



SIHORA INDUSTRIES LIMITED
(Formerly Known as Sihora Industries Private Limited)
CIN: U13999GJ2023PLC143747

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**CODE OF CONDUCT FOR
BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL AND
INDEPENDENT DIRECTORS**

**CODE OF CONDUCT FOR BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL AND INDEPENDENT DIRECTORS**

A. PURPOSE

The purpose of the code is to serve as a guide to the Director and Senior Management personnel of Sihora Industries Limited on principle of integrity, transparency, business ethics and to set up standard for compliance of corporate governance.

B. DEFINITION

“**Act**” means Companies Act, 2013 and rules framed there under, as amended from time to time.

“**Board of Directors**” or Board, in relation to the company, means the collective body of the Directors of the Company.

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“**Company**” means Sihora Industries Limited.

“**Managerial Personnel**” means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013

“**Policy**” or “This policy” means Code of Conduct for Board Members and Senior Management Personnel and Independent Directors.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“**Key Managerial Personnel**” means an individual as defined under Section 2(51) and Section 203 of Companies act, 2013:

- a) the Chief Executive Officer or the Managing Director or the Manager;
- b) the Company Secretary;
- c) the Whole Time Director;
- d) the Chief Financial Officer;
- e) such other officer, not more than one level below the directors who is in the whole-time employment, designated as key managerial personnel by the Board; and
- f) such other person as may be prescribed by the Company from time to time.

“**Senior Management**” mean officers/ personnel of the listed entity who are members of its core management team excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive officer or Managing Director or Whole time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

C. Applicability of Code of Conduct:

Pursuant to the requirements of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Code is approved by the Board of Directors.

The Code is applicable to (i) Members of the Board/ Directors and (ii) Senior Management.

D. GUIDELINES

The Director and Senior Management Personnel must act in good faith and in such manner as they reasonably believe to be in the best interest of the Company. The Director and Senior Management

Personnel are also expected to:

- a) Comply with all applicable law, regulations, confidentiality obligation and other corporate policies of the Company,
- b) Follows all policies, procedures and internal control of the Company,
- c) Act honestly, in good faith and in the best interest of the Company.

E. HONESTY & INTEGRITY

All the Directors and Senior Management Personnel of the Company shall conduct their activities on behalf of the Company and on their behalf with honesty, integrity and fairness. The Director and Senior Management Personnel of the Company will act on good faith, responsibility with due care, competence and diligence without allowing their independent judgement to be subordinated. The Director and Senior Management Personnel of the Company will act in the best interest of the Company and fulfil the fiduciary obligations.

F. CONFLICT OF INTEREST

The Director and Senior Management Personnel of the Company should not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/ her to act in any manner other than in the best interest of the Company. Every Director and Senior Management Personnel should make a full disclosure to the Board of any transaction that they reasonably expect, could give a rise to an actual conflict of interest with the Company and seek the board's authorisation to pursue such transactions.

G. COMPANY PROPERTY

Every Director and Senior Management Personnel should endeavour to ensure that they use the Company's asset, proprietary information and resource only for the legitimate business purpose of the Company and not for personal gain.

H. CONFIDENTIAL INFORMATION

The Director and Senior Management Personnel should maintain confidentiality of information entrusted to them to carry out their duties and responsibilities. The matters discussed at the Board/Committee meetings must not be discussed outside appropriate and reasonable circles. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personnel gain or advantage of any Director. These obligation does not only apply to the Directors Term's but thereafter unless the said information became public.

I. FAIR DEALING

The Director and Senior Management Personnel should endeavour to deal fairly and not seek to take unfair advantage of the Company through manipulation, concealment abuse of privileged information, misrepresentation of material fact or any other unfair dealing.

J. COMPLIANCE WITH RULES AND REGULATIONS

The Director and Senior Management Personnel should comply with all applicable laws, rules and regulations for the time being in force. In addition, if any Director become aware of any information that he believes constitutes evidence of a material violation any securities or other laws, rules and regulations applicable to the Company or the operation of its business, by the Company or any employee or another director, then such director should bring such information to the attention of the Chairman of the audit committee.

K. INSIDER TRADING

None of the Director or Senior Management Personnel shall derive any benefit nor assist others to deriving benefit by giving investment advice from access to and possession of information about the Company, which is not a public domain and constitute insider information. All Director and Senior Management Personnel will comply with the Company's code for prevention of insider trading which is separately attached.

L. DUTIES OF DIRECTOR

Every Director of the Company shall endeavour to comply with the provisions of Section 166 of the Companies Act, 2013 relating to duties of directors.

In addition, independent director shall also perform the duties as prescribed in Schedule IV to the Companies Act, 2013, as amended from time to time.

M. NON-COMPLIANCE

Suspected violation of the code may be reported to the chairman of the board or the chairman of the audit committee. All reported violation shall be appropriately investigated. Any waiver of this code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation.

N. ADDITIONAL CODES FOR INDEPENDENT DIRECTOR:

a) Guidelines of Professional Conduct:

- i. An independent director shall;
- ii. uphold ethical standards of integrity and probity
- iii. act objectively and constructively while exercising his duties;
- iv. exercise his responsibilities in a bona fide manner in the interest of the company.
- v. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- vi. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- vii. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- viii. refrain from any action that would lead to loss of his independence;
- ix. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly; assist the company in implementing the best corporate governance practices.

b) Role and functions:

The independent directors shall;

- i. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of

conduct;

- ii. bring an objective view in the evaluation of the performance of board and management;
- iii. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- viii. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

c) Duties:

The independent directors shall;

- i. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii. 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;
- iii. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the company;
- vi. 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;
- vii. keep themselves well informed about the company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. 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;
- x. 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;
- xi. report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- xii. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xiii. 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.

d) Manner of appointment:

- i. Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- ii. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- iii. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.
- iv. The appointment of independent directors shall be formalized through a letter of appointment, which shall set out;
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. provision for Directors and Officers (D and O) insurance, if any;
 - e. the Code of Business Ethics that the company expects its directors and employees to follow;
 - f. the list of actions that a director should not do while functioning as such in the company; and
 - g. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- v. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- vi. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

e) Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

f) Resignation or removal:

- i. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- ii. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- iii. Where the company fulfills the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

g) Separate meetings:

- i. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;

- ii. All the independent directors of the company shall strive to be present at such meeting;
- iii. The meeting shall;
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
 - c. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

h) Evaluation mechanism:

- i. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- ii. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

O. AFFIRMATION ABOUT THE CODE OF CONDUCT

The directors / Senior management personnel shall affirm the compliance with the code on annual basis in the format attached herewith as **Annexure - "A"**.

**Compliance Certificate under Code of Conduct for Board Members and Senior Management
Personnel and Independent Directors:**

Date: ___/___/_____

From:**Name:****Designation:****Department:**

To,

The Board of Directors,

Sihora Industries Limited

**Sub: Compliance Certificate under Code of Conduct for Board Members and Senior Management
Personnel and Independent Directors (the "Code") for the year ended on ___/___/_____**I,, do, hereby solemnly confirm and state for
captioned period that:

- I was aware of the Code applicable during the period;
- I understood the standards and policies contained in the Code;
- I also understood that there could be additional policies or laws specific to my job;
- I adhered to the Code in carrying out my duties as director / employee of the Company during the captioned period.

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Name:**Date:**

**Acknowledgement of Code of Conduct for Board Members and Senior Management Personnel
and Independent Directors**

ACKNOWLEDGEMENT FORM

I have received and read the Company's Code of Conduct for Board Members and Senior Management Personnel and Independent Directors. I understand the standards and policies contained in the Code of Conduct for Board Members and Senior Management Personnel and Independent Directors and also understand that there may be additional policies or laws specific to my employment.

I, the undersigned, do solemnly agree to comply with the Code of Conduct for Board Members and Senior Management Personnel and Independent Directors.

If I have any questions regarding the nature, applicability and scope of this Code of Conduct for Board Members and Senior Management Personnel and Independent Directors, I know I can consult the Company Secretary of the Company, knowing that my questions or reports or complaints will be maintained in confidence.

I further agree to sign annually the acknowledgement form provided at the end of this Code of Conduct for Board Members and Senior Management Personnel and Independent Directors, and return the same to the Company Secretary of the Company.

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Name:

Date: