



# **ALLIED DIGITAL SERVICES LIMITED**

## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

**and**

## **ETHICS POLICY**

## **PREAMBLE**

In terms of the provisions of the Companies Act 2013, read with relevant rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Allied Digital Services Limited (hereinafter referred to as the “ADSL” or “Company”) has laid down the Code of conduct with effect from 14<sup>th</sup> day of November 2017.

The said Code of Conduct (hereinafter referred to as the “Code”) is applicable to Directors and Senior Management of the Company. This Code envisages that the Directors and Senior Management must act within the bounds of the authority conferred upon them and with a duty to comply with the requirements of applicable law and within the Code of Conduct given below.

The purpose of this Code is to enhance ethical standards and transparency in managing the affairs of the company to sustain the trust and confidence reposed by the shareholders of the Company.

The Directors and Senior Management should sign the acknowledgment form annexed as Annexure – I hereto and return the form to the Company Secretary indicating that they have received, read, understood and agreed to comply with the Code. All the Directors and Senior Management 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 hereto as Annexure – II. The Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director.

## **OBJECTIVE:**

The objective of this Code of Conduct is to conduct the business of the ADSL in accordance with the applicable Laws, Regulations and Rules and with highest standard of ethics, transparency and values. The matters covered in this Code are of utmost importance to the Company, its Shareholders and other Stakeholders.

## **APPLICABILITY:**

This Code of Conduct is applicable to all the Company Directors and Senior Management.

*"Directors" shall mean the Directors on the Board of Directors of the Allied Digital Services Limited.*

*"Senior Management" shall mean personnel of the Company who are members of core management team including all members of management one level below the executive directors and all functional heads.*



**ACCOUNTABILITY:**

The Directors and Senior Management personnel shall discharge their duties in good faith and integrity in business judgment and in the best interests of the Company and its stakeholders. They are expected to use their best endeavours and organize the resources for advancing the Company's mission. They are expected to act ethically, honestly, diligently and in good faith to protect the Company's brand equity and image. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. They shall act in the best interests of the company and fulfil their fiduciary obligations. In addition, to the above, the Independent Directors shall be responsible to perform their duties as laid down in the Companies Act, 2013.

**CONFLICT OF INTEREST:**

Directors and Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. All the Directors and Senior Management Personnel must avoid any conflict of Interest between them and ADSL. If case, if any such situation arises, all Directors and senior management must disclose the fact to the Managing Director for appropriate decision.

If any Director or Senior Management fails to make a disclosure as required herein, and the Company of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed, the Company shall take a serious view of the matter and consider suitable disciplinary action.

**COMPLIANCE:**

Every Director and member of senior management of the Company shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. Violations of laws, rules, regulations, or the Code of Conduct shall be reported to the Board of Directors through the Compliance Officer.

**DIRECTORSHIPS/MEMBERSHIP:**

All the Directors must disclose their Directorship, Committee Membership on the Board of other Companies and changes in the substantial shareholding in other Companies to the Board on an annual basis. It is felt that service on the Board of direct competitor is not in the interest of the company.

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**ETHICAL CONDUCT:**

The Senior Management of the Company, including Executive Directors and the Managing Director, shall deal on behalf of the company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

**CONFIDENTIALITY OF INFORMATION:**

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

**CONFIDENTIAL INFORMATION INCLUDES BUT ARE NOT RESTRICTED TO:**

- Unpublished Price Sensitive Information/ Company Strategy
- Current or future R&D programs, technical breakthroughs and/or inventions
- Investments, planned mergers or acquisitions
- Information received from customers, partners, and suppliers/OEM
- Unpublished Financial data either actual or projected
- All Employee related information

**INSIDER TRADING:**

Director or Senior Management shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of unpublished price sensitive information and therefore constituting insider information. The said personnel are also advised to comply with SEBI (Prohibition of Insider Trading) Regulations, 1992 and other applicable provisions (including any statutory modifications or re-enactments thereof for the time being in force) along with the Insider Trading Policy of the Company as applicable.

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### **FINANCIAL REPORTING AND RECORDS:**

The Company being a listed company is required to comply with strict accounting principles and regulations. The Company shall prepare and maintain its accounts fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all the company's business transactions and disposition of assets. All required information shall be accessible to company auditors and other authorized parties including government agencies.

There shall be no wilful omissions of any company transactions from the books and records, no advance income recognition, and no hidden bank account and funds. Any wilful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant laws.

### **QUALITY OF SERVICES:**

The Company shall be committed to rendering services of the highest quality standards, backed by efficient after-sales service consistent with the requirements of the customers to ensure their total satisfaction. The quality standards of the company's services shall meet the required national standards, and the company shall endeavour to achieve international standards.

### **TEAMWORK AND SPIRIT:**

The principles of mutual trust, teamwork and spirit shall be appreciated and maintained. Best efforts shall be made to contribute to an environment that builds confidence and empowers people through professional growth. They shall attempt that the teams grow together through collaborative working, skills development, knowledge sharing and learning from each other. Employees being invaluable assets shall be motivated to achieve higher goals.

### **HEALTH, SAFETY AND ENVIRONMENT:**

The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. The Company shall be committed to prevent the wasteful use of natural resources and minimise any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

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**CORPORATE OPPORTUNITY:**

Except as approved by the Board, Directors & Senior Management personnel are prohibited from:

- taking any personal opportunities directly or indirectly that belong to the Company;
- using the Company's property, information or position for personal gain/advantage or to cause detriment to the Company; and
- competing with the Company.

**GIFTS AND DONATIONS:**

No Director or Senior Management Personnel of the company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which influence a decision or are intended a decision or are intended to obtain business favours. Nominal gifts of commemorative nature, for special events may be accepted and reported to the Board. The Employees and Directors shall report any such incident that they may be witness to.

**ANTI-CORRUPTION / BRIBERY:**

Corruption means the misuse or abuse of office or power for personal gain.

The Company's reputation for honesty, integrity and fair dealing is an invaluable component of the Company's success.

The Company condemns corruption in any forms and is committed to comply with all relevant anti-corruption legislations in force.

All Directors, Senior Management personnel are required to read and understand the full implications of the laws and policies on bribe and abide by it in letter and spirit. All Directors, Senior Management personnel are also obligated to report any such incident that they may be witness to.

The Company does not espouse the payments or receipt of bribes or improper payments for business or financial gain. As a corollary, no employee, director or representative of the Company should do anything that could give an impression that the Company could be influenced in this manner.



**SUSPECTED AND FRAUDULENT BEHAVIOR:**

Any acts of commission or omission which are detrimental to the business of the company i.e., bribery, fraud, pilferage, theft, etc., will be termed as misconduct. Any such suspected fraudulent behaviour is liable to be investigated and the employee/s, directors concerned is/are liable to face appropriate disciplinary action including dismissal from the services of the company.

**SAFEGUARDING COMPANY'S ASSETS:**

The assets of the Company shall not be misused but shall be employed for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

**AMENDMENT:**

This Code may be amended, modified or varied by the Board as may be deemed necessary in the interests of the Company and subject to the provisions of applicable laws, regulations or guidelines.

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