responsible for its safe custody and accountable for its use. The Directors and Senior Management Personnel shall not use these assets/properties except as specifically authorised and that too only for the purpose of Company business.

#### **(L) Corporate Business Opportunities**

Corporate Business Opportunities here means those opportunities, which are made available to the Company and which are known to the Directors/ Senior Management Personnel due to the position held by them in the Company. The Directors/ Senior Management Personnel shall not utilise such opportunities for their personal benefit. However once an opportunity is fully and properly disclosed to the Board and after consideration rejected by them then it ceases to be a Corporate Business Opportunity.

#### **(M) Compliance with Applicable Laws & Company's Policies**

Every person to whom the Code is applicable and others directly or indirectly associated with the Company shall comply with all applicable laws, rules, regulations and guidelines issued by the Government of India from time to time.

Further they shall also comply with the various policies, guidelines and codes formulated by the Company in compliance with the Listing Regulations and other applicable provisions including the Company's policy on insider trading and procedures for fair disclosure.

#### **(N) Amendments to The Code**

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise and all such amendments/ modifications

shall take effect from the date stated therein. All Directors and Senior Management Personnel shall be duly informed of such amendments and modifications. The Code and subsequent amendment(s) thereto, shall be published on the website of the Company.

**(N) Declaration for Compliance with the Code**

All Directors and Senior Management Personnel shall sign the acknowledgment form at “**Annexure-II**” and return the form to the Company Secretary indicating that they have received, read and understood the provisions of the Code, and agree to comply with the same.

All Directors and Senior Management Personnel shall be required to affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Company Secretary, in the form annexed at “**Annexure-III**”.

The annual report of the Company shall carry a declaration signed by the CEO/ Managing Director of the Company stating that the members of Board and Senior Management have affirmed compliance with the Code.

**(O) Consequences of Non- Compliance of This Code**

Suspected violations of the Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated and action will be taken on the conclusion of the enquiry by the Board which may even include a request to resign as Director or Senior Management of the Company, if permitted by applicable laws and is in the best interest of the Company.

## Annexure – I

### Duties of Independent Directors

The duties of the Independent Director as laid down in Schedule IV to the Companies Act, 2013 are as follows:

The independent directors shall:

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the Company;
6. where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the Company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
10. ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy; and
12. acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.



## Annexure – II

### MosChip Technologies Limited

#### Code of Conduct for Board Members and Senior Management Personnel

#### ACKNOWLEDGEMENT FORM

I ....., have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature: .....

Name: .....

Designation: .....

Date : .....

Place : .....



## Annexure – III

### MosChip Technologies Limited

#### Code of Conduct for Board Members and Senior Management Personnel

#### ACKNOWLEDGEMENT FORM

I .....do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31<sup>st</sup> March .....

Signature: .....

Name: .....

Designation: .....

Date : .....

Place : .....

\* To be submitted by 30<sup>th</sup> April each year.



## Annexure – IV

### MosChip Technologies Limited

#### Code of Conduct for Board Members and Senior Management Personnel

#### EXTRACT OF SECTION 2(77) OF THE COMPANIES ACT, 2013 AND RULES THEREUNDER

Meaning of “**relative**”

“**relative**”, with reference to any person, means anyone who is related to another, if—

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed;

The Companies (Specification of definitions details) Rules, 2014-para 4 prescribed as under:

List of relatives in terms of clause (77) of section 2.- A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely: -

- (1) **Father**: provided that the term “Father” includes step-father.
- (2) **Mother**: Provided that the term “Mother” includes the step-mother.
- (3) **Son**: Provided that the term “Son” includes the step-son.
- (4) **Son’s wife**.
- (5) **Daughter**.
- (6) **Daughter’s husband**.
- (7) **Brother**: Provided that the term “Brother” includes the step-brother;
- (8) **Sister**: Provided that the term “Sister” includes the step-sister.