

## **EMPLOYEE CODE OF CONDUCT**

### **BACKGROUND**

At VECV, we conduct our business with honesty, integrity and in compliance with all applicable legal and regulatory requirements. Keeping this in mind, the employee code of conduct has been formulated to lay down the fundamental standards to be followed by all VECV employees.

### **OBJECTIVE**

The purpose of this policy is to lay down guidelines, procedures and norms which are to be followed by all VECV employees. The code of conduct includes the following:

- A) Conflict of interest
- B) Code of conduct on insider trading
- C) Competition Law Policy
- D) Anti- Bribery Policy
- E) Policy to deal with sexual harassment
- F) Policy guidelines on acceptance of gifts/ other benefits

### **A) CONFLICT OF INTEREST**

#### **OBJECTIVE**

To ensure that all employees abstain from participating in any transaction in any capacity where there could be a conflict between the interests of the organization and the interests of the employees.

#### **SCOPE**

These policy guidelines are applicable to all employees.

Examples of some of the conflicting interests are:

- i. Taking up an employment or running or having an interest in any other business/profession while in the full time employment of the company
- ii. Employment of relatives (list enclosed as **Annexure - I**) in any group/ associate company of VECV. In case any employee is planning to get married to any other employee within company then one of them will be required to relinquish from the services of the company before getting married. However, employee is getting married with any other employee who is not on the rolls of the company, but indirectly associated with the company through some other agency; he/she can get married subject to prior approval from the respective business partner HR & Functional Head.
- iii. Participating in processing/ decision making of transactions in which relatives (list enclosed as **Annexure - I**) of the employee are interested in any capacity. It is expected that in all such cases, the employee should set aside, declare his/ her "interest" in the transaction and ensure that all decisions/ negotiations with regard to such transactions are carried out by his/ her superior or any other person decided by the superior. It is necessary to obtain written clearance from his/ her superior not below the level of BU head before entering into any such transaction with the company.

- iv. An ex-employee will not have any business relationship with the company for at least 2 years after leaving the services of the company. Even after completion of 2 years, business relationship with VECV can be established only after specific written approval from **CEO/Business Head**. For any deviation, it has to be routed through & approved by **CEO**. In case of re-hire of any ex-employee in the company, it can only be done subject to prior approval of Sr. Vice President-Human Resources & **CEO**.
- v. All VECV employees are required to sign undertaking as per Annexure-II in order to ensure confidentiality & non-disclosure of company related information.

## **B) CODE OF CONDUCT ON INSIDER TRADING**

VECV being a subsidiary of Eicher Motors Ltd, the Code of Conduct on Insider Trading of EML and Code of Conduct under Clause 49 are also applicable to all VECV employees. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended from time to time) and the Listing Agreement entered into by a Company with the Stock Exchange(s), requires a Company to frame a “Code of Conduct for prevention of insider trading” by its employees, including its Directors, and its associates in relation to the securities of the said Company.

In line with the said Regulations and the amendment notifications issued by SEBI on 19th November, 2008, the “Code of Conduct for Prevention of Insider Trading” (hereinafter referred to as “Code” or “the Code”) is as follows:

### **I. CODE**

This code of conduct is applicable to all VECV employees, directors, business associates/ concerns or persons dealing with Eicher in any other capacity having access to the **Unpublished Price Sensitive Information (UPSI)** information including their dependent family members.

1. Every person preparing and circulating any **Unpublished Price Sensitive Information (UPSI)** as defined hereinafter in **Annexure - III** shall ensure to notify the following notation “Private, Privileged and Confidential” on each such document/statement.
2. UPSI shall be handled on a “need to know” basis i.e. it should be disclosed to only those employees within the Company who need the information to discharge their official duties.
3. Not to advise or induce, communicate, counsel any other person to deal in shares of the company on the basis of UPSI.
4. a) Not to trade (Buy /Sell) in securities ie EML directly or through relatives or any other person during closure of trading window as announced by Compliance Officer from time to time or on the basis of any UPSI.  
  
b) To get the prior clearance from compliance officer for any sale/purchase of the securities of the Company during valid trading window where market value exceeds Rs. 5 lacs or 5000 shares, whichever is less.
5. To comply with the norms under the code and disclosure of the transactions to the Compliance Officer.

### **II. NORMS TO BUY / SELL SECURITIES / DISCLOSURES BY ‘EMPLOYEES’, DIRECTORS**

The Code is applicable to all VECV employees including the Directors of EML and their dependents, Business Associate (s) and Subsidiaries such as Eicher Goodearth Investments Limited, Eicher Goodearth Private Limited or any person dealing with Eicher in any other capacity having access to UPSI. All persons in above capacity either directly or through their relatives/ dependents (As per list enclosed as per **Annexure-IV**) shall

not buy / sell securities of the Company during Closure of the 'Trading Window', i.e. the period during which trading in the securities of the Company is prohibited.

#### **A) CLOSURE OF TRADING WINDOW**

Trading Window shall be closed during the following periods:

From 15th March up to twenty-four hours after the announcement of the annual financial results (and dividend, if any) to the Stock Exchanges.

From 15th June up to twenty-four hours after the announcement of the first quarter financial results to the Stock Exchanges.

From 15th September up to twenty-four hours after the announcement of the second quarter and half-yearly financial results to the Stock Exchanges.

From 15th December up to twenty-four hours after the announcement of the third quarter financial results to the Stock Exchanges.

From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including the following, are proposed. The closure of the Trading Window for these events will be advised by the Compliance Officer in consultation with the Chairman of the Company:

- a) Proposal in respect of issue of securities by way of public/ rights/ bonus etc.;
- b) Proposal in respect of significant expansion plans or execution of new large projects;
- c) Proposal in respect of amalgamations, mergers or takeovers;
- d) Proposal in respect of disposal of whole or substantially the whole of the undertaking;
- e) Proposal for any significant changes in policies, plans or operations of the company.

The Trading Window shall open 36 hours after close of the Board meeting at which decisions in respect of the above events are taken.

#### **B. TRADING AFTER PRIOR APPROVAL**

All employees, directors and their dependents/ relatives, business associates or persons dealing with Eicher in any other capacity shall require prior clearance from the Compliance Officer in respect of purchase / sale of securities of the Company, where the market value exceeds Rs.5,00,000/- or 5000 shares whichever is less (either in one transaction or in a series of transactions). Such purchase / sale of securities by the Compliance Officer shall require prior clearance from the Chairman of the Company. Purchase / Sale transactions, for which prior clearance has been obtained, shall be executed within seven days of such clearance.

The form for obtaining prior clearance is as per **Annexure-V**.

#### **III. TRADING IN SHARES/DERIVATIVE TRANSACTIONS**

All directors / employees of the Company who buy or sell any number of shares of the company shall not enter into an opposite transaction as same time i.e. sell or buy any number of shares during the next six months following the prior transaction. All directors / employees shall also not take positions in derivative transactions in the shares of the Company at any time.

In case of subscription in the primary market (initial public offers), the directors/ employees shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

In case of personal emergency, the prior approval of the Compliance Officer shall be taken for relaxation in the Minimum Holding Period. In respect of the Compliance Officer, such relaxation shall require prior approval of the Chairman.

#### **IV. DISCLOSURES**

All employees and Directors shall make the disclosures of shares and other securities held in the Company by them and their dependant family members, to the Compliance Officer in the following manner:

Initial disclosure shall be made within two working days of becoming employee or Director of the Company ( **Form VI as annexed**)

Annual disclosure of number of shares and other securities held as on 31st December, including details of purchase / sale of shares and other securities during the financial year. This disclosure shall be made within 30 days from the close of each financial year. (**Form VII as annexed**)

Any person who is director/ employee of the Company, together with their dependents shall disclose to the company and the stock exchange where the securities are listed, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person and his dependents from the last disclosure made and the change exceeds Rs. 5,00,000/- in market value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower. (**Form VIII as annexed**)

This disclosure shall be made within two working days of such change in shareholding

‘Dependant family members’ for this purpose means dependant parents, dependant children under the age of 21 years, dependant spouse and any other person(s) dependant on the Employee/ Director

#### **V. PENALTIES FOR CONTRAVENTION**

Violation of this Code will invite severe disciplinary action. Such disciplinary action will be irrespective of action that may be taken by SEBI under the Regulations.

#### **VI. GENERAL**

Employees and Directors are advised to peruse the Regulations carefully and acquaint themselves with all the provisions contained therein. The other terms, regulations and provisions which are not specifically mentioned herein shall apply mutatis mutandi as provided in The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (amended from time to time) and Model Code of Conduct contained therein

#### **VII. AMENDMENT**

The Code of Conduct shall automatically be amended in accordance with the amendments to be taken place in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 from time to time. The amended Code of Conduct shall be circulated to the Board Members and uploaded on Company’s website.

The Company Secretary shall be the Compliance Officer for the purpose of the Code.

The above shall come into force with immediate effect.

## **CODE OF CONDUCT– DIRECTORS & SENIOR MANAGEMENT**

The Board of Directors (the “Board”) and the senior management of Eicher Motors Limited (Company including its subsidiaries) subscribe to “Eicher Code of Conduct” adopted by all Eicher Group Companies. This Code of Conduct is applicable to all the directors and to the senior management of the Company (from CEO levels up to the General Manager level).

It is expected that all concerned would:

- ⌚ Dedicate sufficient time, energy and attention to the company to ensure diligent performance of their duties of office and in exercising their powers attached to that office
- ⌚ Act honestly and use their powers of office, in good faith and in the best interests of the Company as a whole and fulfill their fiduciary obligations to Company’s shareholders;
- ⌚ Enhance shareholders value and comply with all regulations and laws that govern shareholders’ rights. To inform shareholders about all relevant aspects of the company’s business and disclose such information in accordance with the respective regulations and agreements;
- ⌚ Ensure the confidentiality of information and proper use of information for the purpose the information is provided for or received whilst being in office of Director. Any confidential information is only disclosed if authorised by the company, or the person from whom the information is provided, or as required by law;
- ⌚ Disclose potential conflicts of interest that they may have regarding any matter that may come before the Board and abstain from discussion and voting on any matter in which the Director has or may have a conflict of interest;
- ⌚ Not engage in conduct likely to bring discredit upon Company; ensure adequacy of systems and controls to protect Company’s assets and property and ensure its efficient use for business purposes;
- ⌚ Ensure adequacy of systems and controls to protect Company’s assets and property and ensure its efficient use for business purposes;
- ⌚ ensure that use of „Eicher” brand and logo (s) owned by Eicher Goodearth Private Limited (EGPL) and Eicher Motors Limited (EML) shall be governed by Eicher brand manual, code and agreements entered / to be entered with EGPL and EML and as modified from time to time;
- ⌚ Report the suspected violations of this Code to the Chairman of the Board;
- ⌚ Not accept gifts from persons or firms who deal with the Company where the gift is being made in order to influence the directors / senior management actions as a member of the Board / Company, or where acceptance of gifts could create the appearance of a conflict of interest
- ⌚ Affirm the compliance with the code on annual basis to the Company Secretary, Legal & Secretarial Department. The Annual Report of the Company shall carry a declaration to this effect signed by the CEO of the Company.

Besides the above, comply with all the applicable laws, regulations, Company’s policy and code including Company’s code of conduct on Insider Trading and Press Norms for communication.

### **C) COMPETITION LAW POLICY**

VE Commercial Vehicles Limited (VECV) is committed to high standards of legal business conduct conducive to healthy business environment. In line with this commitment to comply with the true letter and spirit of laws, this policy aims to strongly avoid certain activities so as to ensure the fair and competitive market environment pursuant to Competition Laws in India.

The Competition Act, 2002 (“the Act”) aims to prevent practices having an adverse effect on competition, promote and sustain competition in markets, protect the interest of consumer and ensure freedom of trade carried on by other participants in the markets in India.

Accordingly, pursuant to the Act and prevalent legal practices in India, this “Competition Law Policy” has been framed with a view to give an advance idea for our business conduct to be termed as fair and non-competitive.

Following summary is designed as a quick reference guide to the key elements of the Act, so as to enable us to protect the Company’s interest, our own interest and those of our customers and contribute to the society at large in providing fair and non-competitive market platform.

#### **A. EXCHANGE OF INFORMATION**

DO NOT discuss or exchange information about any of the following with competitors (even at social occasions), either orally or through email/phone/SMS:

- ⌚ current and future prices;
- ⌚ actual, planned or expected production, sales and export volumes;
- ⌚ special exceptions granted to specific dealers and distributors and the terms of such dealership or distributorship;
- ⌚ investment plans or new business ideas;
- ⌚ actual or planned territorial or customer strategies;
- ⌚ market shares or cost of production and profits.

#### **B. PRICE FIXING**

DO NOT discuss, agree on or exchange any business information with our competitors, especially information about:

- ⌚ prices including price changes (including timing of such changes);
- ⌚ production, sales and exports data;
- ⌚ discounts and rebates;
- ⌚ credit terms and other conditions of sale;
- ⌚ profit margins.

#### **C. MARKET/ CUSTOMER SHARING**

DO NOT enter into agreements or understandings with competitors to:

- ⌚ allocate territories, customers or products/services;
- ⌚ target only certain customers, territories or products/services;
- ⌚ not target each other’s customers, territories or products/services.

#### **D. RESTRICTION OR CONTROL OF PRODUCTION OR SUPPLY**

DO NOT enter into agreements or understandings with competitors which results in fixing product launches, sales quotas or reducing production or sales in any manner.



## **E. BID RIGGING**

DO NOT agree with a competitor to:

- ⌚ not bid against each other or not bid at all;
- ⌚ put in lower bid than our competitor;
- ⌚ establish a common basis to fix the terms or value of the bid;
- ⌚ squeeze out other bidders.

## **F. RESALE PRICE MAINTENANCE**

DO NOT:

- ⌚ prescribe minimum resale price to dealers or distributors;
- ⌚ force or even suggest to a dealer or distributor that he cannot discount our products or services beyond a certain floor;
- ⌚ refuse to supply or “punish” a dealer or distributor who sells below or recommended price.

## **G. WARRANTY, AFTER SALES SERVICES AND SALE OF SPAREPARTS**

DO NOT impose obligations on:

- ⌚ customers to have repairs and maintenance done by authorized service providers for spare parts which are not covered by warranty claims.
- ⌚ authorized distributors to not sell spare parts to independent repairers.

## **H. REBATES AND INCENTIVES**

DO NOT

- ⌚ offer rebates and incentive schemes selectively to certain dealers / distributors;
- ⌚ apply rebates on roll back basis.

## **I. PREDATORY PRICING**

DO NOT charge for your products below the cost of production with a view to reduce or eliminate competition.

## **D) ANTI-BRIBERY GUIDELINES**

VECV is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. VECV aims to conduct all of its business activities with honesty, integrity and the highest possible ethical standards and vigorously enforces its business practice, wherever it operates throughout the world, of not engaging in bribery or corruption.

VECV employees will be abiding by all applicable anti-bribery and corruption laws in every sphere in which it does business, so as to comply with the requirements preventing improper payments under all applicable anti-bribery and corruption laws.

A bribe is an inducement, payment, reward or advantage offered, promised or provided to any person in order to gain any commercial, contractual, regulatory or personal advantage. It is illegal to directly or indirectly offer

a bribe or receive a bribe. It is also a separate offence to bribe a government/ public official. "Government/ public official" includes officials, whether elected or appointed, who hold a legislative, administrative or judicial position of any kind in a country or territory.

A bribe may be anything of value and not just money- gifts, inside information, sexual or other favours, corporate hospitality or entertainment, offering employment to a relative, payment or reimbursement of travel expenses, charitable donation or social contribution, abuse of function and - can pass directly or through a third party. Corruption includes wrongdoing on the part of an authority or those in power through means that are illegitimate, immoral or incompatible with ethical standards. Corruption often results from patronage and is associated with bribery.

#### **EXAMPLES OF BRIBERY:**

Offering a bribe – Mr. X, an employee of XYZ Company, offers a potential client, tickets to a major sporting event, but only if they agree to do business with XYZ Company. This would be an offence as Mr. X is making an offer to gain a commercial advantage. It may also be an offence for the potential client to accept Mr. X's offer.

Receiving a bribe – Mr. Z works in the Supply Chain Management Department in ABC Company. A regular supplier offers a job for Mr. Z's cousin, but makes it clear, that in return they expect Mr. Z to use his influence to ensure ABC Company continue to do business with the supplier.

Bribing a government official – Mr. Y is asked to arrange for and of the record payment to be made to a customs official to speed up the administrative process of clearing our goods through customs.

#### **E) POLICY TO DEAL WITH SEXUAL HARASSMENT**

##### **BACKGROUND**

VECV is an equal employment opportunity company & is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias & sexual harassment. The company also believes that all employees of the company have the right to be treated with dignity. Sexual harassment at the work place or any other place outside the premises of the company, if involving employees, is a grave offence and is, therefore, punishable.

With this background, it is the policy of the Company to maintain a working environment free from all forms of sexual harassment or intimidation. Unwelcome sexual advances and other verbal or physical conduct of sexual nature at the workplace or in any other settings in which employees may find themselves in connection with their employment nature are serious violations and will not be tolerated.

##### **OBJECTIVE**

To detail out the company's approach on dealing with incidences of sexual harassment and to ensure that any incidence of sexual harassment is dealt with appropriately, sensitively and expeditiously.

##### **PURPOSE**

To foster a professional, open and trustworthy workplace



## **SCOPE**

This policy is applicable to all employees of the company and is deemed to be incorporated in the service conditions of all employees. Employee means any person on the rolls of the company including those on deputation, contract, temporary, part time or working as consultants.

## **DEFINITION OF SEXUAL HARASSMENT**

A broad definition of sexual harassment consists of any physical or verbal behavior and any form of communication that has unnecessary, improper or unwelcome sexual connotations. Sexual harassment may vary in form depending on circumstances. It may consist of, but not be limited to, any of the following:

- ⌚ Unwelcome sexual advances, requests for sexual favours, display of sexual visuals, sexual audios, pornographic or obscene material and any other verbal or physical conduct of a sexual nature
- ⌚ Transmitting any message, by mail, telephone, e-mail etc. which is obscene, lewd, suggestive or blatantly sexual in nature
- ⌚ Any explicit or implicit communication wherein a sexual favour or demand, whether by words or actions, is made a condition for an individual's employment, career progress, promotion etc. thereby creating a hostile environment.
- ⌚ Sexually charged jokes or remarks and behavior which have sexually oriented innuendoes
- ⌚ Consistent pattern of unnecessary physical contact, staring or targeting unreasonable attention at an individual in day to day dealings
- ⌚ Any pervasive pattern of behavior which makes employees uncomfortable, insecure or feel humiliated or disadvantaged on the basis of gender differentiation
- ⌚ Actual sexual assault

As mentioned above, this is an indicative but not an exhaustive list of possible forms of sexual harassment.

## **COMPANY'S APPROACH TOWARDS SEXUAL HARASSMENT**

The Company prohibits any form of sexual harassment in the way employees behave with each other. This applies equally to relations between superior and subordinates as well as between peers. Any incident of sexual harassment will be viewed extremely seriously. A complaint or report of sexual harassment will be immediately investigated and appropriate action will be taken against the offending employee or employees. Such action will depend on the nature and seriousness of the offence and will include strict disciplinary action including termination of service.

## **PROCESS FOR HANDLING COMPLAINTS**

A Complaints Committee for investigating Sexual Harassment cases has been established. It will comprise of:

1. Legal Head of the company
2. Three identified employees of the company. Out of three employees, two should be female employees & amongst three at least one should not be lower than General Manager level in the company
3. Concerned BU HR Head

The tenure of the Committee is one year and every year members will be re-appointed by the management. The Committee shall meet at least once in a month to ensure the effectiveness of system and find out the ways to promote a safe and healthy working environment.

## Process for dealing with incidents of sexual harassment

- ⌚ Persons who believe they have been victims of sexual harassment should report the incident(s) immediately to any member of the Committee in writing within 10 days of the incident. (Delay in reporting makes it more difficult to establish the facts of a case and may contribute to the repetition of offensive behavior.)
- ⌚ Any employee, at any location of VECV, who experiences sexual harassment, can get in touch with any member of this panel. Alternatively, the affected employee may approach any senior executive and such senior executive will be expected to inform a member of the panel immediately. All such complaints shall be in writing with full details of the incident.
- ⌚ On receipt of such a complaint, the panel will immediately arrange to fully investigate all relevant details of the matter. It will do so with all possible care, sensitivity and discretion in protecting the sensibilities of the affected employee. The employee or employees, who have allegedly committed the offence, would be given all reasonable opportunity to be heard by the panel.
- ⌚ At the first meeting, the committee members shall hear the complainant and record her/his allegations. The complainant can also submit any corroborative material with a documentary proof, if any, oral or written material etc. to substantiate his/her complaint. If complainant does not wish to depose personally due to embarrassment of narration of event, a lady officer for lady employees involved and a male officer for male employees, involved shall meet & record the statement.
- ⌚ Thereafter, the person against whom complaint is made may be called for a deposition before the committee and an opportunity will be given to him/her to give an explanation.
- ⌚ In the event, the complaint does not fall under the purview of sexual harassment or the complaint does not mean an offence of sexual harassment, the same would be dropped after recording the reasons thereof.
- ⌚ In the case the complaint is found to be false, the complainant shall, if deemed fit, be liable for appropriate disciplinary action by the Management.
- ⌚ The result of this investigation will be formally recorded and communicated to the Head-HR and CEO of the respective organization along with a recommendation for appropriate action.
- ⌚ The panel will normally complete this process and make its formal recommendation within 15 days after receiving the complaint unless there are exceptional circumstances.
- ⌚ Necessary action will then be taken by HR with regard to the offending employee or employees based on the circumstances and seriousness of the offence.
- ⌚ Where the Company is legally advised that any such incident constitutes a criminal offence, the Company will inform the relevant authority, provide full details and request appropriate action. If the aggrieved employee directly takes any action, against the offending employee, either civil or criminal, the panel on becoming aware of such action by the aggrieved employee, shall be entitled to, suo motu, start the internal enquiry / investigation and recommend appropriate action.
- ⌚ The Company will ensure that the career interests of the complainant are not adversely affected by virtue of the individual having drawn attention to such an offence.
- ⌚ In order to ensure that this important matter is not trivialized, any complaint, which, in the opinion of the panel is blatantly false or frivolous or has been motivated by reasons that are clearly unconnected with gender issues, would be viewed very seriously by the company and appropriate action taken against such complainants.
- ⌚ If the panel receives an anonymous reference related to sexual harassment, it will ask the BU HR Head of the concerned division to examine the matter. The BU HR Head will probe the matter and communicate the conclusions and plans for necessary action to the panel.
- ⌚ Heads of departments and senior executives at all company locations will also be expected to be sensitive to any circumstances or behavior among their colleagues which appear to go against the company policy on this matter. In case they become aware of any such incidence, they will immediately inform the panel and take appropriate action as advised.
- ⌚ If the Committee feels that the complaint/notification does not fall under the purview of Sexual Ha-

rassment/ the complaint/notification on the face of it is not maintainable, the Committee may close the same after recording the reasons.

The sexual harassment redressal procedure is attached as **Annexure – IX**.

## **ENQUIRY PROCEDURE**

- ⌚ The Committee shall hand over the statement of allegation (Charge sheet) to the accused in writing and give the aforesaid employee an opportunity to submit a written explanation if he/she so desires within a span of three days.
- ⌚ The Committee will provide every reasonable opportunity to the complainant and to the accused for putting forward and defending their respective case.

## **DISCIPLINARY ACTION**

Where any such conduct amounts to a specific offence under the Indian Penal Code or under any other law, the company shall initiate appropriate action in accordance with law by making complaint with the appropriate authority.

## **THIRD PARTY HARASSMENT**

If any incident of sexual harassment occurs as a result of an act or omission by outsider or third party, the company shall take all steps necessary and reasonable to assist the affected employee in terms of support and preventive action.

## **OBLIGATION OF COMPANY**

The Management shall provide all necessary assistance for the purpose of ensuring full, effective and speedy inquiry by the Committee.

## **F) POLICY GUIDELINES ON ACCEPTANCE OF GIFTS/ OTHER BENEFITS**

### **OBJECTIVE**

This policy describes the general guidelines for accepting gifts, favours or other benefits and services from vendors / suppliers / business associates of the organization.

### **SCOPE**

This policy applies to all individuals who are employed in permanent, contractual or temporary capacity at any plant /business location of VECV.

### **DEFINITION OF GIFT**

Gift is defined as an item or benefit of value which may include but is not limited to money, silver or gold coins, loans, entertainment, free merchandise, business or personal trips paid for by a vendor/business associate, personal favours, services etc.

### **PURPOSE**

Acceptance of gifts or other special benefits can give the appearance of impropriety, compromise the employee's

integrity, or potentially place the employee in a conflict of interest situation. The purpose of this policy is to discourage suppliers and other business associates to give any personal gifts or gifts of personalized nature that might influence or appear to influence purchasing decisions or the selection of a vendor to provide goods or services to the organization or any special favours to the business associate like a dealer or distributor. Transactions with suppliers and business associates have to be “above board” and seen to be “above board”.

## **GUIDELINES**

- i. Employees having authority to conduct or influence the buying of goods or services for the company, or people involved in quality inspection of goods and services bought or people involved in handling payments to vendors or business associates or anyone dealing with business associates having authority to influence any decision which may benefit the business associate beyond what is in the normal course of business cannot solicit or accept gifts or other benefits of personal value from vendors/ suppliers / business associates. Rather than accepting such a gift or special benefit, employees should suggest the vendor to provide better pricing or service to the company in future. Even if such a gift is given by say international visitors, under no circumstances can the item be retained by an employee for his/ her personal use.
- ii. However, token items like flower bouquets or a packet of sweets/ dry fruits on religious occasions like Diwali or other occasions like New Year can be accepted. Distribution of such sweets/ dry fruits in the office place is to be encouraged.
- iii. Promotional gifts of nominal value displaying the company’s name and logo such as pens, key chains, coffee mugs, pen stands, diaries, note pads, desk calendars, mouse pads etc. given by the vendor / business associates in normal course of business can also be accepted. This category also includes gifts given to an employee as an invitee to a convention or seminar, or for taking sessions in educational institutions.
- iv. Employees should be clear about accepting only those items which are of nominal or minimal value and can be put to official use. Anything of a personal nature must be rejected and returned.

In case of any doubt, the employee may check with the concerned HR Head / BU Head.

Failure to comply with these guidelines will be taken very seriously and must be reported to the BU HR/ BU head for immediate resolution. If in the opinion of the BU Head, the employee has violated the norms, is considered liable for action, the consequences can be as high as termination from the services with immediate effect.

**EMPLOYMENT OF RELATIVES**

- |                                       |                                  |
|---------------------------------------|----------------------------------|
| 1. Father                             | 27. Wife's father                |
| 2. Mother                             | 28. Wife's brother               |
| 3. Son (including step son)           | 29. Wife's sister                |
| 4. Son's wife                         | 30. Wife's sister's husband      |
| 5. Daughter (including step daughter) | 31. Father's brother             |
| 6. Father's father                    | 32. Father's sister              |
| 7. Father's mother                    | 33. Mother's brother             |
| 8. Mother's father                    | 34. Mother's sister              |
| 9. Mother's mothers' father           | 35. Father's brother's wife      |
| 10. Son's son                         | 36. Father's sister's husband    |
| 11. Son's son's wife                  | 37. Mother's sister's husband    |
| 12. Son's daughter                    | 38. Mother's brother's wife      |
| 13. Son's daughter's husband          | 39. Brother's son                |
| 14. Daughter's son                    | 40. Brother's son's wife         |
| 15. Daughter's husband                | 41. Brother's daughter           |
| 16. Daughter's son's wife             | 42. Sister's son                 |
| 17. Daughter's daughter               | 43. Sister's daughter            |
| 18. Daughter's daughter's husband     | 44. Father's brother's son       |
| 19. Brother (including step brother)  | 45. Father's brother's daughter  |
| 20. Brother's wife                    | 46. Father's sister's son        |
| 21. Sister (including step sister)    | 47. Father's sister's daughter   |
| 22. Sister's husband                  | 48. Mother's brother's son       |
| 23. Husband's father                  | 49. Mother's brother's daughter  |
| 24. Husband's mother                  | 50. Wife's brother's wife        |
| 25. Husband's sister                  | 51. Brother's daughter's husband |
| 26. Wife's mother                     | 52. Sister's son's wife          |
|                                       | 53. Sister's daughter's husband  |
|                                       | 54. Mother's sister's son        |
|                                       | 55. Mother's sister's daughter   |
|                                       | 56. Husband's brother            |
|                                       | 57. Spouse                       |

## CONFIDENTIALITY UNDERTAKING

I, \_\_\_\_\_, resident of \_\_\_\_\_, India hereby agree to provide services as an Employee/Consultant to VE Commercial Vehicles Limited, an Indian company, having its registered office at 3rd Floor – Select Citywalk, A-3 District Centre, Saket, New Delhi - 110 017 (the “Company”) pursuant to the employment letter/ Consultancy Agreement dated \_\_\_\_\_ (the “Agreement”).

I recognize, acknowledge and accept that:

- (i) as the Employee/Consultant of the Company, I would be provided with and have access to a substantial amount of proprietary and/or Confidential Information (as such term is defined in Section (2) below) pertaining to the Company, its subsidiary(ies), affiliate(s), group companies, any direct or indirect parent of the Company (such entities together with the Company are hereinafter collectively referred to as the “VECV Group”) as the case may be, and/or of its associate(s) and/or its customers/clients;
- (ii) the Company also has certain confidentiality obligations by virtue of various agreements it has entered into with its customers/ clients or otherwise;
- (iii) the Company is entitled to all reasonable protection of its proprietary interests in such Confidential Information and in its customers/ clients and business connections and is also obliged to honour its confidentiality and other obligations to its customers/ clients; and
- (iv) any breach, on my part, of the covenants set forth herein may result in a breach by the Company of its obligations, contractual or otherwise, towards its customers/ clients, and will result in substantive loss or damage to the Company.

In the light of the above mentioned facts and notwithstanding anything to the contrary contained in any other communication operating between the Company and myself, agree to the following:

### TREATMENT OF CONFIDENTIAL INFORMATION

During the term of the agreement and thereafter, I shall not, directly or indirectly disclose, transfer or use, any other confidential information, except with the prior written consent of the Company

### DEFINITION OF CONFIDENTIAL INFORMATION

- i) “Confidential Information” shall, irrespective of its form, whether oral or written, include all:
  - a) Production processes, marketing techniques and arrangements, mailing lists, purchasing information, pricing policies, quoting procedure, financial information, customers’ and prospects’ name and requirements, employee, customer, information pertaining to suppliers and distributors of the Company, price lists, any other material or information relating to the Company’s business and activities and the manner in which the Company conducts its business
  - b) Discoveries, concepts & ideas including, without limitation, the nature & results of research & development the activities, processes, formulas, inventions, computer related equipment & technology, techniques, know-how, design, drawing & specifications;
  - c) All other material or information related to the business or activities of the Company, which are not available in public or generally known to others, engaged in similar businesses or



- activities
- d) All ideas which are derived from or related to my access to or knowledge of any of the enumerated material and information;
  - e) All information about or belonging to the suppliers and clients of, and all parties to any agreement with, the Company which would be confidential; information pursuant to the above definition if such suppliers/ clients/ parties were in the position of the Company.
- ii) The absence of any making or statement that a particular piece or item of information is confidential information shall not affect its status as confidential information

#### **OWNERSHIP OF CONFIDENTIAL INFORMATION**

- a) All rights, title and interest in all Confidential Information shall be and remain the exclusive property of the Company including all Confidential Information developed in whole or in part by me during the tenure of the Agreement with the Company. In order to assign to the Company all rights, title and interest that I may have in such Confidential Information, I am ready to execute any Instrument(s) and to do all other things reasonably requested by the Company both during and after the tenure of the Agreement with the Company.
- b) If any or more of the items described above are protected or can be protected by copyright and are deemed in any way to fall within the definition of “work made for hire”, the copyright for such item(s) shall be owned solely, completely and exclusively by the Company.

#### **4. MATERIALS**

All notes, data, tapes, reference items, sketches, drawings memoranda, records and other materials in any way relating to Confidential Information or otherwise to the Company’s business shall belong exclusively to the Company, and I shall return to the Company all copies of such materials in my possession or under my control at the request of the Company or, in the absence of such a request, at the cessation of the Agreement with the Company. This Clause shall be enforceable against my legal heirs, successors and assigns.

#### **5. NO CONFLICTING AGREEMENT**

I represent to the Company that my performance of all the terms of this Confidentiality Undertaking and my services to be rendered as an Employee/Consultant of the Company do not and shall not breach any fiduciary or other duty or any covenant, agreement or understanding, including, without limitation any agreement relating to proprietary information, knowledge or data acquired by me in confidence, trust, or otherwise, prior to my joining the Company as an Employee/Consultant, to which I am or was a party or by the terms of which I may be bound.

#### **6. REASONABLENESS OF RESTRICTIONS**

I have carefully read and considered the contents of this Confidentiality Undertaking and having done so, acknowledge that the restrictions set forth are fair and reasonable and are reasonably required for the protection of the interests of the Company and its business, officers, directors and the employees. I agree that the restrictions applicable during the term of the Agreement and thereafter, against the use or disclosure of Confidential Information are reasonable.

If a court finds the clauses of this Confidentiality Undertaking to be unreasonable or otherwise unenforceable, I agree that these clauses will be amended to provide the broadest scope of protection to the Company that such court will allow.

I, having fully understood the contents of this Confidentiality Undertaking and have executed this at \_\_\_\_\_.

.....  
Signature

Name:

Designation:

Date:

***UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)***

The following shall be deemed to be unpublished price sensitive information if the same is not published by the company or its agents and is not specific in nature:

Periodical financial results of the company;

Intended declaration of dividends (both interim and final);

Issue of securities or buy-back of securities;

Any major expansion plans or execution of new projects;

Amalgamation, mergers or takeovers;

Disposal of the whole or substantial part of the undertaking;

Any significant changes in policies, plans or operations of the company.

**LIST OF RELATIVES**

01. Members of Hindu Undivided Family
02. Husband & wife
03. Father
04. Mother (including step-mother)
05. Son (including step-son)
06. Son's wife
07. Daughter (including step-daughter)
08. Father's father
09. Father's mother
10. Mother's mother
11. Mother's father
12. Son's son
13. Son's son's wife
14. Son's daughter
15. Son's daughter's husband
16. Daughter's husband
17. Daughter's son
18. Daughter's son's wife
19. Daughter's daughter
20. Daughter's daughter's husband
21. Brother (including step-brother)
22. Brother's wife
23. Sister (including step-sister)
24. Sister's husband

**Application Form cum Undertaking for Pre- clearance of Trades in Securities of**

To:  
The Compliance Officer,

I/ Dependent Family Member intend to trade in Securities of \_\_\_\_\_ as per details given hereunder. In accordance with Code of Conduct for Prevention of Insider Trading, I hereby submit my application and request you to grant me permission in respect of the said transactions.

1. Name. :
2. Designation. :
3. Department. :
4. Name of person in whose name trades will be done :
5. Relationship of such person with the Employee :
6. No. of Securities to be
  - purchased. :
  - sold :
7. Period during which trades are intended to be executed. : From.....To.....
8. Details of all Demat Account's in which Securities held/proposed to be held (attach separate sheet, if space insufficient). :
  - a. Name of Account Holder. : .....
  - b. DP Name. : .....
  - c. DP No. : .....
  - d. Client ID No. : .....
  - e. No. of Shares held. : .....
9. Details of Previous Approval.
  - a. Date of Approval. : .....
  - b. No. of shares for which approval was granted : .....
  - c. No. of Shares traded : ..... Purchased.  
.....Sold.
  - d. Time Period for which such shares were held
  - e. No. of Shares traded for which pre-clearance was not required : .....Purchased.  
.....Sold.

If securities are intended to be traded in more than one name/demat account, details in respect of each such person/account should be given.

**UNDERTAKING**

I hereby undertake that:

- a) I do not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
- b) If any Price Sensitive Information is received by me after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer and would completely refrain from

dealing in the Securities of the Company till the time such information becomes public.

- c) I have not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time.
- d) I shall execute the order in respect of Securities within one week after the approval of pre-clearance is given and in case I am not able to complete the transaction/execute the order within one week, I shall again apply for pre clearance.
- e) I shall hold the Investment in Securities for a minimum period of 6 months
- f) I have made full and true disclosure in the matter.

Date .....

Signature : .....

Name : .....

Designation.....

\*Department.....

Location.....

Residential Address: .....

.....

\* Applicable in case of employees only.

For Office Use

**STATUS OF APPLICATION**

- 1. Name. : .....
- 2. Designation/Dept. : .....
- 3. Date of Receiving. : .....
- 4. Permission granted to trade in securities : .....
- 5. Permission not granted. : .....
- 6. Date on which granted. : .....
- 7. Permission valid up to. : .....
- 8. Signature : .....



**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992**

**Regulation 13 (2) and (6)**

Regulation 13 (2) – Details of shares held by Director or officer of a Listed company

Name, Pan No & Address of Director/ employee	Date of assuming office of Director / employee	No. & % of shares/ voting rights held at the time of becoming Director / employee	Date of intimation to company	Mode of acquisition (market purchase / public / rights / preferential offer etc.)	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value
1	2	3	4	5	6	7	8	9

Note: The above table shall be applicable with suitable modifications to disclosures for position taken in derivatives also.

**Declaration Form for holdings/transaction in Securities of**The Compliance Officer,  
\_\_\_\_\_

I hereby declare that I together with my dependants hold.....(number of Securities) Shares of \_\_\_\_\_ as on ..... (date of joining / date of implementation of code of conduct on insider trading/ date of end of financial year – strike off which ever is not applicable) as per details given below:

Sl. No.	Name of Employee/ Director/Dependant & Relationship	EICHER MOTORS LTD.	
		Securities Held in Nos.	Cost of accumulation
1.			
2.			
3.			
4.			
5.			

I hereby declare that I together with my dependant had done the following transactions in securities of \_\_\_\_\_ during the quarter ended on \_\_\_\_  
\_\_\_\_\_.

Sl. No.	Name of Employee/ Director/ Dependant & Relationship	EICHER MOTORS LTD.		
		No. of securities		Balance as at the end of Quarter
		Bought	Sold	
1.				
2.				
3.				
4.				
5.				

Date.....

Signature.....

Name.....

Designation.....

Employee Code.....

\*Department.....

Location.....

Residential Address.....

\*Applicable in case of employees only.



## SEXUAL HARASSMENT REDRESSAL PROCEDURE



