

CODE OF CONDUCT FOR PRINCIPAL EXECUTIVE AND SENIOR FINANCIAL OFFICERS

INTRODUCTION

Motherson Sumi Systems Limited (MSSL) is committed to conduct its business with highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The matters covered in this Code are of the utmost importance to the Company, our shareholders and our business partners. Further, these are essential so that we can conduct our business in accordance with our stated values.

Our Company is committed to conduct its business affairs in accordance with the economic development, objectives of the Government and foreign policies of our country and in the countries in which we operate.

The Code is applicable to the following persons, referred to as Officer(s)

- i) Chief Operating Officer(s)
- ii) Chief Financial Officer
- iii) Members of the Board of MSSL and its subsidiaries & joint venture companies, Committee members, all members of the senior management (Managers and above) of the company and its subsidiaries and joint venture companies, the members of the audit committee.

Officers are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company.

The Officers can contact Mr. G.N. Gauba, Company Secretary and V.P. Finance of the Company if they have any questions regarding this Code.

Nothing in this Code, in any Company policies and procedures, or in other related communications (verbal or written), creates or implies an employment contract or term of employment.

Officers should sign the acknowledgment form at the end of this Code and return the form to the HR department indicating that they have received, read and understood, and agree to comply with the Code. The signed acknowledgment form will be located in each Officer's personnel files. Each year, as part of their annual review, Officers will be asked to sign an acknowledgment indicating their continued understanding of the Code.

HONEST AND ETHICAL CONDUCT

We expect all Officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at offsite locations where the Company's business is being conducted, at Company sponsored business and social events, or at any other place where Officers are representing the Company.

We consider honest conduct to be conduct that is free from fraud or deception. We consider ethical conduct to be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

CONFLICTS OF INTEREST

An Officer's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Some of the examples are cited below :

- A. **Employment / Outside employment** : In consideration of employment with the Company, Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit Officers from accepting simultaneous employment with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position. Additionally, Officers must disclose to the Company's audit committee, any interest that they have that may conflict with the business of the Company.
- B. **Outside directorships**. It is a conflict of interest to serve as a director of any other company outside group. Officers must first obtain approval from the Company's audit committee before accepting a directorship.
- C. **Business Interests**. If an Officer is considering investing in any customer, supplier, joint venture partner, developer or competitor of the Company, he or she must first take care to ensure that these investments do not compromise on their responsibilities to the Company. Our policy requires that Officers first obtain approval from the Company's audit committee before making such an investment. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; the Officer's ability to influence the Company's decisions; his or her access to

confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.

D. **Related parties.** As a general rule, Officers should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws. The Company discourages the employment of relatives of Officers in positions or assignments within the same department/ organisation. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g., an auditing or control relationship, or a supervisor / subordinate relationship). Officers must disclose and obtain approval from the Company's audit committee regarding business relationship with related parties.

E. **Payments or gifts.** Under no circumstances may Officers accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive do not violate this policy. Gifts given by the Company to suppliers or customers, or received from suppliers or customers, should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety. The nature and cost must always be accurately recorded in the Company's books and records. Please follow the Company's Gift Policy in this regard i.e. all employees are advised to abstain from accepting any kind of gifts from any supplier, vendor or contractor having any business link with the organization.

In case, any supplier, vendor or contractor offers any kind of gift to any employee of the Company, the same may kindly be kept informed to the undersigned and the Gift may be deposited to MSSL HRM at C-14.

F. **Corporate opportunities.** Officers may not exploit for their own personal gain, opportunities that are discovered through the use of corporate property, information or position,

G. **Other situations.** The Officers should avoid other conflicts of interest also that may arise.

DISCLOSURE TO THE PUBLIC

Our policy is to provide full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to the Stock Exchange's, SEBI and various other authorities and in our other public communications. Accordingly, our Officers must ensure that they and others in the Company comply with our disclosure controls and procedures, and our internal controls for financial reporting.

COMPLIANCE WITH GOVERNMENT LAWS, RULES AND REGULATIONS

Officers must comply with all applicable government laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. Violations of applicable government laws, rules and regulations may subject Officers to individual criminal or civil liability, as well as to disciplinary action by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of business.

VIOLATIONS OF THE CODE

All the Officers as part of their job have to ensure that this Code is adhered to both in letter and spirit. Officers should be alert to possible violations and report this to the HR department or the finance department. Officers must cooperate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to the HR department or the finance department.

The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.

WAIVERS AND AMENDMENTS OF THE CODE

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of directors and promptly disclosed on the Company's website

and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

ACKNOWLEDGMENT OF RECEIPT OF CODE OF ETHICS FOR PRINCIPAL EXECUTIVE AND SENIOR FINANCIAL OFFICERS

I have received and read the Company's Code of Ethics for Principal Executive and Senior Financial Officers (the "Code"). I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult the HR department or the finance department, and that my questions or reports to these sources will be maintained in confidence.

Officer Name : _____
Unit Name : _____
Employee Code No. : _____
Signature : _____
Date : _____

Please sign and return this form to the HR department.