

SIL INVESTMENTS LIMITED

Code of Conduct and Ethics

1. Introduction

This Code of Conduct and Ethics is made pursuant to Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter called “the Code*”. The Code will become effective from the date it is approved and adopted by the Board of Directors of the Company.

The objective of the Code is to promote and uphold the high standards of ethics observed by the Company in conducting its business. The Code lays down a broad policy for one’s conduct in dealing with the Company, fellow directors and Senior Management Personnel and the external environment in which the Company operates.

The Company believes in conducting its business with responsibility, transparency, empowerment, honesty and environmental consciousness. The Company seeks to be a leader in its chosen area of operation and to operate and achieve excellence in everything it does.

All concerned are expected to read and understand the Code, uphold the standards prescribed therein in letter and spirit and to act within the bounds of the authority conferred upon them with duty to make and enact informed decisions and policies which result in enhancement of the value of the Company to its shareholders and simultaneously enable the Company to fulfill its obligations to other stake holders such as customers, employees, business associates, financiers and to the society in general.

2. Applicability of the Code

The Code applies to all the members of the Board of Directors and to senior management personnel of the Company. Senior management personnel shall mean personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise of all the members of management, including all functional heads.

3. National interest

SIL is committed to benefit the economic development of the countries in which it operates. SIL shall not undertake any project or activity to the detriment of the wider interests of the communities in which it operates.

SIL’s management practices and business conduct shall benefit the country, localities and communities in which it operates, to the extent possible and affordable, and shall be in accordance with the laws of the land. SIL, in the course of its business activities, shall respect the culture, customs and traditions of each country and region in which it operates. It shall conform to trade procedures, including licensing, documentation and other necessary formalities, as applicable.

4. Respect for individual

The Company's vision is based on inspiring and unleashing creative potential in human assets of the Company. This is possible in an environment where we all respect the rights of those around us. In this direction, we endeavour:

- a) To treat individuals in all aspects of employment solely on the basis of ability irrespective of race, caste, creed, religion, age, disability, gender, sexual orientation or marital status.
- b) Not to tolerate racial, sexual or any other kind of harassment.

5. Fair employment practice

The Company's strives for a working environment where the opportunity exists for all individuals to play their full part in adding value to the business and to make the most of their potential. We are committed to diversity of our staff and fair employment practices. This includes providing a work place which is free of discrimination and harassment. SIL will not tolerate harassment of Employees or any other form of discrimination prohibited by law.

6. Honest and Ethical Conduct

The ethical conduct is the conduct conforming to the accepted professional standards of conduct. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

The Directors and senior management personnel are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working for the Company. We consider honest conduct to be conduct that is free from any fraud or deception.

Every employee of SIL, including full-time directors and the chief executive, shall exhibit culturally appropriate deportment in the countries they operate in, and deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be so by third parties. Every employee of SIL shall preserve the human rights of every individual and the community, and shall strive to honour commitments and shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of employment.

7. Fair Dealing

The Company does not seek competitive advantages through illegal or unethical business practices. Each Director and senior management personnel should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. None should take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice. The Directors and senior management personnel shall immediately bring to the notice of the Board any unethical behavior and actual or suspected fraud.

8. Conflict of Interest

Each of us has a responsibility to the Company, its shareholders and towards each other. Although this duty does not prevent us from engaging in personal transactions and investments, it does demand that we avoid situations where conflict of interest might occur or appear to occur.

A “conflict of interest” occurs when an individual’s private interest interferes or appears to interfere with the interests of the Company. The Directors and senior management personnel must act at all times in the Company’s best interests and avoid putting themselves in a position where their personal interests conflict or appears to conflict with the interest of the Company. The personal interests will include those of their close relatives. Any Director or senior management personnel, who is aware of a conflict of interest or is concerned that a conflict might develop, is required to disclose the matter promptly to the Board of Directors in case of a Director and to the Chairman in case of senior management personnel.

The Directors and senior management personnel shall not engage in any activity or enter into any relationship which might result in conflict of interest, either directly or indirectly. An illustrations only and not being exhaustive, some of the common instances of conflict of interest which should be avoided are given below:

- a) None shall receive a personal benefit from a person or any entity which is seeking to do business or does business with the Company. They shall not participate in any decision making process of the Board involving another entity/person in which they have direct or indirect interest.
- b) None shall receive remuneration, in any form, for service rendered for the Company from any source other than the Company.

9. Gifts and hospitality

From time to time Employees may be presented with gifts from other business organizations. Though business gifts and donations are customary in many parts of the world they need to be viewed with caution. No Director or senior management personnel shall receive or offer, directly or indirectly, any gifts, donation or benefits which are intended or perceived to be intended to obtain unethical favour. Any such gift that is offered, or is possibly offered, in the expectation of, or to solicit, favorable consideration of any nature must be refused and the fact of its having been offered reported immediately to the head of department.

Employees must not accept money, loans, services, goods, entertainment, favors or any form of recompense from any supplier, contractor, sub-contractor, customer or competitor (or potential supplier, contractor, sub-contractor, etc.). However gifts of a minor nature e.g. small promotional items, drinks, meal or corporate hospitality may be accepted provided they are reasonable in the context of the relationship, and no ulterior motive can be attached to their provision and have been approved by the head of department.

Nominal gifts of commemorative nature for special events may also be accepted. If in doubt you should consult your line manager.

10. Bribery and corruption

Bribery toward government officials or agents, whether public or private is prohibited under the Prevention of Corruption Act, 1988. Employees must not, directly or indirectly, offer, promise, give, demand or receive bribes or other payments, gifts or inducements or other undue advantages (of whatever kind) which are intended to influence a business decision or compromise independent judgment; nor must any Employee give money or gifts in order to obtain business for the Company, nor receive money, gifts or inducements for having given Company business to an outside agency. Also, they must not use subcontracts, purchase orders, consulting agreements etc. as means of channeling payments to public officials, to employees of business partners or to their relatives, / business associates or others.

Bribery could expose the Company and / or its Employees to prosecution regardless of where such bribery took place in the world. We make no distinction between bribery and facilitation payments i.e. small payments required by public officials before they will perform their functions. Employees are therefore prohibited from making facilitation payments of any kind.

11. Confidential Information

Confidentiality of information must be maintained by all concerned. Any information concerning the Company's business, its customers, suppliers etc. which has been received or to which one has access during the course of employment or dealing with the Company shall be considered as confidential unless such information is publicly available. Such information must be held in confidence and used only for the purposes of the business of the Company and not disclosed otherwise unless authorised to do so or required to do so under law. Information which Employees gain during the course of their employment should not be disclosed to anyone not employed by the Company, or to an Employee who does not require the information for their normal work activities.

This obligation continues for three years even after one leaves or disassociates himself from the Company.

11.1 contributions of articles or speaking opportunities in outside organization.

An Employee may contribute lectures and articles to technical institutions and journals as long as he / she has appropriate approval from his / her manager or place himself / herself in a situation where there might be a conflict between his / her interests and the Company's.

11.2 Dealing with the media

Any communications with the press or media are restricted to the Company's identified authorized executives as permitted by the Management from time to time. All Employees who receive a direct enquiry from the press or media have a duty immediately to forward any such enquiries to the appropriate Department.

12. HR Policy

People are SIL's main resource in realizing its ambition. Therefore, Human Resources Management is an integral part of our business strategy and an important line responsibility. SIL acknowledges that the requirement of trained and experienced

Professional with the desired mindset is the need of the hour for any Organization to Survive and Grow in this competitive environment. It is the responsibility of the Management to establish corporate Human Resources Management policies and make sure they are implemented.

The objective of SIL is to create a winning match between individual needs and organizational demand. SIL continuously aims to have the right person, with the right experience, at the right time, in the right place, offering the right compensation.

SIL makes the following commitments to its employees in order to promote an environment where employees work together to make SIL a leader in the business engaged in:

- To select individuals for employment on the basis of their qualifications, experience and past performance.
- To compensate employees fairly and equitably based on the work performed and results produced.
- To establish a safe working environment, and administer a continuing safety program.
- To treat employees with consideration, understanding and respect, to give credit for good performance.
- To encourage employees to openly discuss any problems they might have, and to make an earnest effort to resolve differences promptly.
- To provide interesting and challenging jobs, to encourage employees to increase and enhance their skills, and to provide opportunities for advancement with regard to the employees' desires, services and qualifications and the company's business needs.
- To communicate with employees regarding matters of mutual concern and benefits, and to promote on-the-job relationships in which two-way communications flow freely.
- To carefully select employees for leadership positions, and to provide them with the opportunity of keeping skills abreast of current technological developments and best practice. To empower employees to make decisions to the maximum.

13. Equal opportunities employer

SIL shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

Human resource policies shall promote diversity and equality in the workplace, as well as compliance with all local labour laws, while encouraging the adoption of international best practices.

Employees of SIL shall be treated with dignity and in accordance with the Company's policy of maintaining a work environment free of all forms of harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered in a manner consistent with applicable laws and other provisions of this Code, respect for the right to privacy and the right to be heard, and that in all matters equal opportunity is provided to those eligible and decisions are based on merit.

14. Personal Data

Employees need to be alert to the fact that business-held information can contain personal data. Personal data is subject to specific legislation governing how it can be kept, handled and processed - particularly if the content of that data is deemed to be "sensitive". Reasonable safeguards should be in place to protect such data against loss, theft, unauthorized access or inappropriate use.

15. Financial reporting and records

The Company is committed to disclose in its financial statements all the information required to be disclosed under the relevant accounting standards or under any law or regulation. It is essential to record all the transactions fully and properly in the financial statements. The Company shall prepare and maintain accounts of its business affairs truly and fairly in accordance with the Accounting and Financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and

regulations of the country. There shall be no willful omission of any transaction from the books and records of the Company.

No record, entry or document shall be false or misleading and no undisclosed or unrecorded account, fund or asset shall be established or maintained. The Auditors shall be provided full access to all information and records of the Company.

Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company's business transactions and disposition of assets, and shall have internal controls to provide assurance to the company's board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no willful omissions of any company transactions from the books and records, no advance-income recognition and no hidden bank account and funds.

Any willful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code, apart from inviting appropriate civil or criminal action under the relevant laws. No employee shall make, authorise, abet or collude in an improper payment, unlawful commission or bribing.

16. Prohibition of Insider Trading

During the course of work an Employee may have access to confidential information about the Company, a supplier or customer. If this information pertains to the Company or any other publicly traded company, is not generally available and would be likely to have an effect on a person's decision to invest or sell shares in that company then the disclosure of this information and any subsequent dealing could amount to insider trading. It is a criminal offence should you disclose insider information which results in dealing as well as a breach of your contract of employment. The Company has formulated a Code of Internal Procedure and Conduct for Prevention of Insider Trading and all concerned are required to comply with the requirements of the said Code. The Directors and senior management personnel and their close relatives shall not directly or indirectly derive or attempt to derive any benefit or assist others to derive benefit when in possession of any price sensitive/unpublished information.

17. Securities transactions and confidential information

An employee of SIL and his / her immediate family shall not derive any benefit or counsel, or assist others to derive any benefit, from access to and possession of information about the company or its clients or suppliers that is not in the public domain and, thus, constitutes unpublished, price-sensitive insider information.

An employee of SIL shall not use or proliferate information that is not available to the investing public, and which therefore constitutes insider information, for making or giving advice on investment decisions about the securities of SIL, client or supplier on which such insider information has been obtained. Such insider information might include (without limitation) the following:

- Acquisition and divestment of businesses or business units.
- Financial information such as profits, earnings and dividends.
- Announcement of new product introductions or developments.
- Asset revaluations.
- Investment decisions / plans.
- Restructuring plans.
- Major supply and delivery agreements.
- Raising of finances.

An employee of SIL shall also respect and observe the confidentiality of information pertaining to other companies, their patents, intellectual property rights, trademarks and inventions; and strictly observe a practice of non-disclosure.

18. Protection and proper use of Company Assets

Protecting the assets of the Company is a key responsibility of every employee. The Directors and senior management personnel must safeguard and protect the assets of the Company against misappropriation, loss, damage and ensure their efficient use. Assets include the physical property of the Company - such as buildings, equipment funds, accounts, technology, documents - as well as less tangible assets such as intellectual property (patents, copyrights and trademarks) and Employee time.

SIL Employees also have a responsibility to safeguard the assets of third parties where those are entrusted to Employees of the Company. They must ensure that assets are not put into use, sold, loaned or dealt with in any other manner without appropriate authorization. All Company assets should be accounted for and used only for legitimate business purposes of the Company.

19. Interaction with Governments, Suppliers, etc

The Company's relations and dealings with government officials, suppliers, co-ventures, consultants, agents, intermediaries and other third parties (including prospective suppliers, co-venture consultants, etc.) should at all times be such that the Company's integrity and its reputation would not be damaged if details of the relationship or dealings were to become public knowledge. It is the individual responsibility of each Company Employee to exercise good judgment so as to act in a manner that will reflect favorably upon the Company and the individual. Governments in some parts of the world may have strict legislation regarding gifts and entertaining. When dealing with Government officials Employees should make sure that they are aware of the rules which apply in that country. Compliance with the Code is mandatory and violations will result in disciplinary action, including dismissal where warranted.

20. Political contributions and activity

No funds or assets of the Company may be contributed to any political party or organization or to any individual who either holds public office or is a candidate for public office except where such a contribution is permitted by applicable law and has been authorized by the Management. Whilst, as individuals, Employees have the right to participate in the political process, it should always be made clear that they do so in a personal capacity and are not in any way representing SIL.

21. Corporate Opportunities

None shall exploit for their personal gain opportunity that is discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity by the Company. The Directors and senior management personnel are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Wherever, it is difficult to differentiate between personal and Company benefits or there are both personal and Company benefits in certain activities, the only prudent course of conduct for the Directors and senior management personnel is to make sure that any use of corporate property or services or such transactions that is not solely for the benefit of the Company has prior approval of the Board of Directors.

22. Corporate Social Responsibility

The Company is committed to serve the community around its area of operations. The Company believes that no organization can survive in isolation and it has a responsibility towards public at large. The Company aims to reach out to the neighbouring villages, conserve the environment and nurture young people. The Company shall take requisite community development initiatives around the areas of its operations.

23. Safety, Health and Environment

We are committed to maintaining the health and safety of those working for us, to minimizing our impact on the environment and to having a positive impact on the communities in which we operate. The Company's vision envisages no compromise in its commitment to safety, health and responsible care for the environment. Health and safety of the people in and around its area of operations are of paramount importance to the Company.

The Company is committed to environment protection, pollution control and maintenance of ecological balance. The Company shall maintain high standards of pollution control, environment protection and safety.

24. Compliance with Laws, Rules and Regulations

The Company is committed to high standards of corporate governance and believes in compliance of all the laws, rules and regulations and other legal requirements directly or indirectly, effecting or concerning the Company and or required to be observed in connection with the business and affairs of the Company. The Company has endeavored in setting standards for itself, which are ahead of time and higher than those stipulated by law. All concerned are required to comply with the applicable laws, rules and regulations both in letter and spirit.

25. Corporate Citizenship

In SIL the benefits of wealth creation extends beyond the business, flowing into the communities in which the Company operates. SIL approach to business has evolved from the concept that the wealth created must be continuously returned back to the society. The responsibility of combining the three elements of society - social, environmental and economic - is of utmost importance to the way of life at SIL. It is the combination of these three elements that ensures that business is sustainable for all stakeholders.

26. Annual Review

The Directors and senior management personnel shall affirm in writing compliance with the Code on an annual basis i.e. in July each year.

27. Disciplinary Actions

27.1. The matters covered in the Code are of utmost importance to the Company and are essential to the Company's ability to conduct its business in accordance with the stated values. The Directors and senior management personnel are expected to adhere to the Code in carrying out their duties for the Company. Appropriate actions will be taken by the Board of Directors in case of Directors and by the Chairman in case of senior management personnel for breach of the Code. Actions may include serious disciplinary action, removal from office as well as other remedies to the extent permitted by law and as considered appropriate in the circumstances.

27.2. Reporting Concerns

Every employee of SIL, shall promptly report to the management of any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company.

28. Code for independent directors

As required by the provisions of Section 149(8), the Independent Directors of the Company shall abide by the Code for independent directors as contained in Schedule IV to the Companies Act, 2013. As required by Regulation 17(5)* of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, the said duties of the Independent Directors are enunciated hereunder as under:-

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.

29. Compliance Officer

The Company has appointed the Secretary as Compliance Officer for the purpose of the Code. The Compliance Officer will be available to the Directors and senior management personnel to resolve their queries and assist them in complying with the Code. Any question relating to how this Code should be interpreted or complied should be addressed to the Compliance Officer.

30. Implementation/Modification

The decision of the Board of Directors with regard to all matters relating to the Code will be final and binding on all concerned. The Board of Directors of the Company shall have power to modify or replace the Code in part or in full, as they may deem fit from time to time in their absolute discretion.

31. Supersession

This Code supersedes the Code of Conduct approved and adopted by the Board on 29th April, 2005 and takes effect from the date of its approval by the Board on 15.05.2014.
