

NAVA BHARAT VENTURES LIMITED

Nava Bharat Chambers, 6-3-1109/1, Raj Bhavan Road, Hyderabad – 500 082

**Code of Conduct and Ethics for Directors and Senior Management Personnel under
Reg. 17(5) of the SEBI (Listing Obligations and Disclosure Requirements)
Requirements, 2015 (LODR)**

Preface

The Directors both executive and non-executive directors and Senior Management Personnel, are responsible to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies, including such other requirements which are incidental thereto. The Board of directors of the Company is entrusted with the fiduciary responsibility of oversight over the assets and affairs of the Company. As directors and Senior Management Personnel of the Company, they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholders.

The code of conduct is applicable to:

- (i) The Directors, both executive and non-executive directors
- (ii) All Senior Management Personnel of the Company as defined under LODR from time to time

The Board of directors of the Company has adopted this Code of Conduct as a testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflicts of interest.

The rules and principles set forth in this Code are general in nature and the compliance with the Code shall be ensured read with other applicable policies and procedures of the Company. The directors may contact the Chief Financial Officer, Executive Director or the Compliance Officer for assistance in interpreting the requirements of this Code.

It is hereby clarified that the requirement to comply with this Code does not constitute an express or implied promise of continued employment contract with the Company.

Any amendments to this Code, shall be first approved by the Board of Directors and promptly communicated to all Directors and Senior Management Personnel.

Any queries regarding compliance or non-compliance with this Code may be raised in writing with the Compliance Officer.

Legal, Honest and Ethical Conduct

The directors and senior management personnel are required to conduct their duties legally, honestly and ethically, when acting on behalf of the Company or in connection with the Company's business or operations.

They shall

- Act in the best interests of, and fulfill their fiduciary duties to the stakeholders of the Company;
- Act honestly, fairly, ethically, with integrity and loyalty;
- Conduct themselves in a professional, courteous and respectful manner;



- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Act in a manner to enhance and maintain the reputation of the Company;
- Treat their colleagues with dignity and shall not harass any of them in any manner.

Compliance with Laws, Rules and Regulation

The policy of the Company is to comply strictly with all laws governing its operations and to conduct its affairs in keeping with the highest moral, legal and ethical standards. Accordingly, the directors and senior management personnel shall respect and obey the laws of the jurisdictions in which the Company operates and comply with all applicable laws, rules, regulations, agreements, guidelines, standards and internal policies, including other requirements incidental thereto. The Company has an Insider Trading Policy, which shall be reviewed and adherence of which shall be ensured. The directors and senior management personnel are expected to have knowledge of laws and regulations affecting their job responsibilities and avoid any involvement in acts known to be illegal, unethical or otherwise improper. Where any doubt, the directors and senior management personnel may seek assistance from the Executive Director of the Company.

Conflict of Interest

The policies and procedures under this code requires that the directors and senior management personnel of the Company shall avoid any activity or association that creates or appears to create a conflict between the personal interests of the directors and senior management personnel and the Company's business interests.

- a) **Other employment/assignments:** The executive directors and senior management personnel of the Company shall devote themselves exclusively to the business of the organization and shall not accept any other work or assignment for remuneration (part-time or otherwise). The directors and officers are expected to avoid even the appearance of a conflict of interest even if the activity is non-remunerative.
- b) **Disclosure of interest by director:** The directors shall disclose conflicts of interest that directors may have regarding any matters that are placed before the Board, and abstain from discussion and voting on any matter in which the director has or may have a conflict of interest and shall make available to and share with other directors information as may be appropriate to ensure proper conduct and sound operations of the Company.
- c) **Other directorships:** Acceptance of directorship on the Boards of other Companies, which compete with the Company, amounts to conflict of interest. The directors and senior management personnel shall obtain the prior approval of the Board of Directors before they accept such directorship(s).
- d) **Related parties:** The policies and procedures of the Company expect that the directors and senior management personnel avoid conduct of business of the Company with their relatives or their significantly associated Companies, firms and other businesses. In case

of conflicts, disclosure shall be made to the Board of Directors and its approval shall be obtained before proceeding further.

- e) **Gifts:** The directors and senior management personnel of the Company shall not accept any personal gifts that, because of their value or the time at which they are offered, could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. The directors and senior management personnel of the Company shall also avoid offering of gifts or payments or authorization of payments by way of gifts. Gifts on account of celebrations, memorial in nature, business meals, gifts received because of personal relationship and not because of official position, mementos received because of attending widely held gatherings as panelist / speaker and other customary gifts which are not improper and do not in any way, influence the business decisions, are allowed under this policy.
- f) **Protection and proper use of the Company's Assets:** The directors and senior management personnel shall protect the Company's assets and ensure their efficient use. All Company assets should be used for legitimate business purposes. Company's assets should not be used for other than business requirements of the Company. Incidental personal use, if reasonable, do not amount to violations under this Code.
- g) **Confidentiality of information:** The directors and senior management personnel must maintain the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or officers, until and unless authorized or legally required to disclose such information; and shall not use confidential information and other corporate opportunities for their personal advantage.
- h) **Others:** The conflicts of interest that may arise in any other form which at this point of time, may not be practicable to enumerate. In case, any act, transaction or situation raises doubts or questions, the directors or officers must consult the Company's Board of Directors.

Duties of Independent Directors:

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;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Disclosures standards

As a public Company, the Company is committed to full, fair, accurate, timely and understandable disclosure in reports and documents that it files with, or submits to, the regulatory authorities, in other public communications of the Company.

In support of this commitment, the directors and senior management personnel shall be responsible for establishment and compliance with the disclosure and reporting requirements and internal controls for the financial reporting.

Competition and Fair Dealing

All directors and senior management personnel are obligated to deal fairly with each other, the Company's customers, suppliers, competitors and other third parties. Directors and senior management personnel should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice.

Relationships with Customers

The Company's business success depends upon its ability to foster lasting customer relationships. The Company is committed to dealing with customers fairly, honestly and with integrity. Specifically, the following guidelines should be kept in mind when dealing with customers:

- Information supplied to customers should be accurate and complete to the best of knowledge. Directors and senior management personnel should not deliberately misrepresent information to customers.



- Directors and senior management personnel should not refuse to sell, service or maintain products the Company has produced simply because a customer is buying products from another supplier.
- Customer entertainment should not exceed reasonable and customary business practice. Directors and senior management personnel should not provide entertainment or other benefits that could be viewed as an inducement to or a reward for, customer purchase decisions.

Relationships with Suppliers

The Company deals fairly and honestly with its suppliers. This means that our relationships with suppliers are based on price, quality service and reputation. Directors and senior management personnel dealing with suppliers should carefully guard their objectivity:

Specifically, no director and senior management personnel should accept or solicit any personal benefit from a supplier or potential supplier that might compromise, or appear to compromise, their objective assessment of the supplier's products and prices. Directors and senior management personnel give or accept promotional items of nominal value or moderately scaled entertainment within the limits of responsible and customary business practice.

Relationships with Competitors

The Company is committed to free and open competition in the marketplace. Directors and senior management personnel should avoid actions that could reasonably be construed as being anticompetitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

Policy against Retaliation

The Company strictly prohibits retaliation against any director and senior management personnel who, in good faith, seek help or report known or suspected violations. Any reprisal or retaliation against them in such cases will be subject to disciplinary action.

Compliance with Code

This Code of Conduct will be posted on the Company's website in compliance with Reg. 46(2)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Any violations of the Code shall be promptly reported to the Executive Director or the Compliance Officer.

All members of the Board of Directors and Senior Management Personnel shall affirm compliance with the Code of Conduct of Board of Directors and Senior Management on an annual basis.



The Annual Report of the Company shall contain a declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management.

Acknowledgement

The Directors and Senior Management Personnel shall read and fully understand this Code of Conduct and Ethics and abide by the policies, procedures and principles contained therein.

This Policy was reviewed by the Board of Directors and modified on February 7, 2019 in the light of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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