

**CODE OF BUSINESS CONDUCT AND ETHICS -  
FOR BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL**

**1. INTRODUCTION**

- 1.1 This Code of Conduct (hereinafter referred to as the "**Code**") shall be called "The Code of Business Conduct and Ethics for Board Members and Senior Management Personnel" of Dhanvantri Jeevan Rekha Limited (hereinafter referred to as the "**Company**")
- 1.2 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Board Members and the Senior Management Personnel by the shareholders of the Company. Board Members 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.

- 1.3 This Code envisages that the Board of Directors of the Company ("**Board**") and the Senior Management Personnel must act within the bounds of the authority conferred upon them and with a duty to comply with the requirements of applicable law.
- 1.4 The principles prescribed in this Code are general in nature and lay down broad standards of compliance and ethics, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR]

## **2. DEFINITIONS & INTERPRETATION**

- 2.1 In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:
- i. "**Board**" shall mean the Board of Directors of the Company.
  - ii. "**Board Members**" shall mean the Directors on the Board of the Company.
  - iii. "**Company**" shall mean NHPC Limited.
  - iv. "**Conflict of Interest**" shall mean where the interest or benefits of one person or entity conflict with the interests or benefits of the company.
  - v. "**Government**" shall mean Govt. of India.
  - vi. "**Independent Director**" shall have the same meaning as assigned to the term in Section 2(47) of the Companies Act, 2013 and Regulation 16 (1)(b) of SEBI LODR.
  - vii. "**Key Managerial Personnel (KMP)**" shall have the same meaning as defined under Section 2(51) of the Companies Act 2013

- viii. **“Relative”** shall have the same meaning assigned to the term in Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014, more specifically detailed in
  - ix. **“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 and shall specifically include company secretary and chief financial officer. This would comprise of II Executive Directors, Group General Managers/General Managers and Head of Projects / Power Stations.
  - x. **“Whole Time Directors”** shall mean the Board Members who are in the whole-time employment of the Company.
- 2.2 In this Code words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

### **3. APPLICABILITY**

- i. Whole-Time Directors
- ii. Part-Time Directors unless specifically exempted from some provisions of Govt. of India including Independent Directors
- iii. Senior Management Personnel & Key Managerial Personnel

### **4. ETHICAL CONDUCT**

Every Board Member and Senior Management Personnel shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interests of the Company in view and

shall:

- i. **Be honest and trustworthy & practice integrity, professionalism, utmost care, skill, diligence, good faith and integrity:** Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively. He should act with high moral and ethical standards.
- ii. Fulfill their fiduciary obligations without allowing their independence of judgment to be compromised;
- iii. Act fairly and transparently and not participate in any decision-making process on a subject matter in which a conflict of interest exists or is likely to exist such that an independent judgment of the Company's best interest cannot be exercised;
- iv. Avoid conducting business with (a) a relative (b) a private limited company in which he or his relative is a member or a director (c) a public limited company in which he or his relative holds 2% or more shares or voting rights and (d) with a firm in which he or his relative is a partner, except with the prior approval of the Board
- v. Avoid having any personal and/or financial interest in any business dealings concerning the Company;
- vi. Not engage in any business, relationship or activity with anyone who is a party to a transaction with the Company;
- vii. Avoid any dealings with a contractor or supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influences decisions to be made by the Company;
- viii. Not hold any positions or jobs or engage in other businesses or interests that are prejudicial to the interests of the Company;

- ix. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy;
- x. uphold the values of equality, tolerance, respect for others, and the principles of equity & justice;
- xi. not discriminate on the basis of race, sex, religion, caste, age, disability, national origins or other such factors;
- xii. Keep the Board informed in an appropriate and timely manner any information in the knowledge of the member or Senior Management Personnel which is related to the decision making or is otherwise critical for the company;
- xiii. Treat the other members of the Board, Senior Management Personnel and other persons connected with the company with respect, dignity, fairness and courtesy;
- xiv. Act in a manner to enhance and maintain the reputation of the Company;
- xv. Not make any statement which has the effect of adverse criticism of any Policy or action of the Government or of the company or which is capable of embarrassing the relations between the company and the public including all the stakeholders.

Provided that nothing in this clause shall apply to any statement made or views expressed by a Board Member or Senior Management Personnel which are purely factual in nature and are not considered as confidential, in his official capacity or in due performance of the duties assigned to him.

- xvi. undertake to actively participate in the meetings of the Board or Committees on which they serve.

#### **4(a) Pledge & Practice**

The Directors and Senior Management Personnel shall:

- i. strive continuously to bring about integrity and transparency in all spheres of the activities,
- ii. work unstintingly for eradication of corruption in all spheres of life,
- iii. remain vigilant and work towards growth and reputation of the company,
- iv. bring pride to the organization and provide value based services to the company's stakeholders, do duty conscientiously without fear or favor.

#### **4(b) SPECIFIC PROFESSIONAL RESPONSIBILITIES**

- 4(b) (i)** Live the Mission, Vision, Objectives, Commitments and Values of the Company each day. The Mission, Vision, Objectives and Commitments are elaborated in Citizen's Charter of the Company available on the website of Company i.e. [www.nhpcindia.com](http://www.nhpcindia.com).

#### **Values**

- Zeal to excel and zest for change
- Integrity and fairness in all matters
- Respect for dignity and potential of individuals
- Strict adherence to commitments

- Ensure speed of response
- Foster learning creativity and team work
- Loyalty and pride in the Company

**4(b) (ii) Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work:**

Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

**4(b) (iii) Acquire and maintain professional competence**

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

**4(b) (iv) Accept and provide appropriate professional review**

Quality professional work depends on professional review and comments. Whenever appropriate, individual members and senior management personnel should seek and utilize peer review as well as provide critical review of their work.

**4(b) (v) Manage personnel and resources to enhance the quality of working life**

Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management Personnel would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the

employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

#### **4(b) (vi) Be upright and avoid any inducements**

The Board Members and the Senior Management Personnel shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

5. Independent Directors: - are also required to follow code of conduct as per Schedule IV of the Companies Act, 2013.

#### **6. DISCLOSURES**

6.1 Notwithstanding that any instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested Board Member and the Senior Management Personnel should be made to the Company. It is also incumbent upon every Board Member and Senior Management Personnel to make a full disclosure of any interest which the Board Member or the Board Member's immediate family, Senior Management Personnel or their immediate family, which would include parents, spouse and children, may have in a company or firm which is a supplier, customer, distributor of or has other business dealings with the Company.

6.2 With respect to related party disclosures, Board Members and



Senior Management Personnel shall make disclosure to the Board/Chairman respectively, as per the provisions of the Companies Act, 2013 and Rules/Regulations made thereunder as well as applicable Accounting Standards.

- 6.3 If a Board Member or Senior Management Personnel 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 by the Board Member or Senior Management Personnel, the Company would take a serious view of the matter and consider suitable disciplinary action against the Board Member or the Senior Management

## **7. INSIDER TRADING**

Every Board Member, Senior Management Personnel shall comply with the "Code of Conduct to regulate, monitor and report trading by Insider and Code for fair disclosure practices. A Board Member, Senior Management Personnel and their family members shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company which is not in the public domain and thus constitutes insider information. They shall maintain confidentiality of all price sensitive information. Unpublished price sensitive information would be disclosed only to those within the company who need the information to discharge their duty.

## **8. PUBLIC REPRESENTATION AND CONFIDENTIALITY OF INFORMATION**

- 8.1 The Company honors the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company shall be represented only by specifically authorized Officers/Senior Management Personnel.
- 8.2 Any information concerning the Company's business, its customers, suppliers, etc. to which the Board Members or Senior Management Personnel have access or which is possessed by the Board Members or Senior Management Personnel, must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless (i) authorized by the Board; or (ii) the same is part of the public domain at the time of disclosure.

## **9. REGULATORY COMPLIANCE**

Every Board Member and Senior Management Personnel shall, in his business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit, in all the territories in which he operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **10. HEALTH, SAFETY AND ENVIRONMENT**

**(i).** This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well being includes a safe natural environment.

**(ii).** Therefore, all Board Members and Senior Management Personnel who are accountable for the design, development, manufacture and promotion of company's products, must be alert to, and make others aware of, both a legal and a moral responsibility for the safety and the protection of human life and environment.

## **11. PROTECTION OF ASSETS**

The Board Members or the Senior Management Personnel shall not misuse, for personal gain or otherwise, the assets of the Company, including tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships

with customers and suppliers, etc., and shall employ them for the purpose of conducting the business for which they are duly authorized.

## **12. PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to the applicable SEBI Regulation and Guidelines, this Code and any amendments thereto shall be posted on the website of the Company.

## **13. ENFORCEMENT OF CODE OF CONDUCT**

Each Board Member and Senior Management Personnel shall be accountable for fully complying with this Code.

## **14. CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE**

- 16.1 In case of breach of this Code by the any Directors, the same shall be considered by the Board for initiating appropriate action, as deemed necessary.

## **17. WHERE TO SEEK CLARIFICATIONS**

Any Board Member or Senior Management Personnel requiring any clarification regarding this code of conduct may contact Director (Personnel)/ Company Secretary/ any officer specifically designated by the Board of Directors.

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**FOR**

**BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

**SECTION 2(77) OF THE COMPANIES ACT, 2013**

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

- (a) they are members of a Hindu Undivided Family;
- (b) they are husband and wife; or
- (c) one person is related to the other in the manner indicated in Rule 4 of the Companies (Specification of definitions details) Rules, 2014;

**Rule 4 of the Companies (Specification of definitions details)  
Rules, 2014**

**LIST OF RELATIVES**

1. Father (including step father)
2. Mother (including step-mother)
3. Son (including step-son)
4. Son's wife
5. Daughter
6. Daughter's husband
7. Brother (includes step brother)
8. Sister (includes step sister)

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**FOR**  
**BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**  
**ANNUAL COMPLIANCE REPORT\***

I.....do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31<sup>st</sup> March 20\_\_\_\_.

Signature :.....

Name :.....

Designation :.....

Date :.....

Place :.....

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

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**FOR**  
**BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**  
**ACKNOWLEDGEMENT FORM**

I ....., have received and read the Company's "CODE OF BUSINESS CONDUCT AND ETHICS 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 :.....