

Code of Conduct for Directors and Senior Management Personnel

Effective Date: 01-04-2024

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1. INTRODUCTION

Regulation 17(5) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), requires listed companies to lay down a code of conduct for all the board members and Senior Management of the Company.

This code of conduct ("**Code**" or "**Code of Conduct**") for the Directors and Senior Management Personnel of Indus Fila Limited ("**the Company**") has been introduced to ensure that the business of the Company is conducted with the highest standards of ethics and values in accordance with the applicable laws, regulations and rules and is critical to the success of the Company.

This Code of Conduct is being adopted by the Company to comply with the applicable rules and regulations of the Listing Regulations.

In compliance with the SEBI Listing Regulations, the board of directors of the Company ("**Board**") has laid down this Code for the Board and the senior management personnel of the Company (i.e. officers and personnel of the Company who are members of its core management team excluding the Board and normally this shall comprise all members of management one level below the chief executive officer / managing director / whole time director/manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include the functional heads, by whatever name called and the company secretary and the chief financial officer ("**Senior Management Personnel**"). This Code enables the Company to publicly state to its external stakeholders (suppliers, customers, consumers and shareholders), the way in which they intend to do business.

All the directors and senior management of the Company must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders / stakeholders. The Code does not attempt to be comprehensive or cover all possible situations. It encourages the Company team to take positive actions, which are not only commensurate with the values and beliefs, but are also perceived to be so. The Company expects all its employees to implement the Code in its true spirit.

With a view to maintain the high standards that the Company requires, following rules/code of conduct should be observed in all activities of the Board for the purposes of the code. The Compliance Officer as defined under regulation 6 of the Listing Regulations ("**Compliance Officer**") will be available to all the Directors on the Board and Senior Management to answer questions and to help them in comply with the code.

2. APPLICABILITY

This Code shall be applicable to all the Directors and Senior Management Personnel.

3. DEFINITIONS

- a. **‘Board of Directors’** or **‘Board’** means the Board of Directors of the Company, as constituted from time to time.
- b. **‘Directors’** means Directors on the Board of Directors of the Company, including the Chairman and Managing Director.
- c. **‘Independent Director’** means an Independent Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013, as amended (**“Companies Act, 2013”**) and the Listing Regulations.
- d. **‘Key Managerial Personnel’** means Key Managerial Personnel as defined in Section 2(51) of the Companies Act, 2013, as follows:
 - i. Chief Executive Officer or Managing Director or Manager;
 - ii. Company Secretary;
 - iii. Whole-Time Director;
 - iv. Chief Financial Officer;
 - v. Such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and
 - vi. Such other officer as may be prescribed;
- e. **‘Relative’/‘Immediate Families’** shall have the same meaning as the term “relative” defined in Section 2 (77) of the Companies Act, 2013 as follows:

‘Relatives’ with reference to any person, means anyone who is related to another, If:

 - i. they are members of a Hindu Undivided Family;
 - ii. they are husband and wife;
 - iii. one person is related to the other in such manner as may be prescribed;

List of Relatives in terms of Section 2(77) of the Companies Act, 2013:

- 1. Father (including step-father)
 - 2. Mother (including step-mother)
 - 3. Son (including step-son)
 - 4. Son’s wife
 - 5. Daughter
 - 6. Daughter’s husband
 - 7. Brother (including step-brother)
 - 8. Sister (including step sister)
- f. **‘Related Party’** means related party as defined in Section 2 (76) of the Companies Act, 2013.

- g. **‘Senior Executive(s)’** includes Directors and Senior Management Personnel.
- h. **‘Senior Management Personnel’** means officers/personnel of the listed entity who are members of its core management team excluding the Board of Directors and normally this shall comprise of all members of the Management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager including Chief Executive Officer/Manager, in case they are not part of the Board and shall specifically include Company Secretary and Chief Financial Officer. It also includes all “Key Managerial Personnel” of the Company as defined under the Companies Act, 2013 from time to time as well as KMP as per SEBI Listing Regulations.

All other words and expressions used but not defined in this Code but defined in the Securities Exchange Board of India (“SEBI”) Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/ or the rules and regulations made there under, each as amended shall have the same meaning as respectively assigned to them in such acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

The Code of Conduct is not intended to create any expressed or implied contract with any employee or third party. The purpose of this Code of Conduct is, to uphold ethical standards in all activities within or outside the Company and to provide basic and broad guidelines of situations in which ethical issues arise. The Board of Directors of the Company has the exclusive responsibility for the final interpretation of the Code of Conduct.

The Code of Conduct may be revised, changed or amended at any time by the Board of Directors of the Company.

Senior Executives have a responsibility to understand and follow the Code of Conduct. Every Senior Executive is, and will be, held responsible for the observance of this Code of Conduct. If any person to whom these are applicable has any questions, he/ she should direct all questions to the Company Secretary who has been nominated by the Board of Directors, as the Compliance Officer for the purposes of assisting the Board in implementation of this Code of Conduct.

If a Senior Executive becomes aware that any employee or any other Senior Executive has violated this Code of Conduct, he or she is obligated to report the same in accordance with policies, practices and procedures set forth hereunder.

4. CODE OF CONDUCT MUST BE OBSERVED BY ALL THE DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

a. Honesty and Integrity:

All Senior Executives shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness.

All Senior Executives shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgments to be subordinated. Senior Executives shall act in the best interests of the Company and fulfil their fiduciary obligations.

b. Decision-making

The Directors and Senior Executives shall provide expertise and experience in their areas of specialization and share learnings at the meetings of the Board with best interests of the Company and its stakeholders in mind. They should point the Company's management in the 'right' direction based on their experience and judgement.

They should give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the management. They should call for additional information, where necessary, for making such judgements.

c. Conflict of Interest:

The Senior Executives should avoid 'conflicts of interest' with the Company. Senior Executives of the Company shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company or the group. In case there is likely to be a conflict of interest, they should disclose all facts and circumstances thereof to the Board of Directors or any officer nominated for this purpose by the Board and a prior written approval should be obtained.

d. Financial Dealings

Unless approved in advance by the Company, neither a Senior Executive, nor his or her spouse, or any other member of the Senior Executive's immediate family, may knowingly have a financial interest in a competitor, or in a customer or supplier.

e. Protection of Assets:

Protecting the Company's assets is a key responsibility of Senior Executives. The Company's assets have been employed only for the purpose of conducting the business for which they are authorized. Care should be taken to ensure that assets are not misappropriated, loaned to others, or sold or donated, without appropriate authorization. The Senior Executives are responsible for the proper use of Company assets and must safeguard such assets against loss, damage, misuse or theft. Senior Executives who violate any aspect of this policy or who demonstrate poor judgment in the manner in which they use any Company asset may be subject to disciplinary action.

f. Compliance:

Senior Executives are required to comply fully with all applicable laws and regulations governing contact and dealings with government employees and public officials and to adhere to high ethical, moral and legal standards of business conduct both in letter and in spirit.

In order to assist the Company in promoting lawful and ethical behaviour, Directors, Senior Executives must report any possible violation of law, rules, regulation or the code of conduct to the Compliance Officer.

g. Corporate Social Responsibility:

Senior Executives shall uphold and commit themselves:

- i. to reduce waste, and wherever such waste is inevitable, to implement an effective recycling and other responsible methods of waste management;
- ii. to improve and invest in innovations that protect the environment; and
- iii. to wholly co-operate in proposals of the government – central or state, in various activities concerning social cause.

h. Confidentiality of Information:

Any information concerning the Company's business, its customers, suppliers etc., which is not in the public domain and to which the Senior Executives has access or possess such information must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law. No Senior Executives shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.

The use of confidential information for personal advantage or profit is also prohibited.

i. Prevention of Insider Trading:

No Senior Executive of the Company shall derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constituting insider information. All Senior Executives shall comply with the prevention of insider trading guidelines as issued by SEBI.

j. Specific code for Independent Directors:

Schedule IV of the Companies Act, 2013 read with Section 149(8) has specified a Code for Independent Directors which has been set out in **Annexure – 1**.

k. Disclosure of Interest:

Any Director having financial or other interest by himself or through his/her relatives in any party contracting with the Company including vendors and customers, or in an organization which is in competition with the Company shall make such interest known to the Board at the first opportunity and shall abstain from any discussion or decision making on matters related to the Company and to such contracts or to the competitor.

The Director shall make a general disclosure of interest every year in the Form MBP-1 prescribed under Section 184 of the Companies Act, 2013, with the changes, if any, notified to the Board from time to time. The Director shall disclose his investments in the Company and in its holding Company or subsidiary, if any, and changes therein, if any, from time to time.

l. Reporting any illegal or unethical behaviour:

If any Senior Executive believes that a violation of or significant deviation from the Code has occurred or has become unavoidable, he/she must contact the Managing Director and in appropriate cases the Chairman of the Audit Committee.

Use of the above reporting procedures in bad faith or in a false or frivolous manner will be considered as a violation of the Code.

m. Equal Opportunities Employer:

The Company shall provide equal opportunities to all its employees and all applicants for employment, without regard to their race, caste, religion, marital status, sex, nationality, disability and veteran status. Employees of the Company shall be treated with dignity and in accordance with the Company's policy to maintain a work environment free of sexual harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered in a manner that would ensure that in all matters, equal opportunity is provided to those eligible and that decisions are merit-based.

5. ENFORCEMENT OF CODE OF CONDUCT

- a. The Compliance Officer shall forward a copy of the code to the existing Senior Executive immediately on its approval by the Board and to the new Senior Executive immediately on their appointment. All Senior Executives shall acknowledge the receipt of this code and on intimation of any revision thereon, in the Form at Annexure -2.
- b. The Senior Executives shall affirm compliance to the Code in respect of the previous financial year, as required under the Listing Regulations, by forwarding an annual compliance report in the Annexure -3 within 30 days of the close of each financial year affirm compliance with the Code. The annual compliance report shall be forwarded to the Compliance Officer of the Company. A declaration by Chief Executive Officer to this effect shall be made in the annual compliance report.
- c. The Compliance Officer shall report to the Board any breach of this code, which comes to his/her notice, for its information and to decide on the future course of action.

6. PUBLICATION OF THE CODE OF CONDUCT

The Code of Conduct as amended from time to time shall be published / posted on the website of the Company. The annual report of the Company shall contain a declaration to this effect signed by the Chief Executive Officer of the Company.

7. PERIODIC REVIEW

Once in every year or upon revision of this code, every Senior Executive must acknowledge and execute an understanding of the code and an agreement to comply. New Senior Executive shall sign such a deed at the time when they are appointed as such.

8. DISCIPLINARY ACTIONS

All officers should adhere to the code of business conduct and ethics of the Company and he/she shall acknowledge and affirm ongoing compliance with the Code on an annual basis. Any violation of the Code shall be reported to the Chairman of the Board and to the compliance officer of the Company. Violations of this code of ethics will result in a disciplinary action, which may even include termination of services of the employee. The Board of Directors or any person designated by the Board for this purpose shall determine appropriate action in response to violations of this code of ethics.

Annexure 1

CODE FOR INDEPENDENT DIRECTORS

(Pursuant to Section 149 and Schedule IV of the Companies Act, 2013)

The Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

a. Guidelines of professional conduct:

An Independent Director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his/her duties;
3. exercise his/her responsibilities in a bona fide manner in the best interest of the Company;
4. devote sufficient time and attention to his/her professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his/her 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;
6. not abuse his/her 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;
7. refrain from any action that would lead to loss of his/her independence;
8. where circumstances arise which make an independent director lose his/her independence, the independent director must immediately inform the Board accordingly;
9. assist the Company in implementing the best corporate governance practices.

b. Role and functions:

The Independent Directors shall:

1. 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;
2. Bring an objective view in the evaluation of the performance of board and management;
3. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Satisfy themselves on the integrity of financial information and that financial control and the systems of risk management are robust and defensible;
5. Safeguard the interests of all stakeholders, particularly the minority Shareholders;

6. Balance the conflicting interest of the stakeholders;
7. 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;
8. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

c. Duties of Independent Director:

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 best interest of the Company;
10. 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;
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/her 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.

d. Manner of appointment of Independent Director:

1. 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.

2. The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders.
3. 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 fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed director is independent of the management.
4. 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 & 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 Board and other meetings and profit related commission, if any.
5. 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.
6. The terms and conditions of appointment of independent directors shall also be posted on the Company's website.

e. Re-appointment of Independent Director:

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

f. Resignation or removal of Independent Director:

1. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.
2. 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 three months from the date of such resignation or removal, as the case may be.
3. Where the Company fulfils 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 of Independent Director:

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

2. All the independent directors of the Company shall strive to be present at such meeting;
3. 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 perform their duties, effectively and reasonably.

h. Evaluation mechanism for Independent Director:

1. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. 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.

GENERAL DUTIES OF DIRECTORS PURSUANT TO SECTION 166 OF THE COMPANIES ACT, 2013:

1. Subject to the provisions of the Companies Act, 2013, a director of a Company shall act in accordance with the articles of association of the Company;
2. A director of a Company 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;
3. A director of a Company shall exercise his/her duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
4. A director of a Company shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
5. A director of a Company 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/she shall be liable to pay an amount equal to that gain to the Company;
6. A director of a Company shall not assign his office and any assignment so made shall be void;

ANNUAL AFFIRMATION WITH COMPLIANCE OF THIS CODE

As per Regulation 26(3) of the SEBI Listing Regulations, all members of the Board and Senior Management Personnel of the Company shall affirm compliance with this Code on an annual basis.

Annexure 2

Declaration & Acknowledgment of Receipt of Code of Conduct and Ethics

I have received and read the Company's Code of Conduct and Ethics. I understand the standards and policies contained in the Code of Conduct and Ethics and understand that there may be additional policies or laws applicable specific to my job and/or the work location.

I, _____, hereby confirm that I have complied with the said Code for the period April 01, 20_ to March 31, 20_.

Signature:

Date:

Name:

Designation:

Annexure 3

Annual Compliance Report

To,

**The Compliance Officer,
Indus Fila Limited.**

Sub: Annual Compliance Report of the Code of Conduct for Directors and Senior Management Personnel for the year_____.

I, _____(Name and Designation) of Indus Fila Limited, hereby affirm that for the financial year_____I have complied with the Code of Conduct for Directors and Senior Management Personnel of the Company framed pursuant to the requirements under the SEBI Listing Regulations with Stock Exchange/s.

Yours truly,

Signature: _____

Name: _____

Designation: _____

Date: _____

Place: _____