



## CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

### INTRODUCTION

This code of Conduct ("this Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of Shivam Autotech Limited (hereinafter referred to as "the Company"). This code has been framed specifically in compliance with the provisions of the listing agreement entered into with stock exchanges. The purpose of this code is to enhance further an ethical and transparent process in managing the affairs of the Company.

### DEFINITIONS & INTERPRETATIONS

- The term "Board Members" shall mean Directors on the Board of Directors of the Company.
- The term "Whole-time Director" shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.
- The term "Senior Management Personnel" shall mean personnel of the Company in the cadre / designation of Senior Manager and above, excluding Board of Directors. Such personnel shall hereinafter be treated as members of its core management team.
- The term "Relative" shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013.

### APPLICABILITY

This code shall be applicable to the following persons:

- a) The Managing Director
- b) All Whole-Time Directors.
- c) All Independent Directors unless specifically exempted from provisions of this Code.
- d) All Senior Management Personnel.

### KEY REQUIREMENTS

Board Members and Senior Management Personnel shall act within the authority conferred upon them, keeping the best interests of the Company in view and observe the following:

- i) Shall act with utmost care, skill and diligence in relation to all dealings for the company;
- ii) Shall act in utmost good faith and adopt highest standards of personal and professional integrity, fairness, honesty, probity and ethical conduct and fulfill the fiduciary obligations without allowing their independence of judgment to be subordinated or compromised;
- iii) Shall not enter into any contract or arrangement without obtaining the approval of the Audit Committee and/ or the Board and where required, approval by a special resolution in the general meeting for related party transactions
- iv) Shall avoid having any personal and/or financial interest in any business dealings concerning the Company;
- v) Shall avoid any dealing/relationship with a Contractor or Supplier (either directly or indirectly) that could compromise the ability to transact business on a professional, impartial and competitive basis or that may influence discretionary decision required to be made by the Board Members/ Senior Management Personnel/the Company;
- vi) Shall not hold any position or job or engage in outside business or other interest that is prejudicial to the interests of the Company or that adversely affects the performance of duties with the company;





- vii) Shall not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board of Directors in case of Board Members and the Chairman & Managing Director in case of Senior Management Personnel and the Board/CMD declines to pursue such opportunity for the company and allows him to avail such opportunity;
- viii) Shall not seek or accept, directly or indirectly any gift from anyone having business dealings with the Company, except for normal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety, inducement or in any manner influence a business decision;
- ix) Shall 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 or any foreign country;

Provided that nothing in this clause shall apply to any statement made or views expressed by a Board Member and 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;

- x) Shall not commit any offence involving moral turpitude;
- xi) Shall follow the Risk Management framework/policy established by the Company;
- xii) Shall ensure workplace free of discrimination & harassment based on race, colour, religion, caste, age, gender, nationality, origin, disability, veteran status, or any other biases;
- xiii) Shall not use IT system of the Company for purposes that may be regarded as derogatory, defamatory or obscene or otherwise considered irresponsible and/or compromise the protection and security of IT systems;
- xiv) Shall be accountable to the stakeholders i.e. shareholders, debtors, creditors, contractors, suppliers, customers, Government etc. in discharge of the duties of the Company;
- xv) Shall not contribute (whether directly or indirectly) any funds, credit, property or services of the Company to any Political Parties;
- xvi) Shall act in a socially responsible manner, within the applicable laws, rules and regulations, customs and traditions of the countries in which the Company operates;
- xvii) Shall act in accordance with and keeping in mind the Vision, Mission and Values of the Company;
- xviii) To promote alertness & awareness for safety and the protection of human life/property and environment;
- xix) Shall exercise their responsibilities in a bona fide manner in the interest of the Company and act objectively and constructively while exercising their duties;
- xx) Shall not allow any extraneous considerations that could vitiate their 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;
- xxi) Shall not abuse their 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;
- xxii) Shall assist the Company in implementing the best corporate governance practices;
- xxiii) Shall become and remain familiar with Company's business and the economic and competitive environment in which the Company operates and understands Company's business plan, strategies and objectives;
- xxiv) Shall immediately bring to the notice of the Board about any unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;





## DUTIES OF DIRECTORS

The Director(s) of the Company:

- i. shall act in accordance with the articles of the company, subject to the provisions of the Companies Act, 2013 as amended from time to time;
- ii. shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment;
- iii. shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- iv. shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company;
- v. shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company;
- vi. shall not assign his office and any assignment so made shall be void;

## SPECIFIC DUTIES OF INDEPENDENT DIRECTORS

The independent directors shall—

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 2) 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;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;
- 6) 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;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 9) 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;
- 10) 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;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 13) 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.





## CONFLICTS OF INTEREST

The Directors and senior management should be scrupulous in avoiding 'conflicts of interest' with the Company. This is an area in which it is impossible to provide comprehensive guidance, but the guiding principle is that any event, activity or situation involving conflict or potential conflict of interest must be disclosed to the Board for guidance and appropriate action.

## COMPLIANCE OF LAW

The Board Members and Senior Management Personnel shall comply with all laws, rules and regulations as applicable including those relating to the business of the Company.

## PREVENTION OF INSIDER TRADING

The Board Members and Senior Management Personnel shall comply with the Code of Internal Procedures and Conduct for Prevention of Insider Trading, in dealing with securities of the Company.

## AMENDMENTS TO THE CODE

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time and all such amendments/ modifications shall take effect from the date stated therein. All Directors and Senior Management shall be duly informed of such amendments and modifications.

## CLARIFICATIONS REGARDING THE CODE

Any member of the Board or Senior Management personnel requiring any clarification regarding this Code may contact Company Secretary/ any officer specifically designated by the Board of Directors.

## ENFORCEMENT OF CODE OF CONDUCT

- A. Company Secretary shall be the Compliance Officer for the purpose of this Code.
- B. Each Board Member and Senior Management Personnel shall be accountable for fully complying with this Code.
- C. Compliance Officer shall report breach of this Code, if any, which comes to his notice to the Board of Directors of the Company.
- D. The Company shall ensure confidentiality and protection to any person who has, in good faith, reported a violation or as suspected violation of law or of this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation.

## NON-COMPLIANCE

Suspected violations of this Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations will be appropriately investigated. Directors who violate this Code may be subject to sanctions, up to and including a request to resign as Director or the Board's seeking removal of the Director, where permitted by applicable law.

A director charged with a violation of this Directors' Code should not participate in a vote of the Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or Committee convened for that purpose. Any waiver of this Directors' Code must be approved by the Board of Directors and publicly disclosed as required by law or regulation.

A Director or senior manager who has concerns regarding compliance with this Code should raise those concerns with the Chairman of the Board and the Chairman of the Audit Committee, who will determine





what action shall be taken to deal with the concern. In the extremely unlikely event that a waiver of this Code for a Director would be in the best interest of the Company, it must be approved by the Audit Committee and the Board of Directors.

### **NO RIGHTS CREATED**

This Directors' Code sets forth guidelines for conduct for the Board of Directors. It is not intended to and does not create any rights in any director, officer, employee, client, supplier, competitor, shareholder or any other person or entity.

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

Pursuant to the revised Clause 49 of the Listing Agreement, this Code and any amendment thereto shall be hosted on the website of the Company.

