
SHERVANI INDUSTRIAL SYNDICATE LIMITED

Code of Conduct

Applicable to all Directors, senior management and employees of the Company

Preamble

The Directors of SHERVANI INDUSTRIAL SYNDICATE LIMITED ("the Company") adopt this Code of Conduct to assist Directors in fulfilling their duties to the Company. The Directors are entrusted with responsibility to oversee management of the business and affairs of the Company. As the Company's policy-makers, the Directors set the standard of conduct for all Directors, officers and employees.

SHERVANI INDUSTRIAL SYNDICATE LIMITED has a long-standing commitment to compliance with applicable laws and regulations and to operate in accordance with the highest standards of business conduct..

Corporate Governance Policy

The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company. This Code forms an integral part of the Company's Governance Policy. The directors, senior management and employees must adhere to the Corporate Governance Policy of the Company. Each Director should seek to use due care in the performance of his/her duties, be loyal to the Company and act in good faith and in a manner the Director reasonably believes to be in or not opposed to the best interests of the Company. A Director should:

- Use reasonable efforts to attend Board and Committee meetings regularly;
- Dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries;
- Be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum of Association, Articles of Association and Corporate Governance guidelines; and
- Seek to comply with all applicable laws, regulations, confidentiality obligations and Corporate Policies.

Good Corporate Citizenship

In the conduct of the Company's business, the practice of good corporate citizenship is a pre-requisite and embraces the following:



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Dealing with People in the Organization

In dealing with each other, directors, senior management and employees shall uphold the values which are at the core of our HR Philosophy - trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self respect and human dignity. Indeed, these values form the basis of our HR management systems and processes. In selection and recruitment, while meritocracy will be a prime criterion, managers will scrupulously consider all factors that go towards securing the interests of the Company.

Relationships with Suppliers and Customers

All directors, senior management and employees shall ensure that in their dealings with suppliers and customers, the Company's interests are never compromised. Accepting gifts and presents of more than a nominal value, gratuity payments and other payments from suppliers or customers will be viewed as serious breach of discipline as this could lead to compromising the Company's interests

Legal Compliance

It is the Company's policy to comply fully with all applicable laws and regulations. Ensuring legal and regulatory compliance is the responsibility of the Chief Executives of the Businesses and the Divisional Management Committees. The Company cannot accept practices which are unlawful or may be damaging to its reputation. Divisional Management Committees must satisfy themselves that sound and adequate arrangements exist to ensure that they comply with the legal and regulatory requirements impacting each business and identify and respond to developments in the regulatory environment in which they operate. In the event the implication of any law is not clear, the Company's Legal Department shall be consulted for advice.

Environment Policies

The Company believes that commitment to sustainable development is a key component of responsible corporate citizenship and therefore deserves to be accorded the highest priority. Accordingly, the Company is committed to Best Practices in environmental matters arising out of its business activities and expects each business to fully demonstrate this commitment.

Personal Conduct

All directors, senior management and employees have the obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company at all times. They are expected to demonstrate exemplary personal conduct through adherence to the following:

Avoidance of Conflict of Interest

All directors, senior management and employees must avoid situations in which their personal interest could conflict with the interest of the Company. This is an area in which it is impossible to provide comprehensive guidance but the guiding principle is that conflict, if any, or potential conflict must be disclosed to higher management for guidance and action as appropriate.



Transparency and Auditability

All directors, senior management and employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes, including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. It shall be necessary to voluntarily ensure that areas of operation are open to audit and the conduct of activities is totally auditable.

Protection of Confidential Information

No director, senior management and employee shall disclose or use any confidential information gained in the course of employment/ association with the Company for personal gain or for the advantage of any other person. No information either formally or informally shall be provided to the press, other publicity media or any other external agency except within approved policies.

Company Facilities

No director, senior management and employee shall misuse Company facilities. In the use of Company facilities, care shall be exercised to ensure that costs are reasonable and there is no wastage.

Leading by Example

The organization's directors and senior management set the professional tone for the Company. Through both their words and their actions, the organization's leadership conveys what is acceptable and unacceptable behavior.

Waivers

Any waiver of any provision of this Code of Conduct for a director, senior management or employee must be placed for approval before the Company's Board of Directors / Audit Committee, as appropriate.

Non Adherence

Any instance of non-adherence to the Code of Conduct should be brought to the attention of the immediate reporting authority, with copies to the relevant Divisional Head of Department. In respect of senior management, any such instance should be brought to the attention of the Chairman of the Audit Committee with a copy to the Chairman of the Board.

Compliance with Laws & Regulations

The Company is committed to compliance with those acts, rules and regulations that govern the conduct of our business.



Securities Laws

It is Company policy to make full, fair, accurate and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, the Securities and Exchange Board of India, the Stock Exchange, Registrar of Companies and in all other public communications made by the Company. Directors must abide by applicable Company policies and procedures designed to promote compliance with this policy

Insider Trading

Directors, Senior Management Employees and their relatives/ associates are prohibited by Company policy and the law from buying or selling securities of the Company when in possession of material Unpublished Price Sensitive Information. Passing such information on to someone who may buy or sell securities is also illegal. The prohibition applies to Company's securities and to securities of other Companies if you learn material Unpublished Price Sensitive Information about other Companies, such as the Company's customers or suppliers, in the course of duties for the Company. Directors are subject to additional requirements relating to reporting and effecting transactions in Company securities.

Duties of Independent Directors

The duties of Independent Directors of the Company, as laid down under Schedule IV to the Companies Act, 2013, are incorporated herein pursuant to Clause 49 of the Listing Agreement with Stock Exchanges. It shall be the duty of Independent Directors to:

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b. 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;
- c. strive to attend all meetings of the Board of Directors and of the Board Committees of which they are a member;
- d. participate constructively and actively in the Board Committees in which they are chairpersons or members;
- e. strive to attend the general meetings of the Company;
- f. ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors;
- g. keep themselves well informed about the Company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or Board Committee;
- i. 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;
- j. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;



- k. report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct;
- l. act within their authority and assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m. not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

Compliance

All the BOARD MEMBERS and senior management employees shall affirm the Compliance of said Code on annual basis at the end of each financial year.

