

CODE FOR CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF

OSIAJEE TEXTFAB LIMITED

Preamble

This Code of Conduct (the “Code”) for the Board of Directors and the Senior Managerial Personnel of **Osiajee Textfab Limited** (the “Company”) is being 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.

The Board of Directors adopted this Code of Conduct and Ethics as a Testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflict of interest.

This model code of conduct shall be reviewed by the Board from time to time in pace with the regulatory environment and any amendments to this Code shall be approved by the Board of Directors.

Definition

For the purpose of this Code,

- a) “Board” means Board of Directors of the Company;
- b) “Board Member” means every director of the Company as may be appointed from time to time;
- c) “Code of Conduct” means this Code of Conduct for members of the Board and Senior Management Personnel including modifications made thereto from time to time;
- d) “Company” means **Osiajee Textfab Limited**;
- e) “Senior Management Personnel” means personnel of the Company who are members of its core management team excluding Board of Directors and will comprise all members of management one level below the executive directors, including all functional heads.
- f) “Relative” shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013.

Philosophy

The basic philosophy of the Code of Conduct has been guided by the practices of good Corporate Governance followed by the Company. The core values of the Company are:-

- Commitment to excellence
- Integrity including intellectual honesty, openness, fairness & trust
- Care for people

- Dynamic & successful business Organization
- A Socially-valued Enterprise
- Business integrity

🔑 Applicability

This Code shall be applicable to the following persons :

- (a) All whole-time Directors including Chairman of the Company
- (b) All part-time Directors
- (c) All senior management personnel of the Company who are members of its core management team and will comprise of all members of management one level below the executive directors, including all functional heads.

🔑 Key Requirements

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the Company and observe the following code of conduct:

A. Honest & Ethical Conduct

The Directors and Senior Management personnel shall conduct their activities with honesty, integrity and fairness. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. Directors shall act in the best interests of the Company and fulfill the fiduciary obligations.

B. Conflict of Interest

The Directors and Senior Management personnel must always act in the best interests of the Company and should avoid any situation where their personal interests conflict or could conflict with their obligations toward the Company. They must not, directly or through any members of their families, relatives or persons living with them or with whom they are associated, or in any other manner:

- i. Directors and Senior Management Personnel of the Company shall not enter into any transactions, which are or are likely to be in conflict with interest of the Company save exceptional circumstances where prior approval of the Board would be required.
- ii. Directors of the Senior Management Personnel should disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.
- iii. Directors and Senior Management Personnel 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 and the Board declines to pursue such opportunity for the Company.

- iv. The Directors and the Senior Management personnel shall devote themselves exclusively to the business of the Company and shall not accept any other work or assignment (part-time or otherwise) or receive payments for services from any competitor, customer, distributor or supplier of the Company. Any outside activity shall not be allowed by the Company and shall be treated as violation of contract of employment entered by them with the Company.
- v. Directors and Senior Management personnel shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested.
- vi. Directors and Senior Management personnel shall endeavor to ensure that they use the Company's assets, proprietary information and resources only for the legitimate business purposes of the Company and not for their personal gains
- vii. Directors and Senior Management personnel shall not serve on the Board of other Competitor companies which may raise substantial concerns about potential conflict of interest. However, if any Director is appointed on the Board of any non-profit organizations, the same shall be welcome by the Company.
- viii. All transactions having conflict of interest should be carried out in accordance with law and be fully disclosed to the Board and, upon a decision being taken in the matter, the person concerned will be required to take necessary action as advised to resolve/avoid the conflict.
- ix. If the Director or Senior Management Personnel fails to make a disclosure as required herein, and the Board of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the concerned person, the Board would take a serious view of the matter and consider suitable disciplinary action against the person concerned.

C. 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 Directors and Senior Management personnel have 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.

D. Insider Trading

The company has adopted a Code of Conduct for Prevention of Insider Trading which all Board Member and Senior Management Personnel should observe with respect to the purchase and sale of the Company's securities. The Directors and Senior Management Personnel should direct questions regarding the application or interpretation of these guidelines to the Compliance Officer. Ensure confidentiality of all material sensitive information of the affairs of the Company coming in their possession and not to disclose or use the same for personal profit or for the advantage of any other person unless the same is required to be disclosed to any other person in terms of applicable regulations;

E. Company Meetings

The Directors should attend the Board/general meetings comprehending the agenda of the meeting circulated to them. They are required to make a concerted effort to attend all the Board meetings scheduled in the year. The directors shall participate actively and constructively in the discussions of the Board and shall follow the guidelines agreed on by the Board regarding how it will govern and conduct itself.

F. Other Commitments

In addition to the aforementioned responsibilities, the Directors and Senior Management Personnel shall endeavor and are required to:

- i. Use due care and diligence in performing their duties of office and in exercising the powers attached to that office;
- ii. Make all necessary disclosures to the Company in terms of the Companies Act 2013, the Listing Regulations and any other applicable laws for the time being in force;
- iii. Not engage in conduct which may bring discredit to the Company;
- iv. Devote their utmost to achieve the goals of the Company and the standards set before themselves;
- v. Carry on the business of the Company complying with all relevant laws, rules and regulations;
- vi. Ensure that financial records and present financial reports are in accordance with the provisions of law and applicable Accounting Standards so as to give a true and fair view of the state of affairs of the company;
- vii. Ensure that necessary Internal Control Systems are enforced effectively whereby fraud and other illegalities or irregularities, if any, are detected and timely remedial action is taken;
- viii. Pursue healthy Human Resource policies without any discrimination on account of caste, religion or sex, promote meritocracy, and uphold self respect and human dignity to instill a sense of belonging to the Organization;
- ix. Ensure that in dealing with customers, lenders, investors, Government and the community at large, the Company's image and its interests are well protected;
- x. Maintain highest level of professional conduct that would enhance the image, goodwill and credibility of the business of the Company;
- xi. Create an atmosphere of highest integrity, trust, fairness and honesty in performance of their duty which should strengthen the bond of relationship with people, both internally and externally;
- xii. Promote SHE factors, viz., safe, healthy working Environment and comply with all regulations concerning preservation of the Environment of the territory of operation, in conducting the Company's business;
- xiii. Remain apolitical while involving in conduct of Company's affairs.

■ Enforcement of Code of Conduct

Suspected violations of this Code may be reported to Managing Director of the Company or the Chairman of the Audit Committee. All reported violations should be appropriately investigated. Each Board Member and Senior Management Personnel shall be accountable for complying with the Code. Penalty for breach of the Code by Senior Management Personnel / the Board members shall be determined by the Audit Committee of the Board of Directors.

■ Amendment(s) of the Code

The Code may be amended from time to time with the approval of the Board of Directors of the Company.
