SHRI KANHA STAINLESS LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

Version	Summary of Changes	Board Approval	Date of Release
Version 1	Initial	20.03.2025	20.03.2025
Version 2	Reviewed and Amended in line with applicability to SME listed entity	31.08.2026	31.08.2026

1. PREAMBLE AND PURPOSE

Shri Kanha Stainless Limited (the "**Company**") is committed to conducting its business with integrity, transparency and accountability. This Code of Conduct (the "Code") sets out the standards of conduct expected of every Director and every member of the Senior Management Personnel of the Company on matters of ethics, integrity and conflict of interest. It supplements, and does not replace, the obligations imposed by law.

This Code was approved and adopted by the Board of Directors at its meeting held on August 31, 2026.

2. REGULATORY FRAMEWORK AND APPLICABILITY

This Code is framed with reference to Sections 149(7), 165, 166, 177, 178, 184, 188 and 189 of, and Schedule IV to, the Companies Act, 2013 ("Act"); the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"); the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") to the extent applicable; and Secretarial Standards SS-1 and SS-2.

Note on applicability: The specified securities of the Company are listed on the SME platform of National Stock Exchange of India Limited. Under Regulation 15(2) of the LODR Regulations, Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and Paras C, D and E of Schedule V do not apply to an entity listed on the SME Exchange, save Regulation 23 (Related Party Transactions), which applies to such an entity upon the specified thresholds of paid-up equity share capital or net worth being crossed. Regulation 23 is applicable to the Company with effect from 1 April 2026. This Code is accordingly adopted in discharge of the Company's obligations under the Act, Regulation 23 of the LODR Regulations and the PIT Regulations, and voluntarily in the interest of sound governance.

3. DEFINITIONS

(a) "Compliance Officer" means the Company Secretary of the Company or such other officer as the Board may designate;

(b) "Senior Management Personnel" or "SMP" means the officers and personnel of the Company who are members of its core management team, excluding the Board, comprising all members of the management one level below the Chief Executive Officer, Managing Director, Whole-time Director or Manager (including the functional heads), and specifically includes the Company Secretary and the Chief Financial Officer;

(c) "Covered Person" means every Director and every member of the SMP, to each of whom this Code applies;

(d) expressions not defined herein shall have the meanings assigned to them in the Act, the LODR Regulations or the PIT Regulations, as applicable.

This Code is in addition to, and not in derogation of, the Company's Code of Conduct for Prevention of Insider Trading, its Whistle Blower Policy and Vigil Mechanism, its Policy on Related Party Transactions and any other policy of the Board. Where this Code is inconsistent with applicable law, the law shall prevail.

4. HONESTY, INTEGRITY AND ETHICAL CONDUCT

Every Covered Person shall act with honesty, integrity, fairness and diligence, shall act within the authority conferred upon him or her, shall exercise independent judgement, and shall not permit any extraneous consideration to influence the discharge of his or her duties to the Company. This obligation applies both on the premises of the Company and wherever a Covered Person represents the Company.

5. CONFLICT OF INTEREST

A conflict of interest exists where the personal interest of a Covered Person, or that of his or her relative, conflicts or may conflict with the interest of the Company. Every Covered Person shall avoid such situations and shall make prompt and full disclosure of any actual or apparent conflict to the Board and, where applicable, to the Audit Committee. A failure to disclose a conflict which ought to have been disclosed shall itself be a ground for disciplinary action.

5.1 Outside employment and directorships

No Covered Person shall accept simultaneous employment or engagement with, or a directorship on the board of, a supplier, customer or competitor of the Company, or take part in any activity that supports a competitor, without the prior approval of the Board. Every Director shall ensure that the number of directorships held does not exceed the limits in Section 165 of the Act, and shall make disclosure in Form MBP-1 under Section 184(1) at the first Board meeting of every financial year and whenever there is any change.

5.2 Gifts, hospitality and anti-bribery

No Covered Person shall, directly or indirectly, offer, give, solicit or accept any money, gift, hospitality or thing of value where it is, or could reasonably be perceived to be, intended to influence a business decision or to obtain an improper advantage. Every Covered Person shall comply with the Prevention of Corruption Act, 1988.

5.3 Related party transactions

No Covered Person shall enter into, or cause the Company to enter into, any related party transaction except in accordance with Sections 184 and 188 of the Act, Regulation 23 of the LODR Regulations and the Company's Policy on Related Party Transactions, and every such transaction and any subsequent material modification thereto shall have the prior approval of the Audit Committee. Every Covered Person shall furnish to the Compliance Officer particulars of his or her related parties for the register under Section 189 of the Act and for the disclosures required under Regulation 23. An interested Director shall not participate in, and shall not be counted for quorum on, any item in which he or she is interested, and shall ensure that this is recorded in the minutes.

6. CONFIDENTIALITY AND PUBLIC REPRESENTATION

All information concerning the business, customers, suppliers, employees and affairs of the Company is privileged and confidential and shall not be disclosed unless the disclosure is authorised by the Board, the information is already in the public domain, or the disclosure is required by law. This obligation continues after a Covered Person ceases to hold office. The Company shall be represented before the media, analysts, investors and other external constituencies only by persons specifically authorised by the Board.

7. PREVENTION OF INSIDER TRADING

Every Covered Person shall comply with the PIT Regulations and the Company's Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure. In particular, no Covered Person shall trade in the securities of the Company while in possession of unpublished price sensitive information or when the trading window is closed; pre-clearance shall be obtained wherever required; disclosures under Regulation 7 of the PIT Regulations, including of trades exceeding Rs. 10 lakh in traded value in a calendar quarter, shall be made within two trading days; and particulars of immediate relatives and persons sharing a material financial relationship shall be furnished for the structured digital database maintained under Regulation 3(5).

8. COMPANY ASSETS, RECORDS AND DISCLOSURES

Every Covered Person shall protect the assets and resources of the Company, ensure their proper use for legitimate business purposes, and shall not derive any personal benefit from the property, assets, information or position of the Company beyond what he or she is lawfully entitled to.

Every Covered Person shall ensure that the books of account, statutory registers and records of the Company are accurate, complete and timely, and that no false or misleading entry is made, and shall co-operate fully with the statutory, internal and secretarial auditors and the Audit Committee. Every Covered Person shall promptly inform the Compliance Officer of any event or information relating to him or her that requires disclosure by the Company under Regulation 30 read with Schedule III of the LODR Regulations or under any other law.

9. COMPLIANCE WITH LAWS

Every Covered Person shall comply with all laws applicable to the Company, shall acquire sufficient knowledge of the legal requirements relating to his or her duties to recognize potential issues and to know when to seek advice from the Compliance Officer or external counsel, and shall observe Secretarial Standards SS-1 and SS-2. A violation of law may render a Covered Person individually liable in civil or criminal proceedings in addition to disciplinary action by the Company.

10. DUTIES OF DIRECTORS

In terms of Section 166 of the Act, a Director of the Company:

(a) shall act in accordance with the articles of association of the Company;

(b) 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 the environment;

(c) shall exercise his or her duties with due and reasonable care, skill and diligence and shall exercise independent judgement;

(d) shall not involve himself or herself in a situation in which he or she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;

(e) shall not achieve or attempt to achieve any undue gain or advantage either to himself or herself or to his or her relatives, partners or associates, and if found guilty of making any undue gain shall be liable to pay an amount equal to that gain to the Company; and

(f) shall not assign his or her office, and any assignment so made shall be void.

Every Director shall attend meetings of the Board regularly, and shall be mindful of Section 167(1)(b) of the Act under which the office of a director becomes vacant on absence from all Board meetings held over a period of twelve months, with or without leave of absence.

10.1 Communication of duties at the time of appointment

The duties set out in this Clause, together with a copy of this Code, shall be communicated in writing to every Director at the time of his or her appointment, and the Director shall acknowledge receipt in the format at Annexure A. Any subsequent amendment to this Code shall likewise be communicated to every Covered Person.

In the case of an Independent Director, the appointment shall be formalized through a letter of appointment in accordance with Clause IV(4) of Schedule IV to the Act, which shall set out the term of appointment; the expectation of the Board from the appointed director and the Board committees on which he or she is expected to serve, together with their tasks; the fiduciary duties that come with the appointment and the accompanying liabilities; the provision for directors' and officers' insurance, if any; the Code of Business Ethics that the Company expects its directors and employees to follow; the list of actions that a director should not do while functioning as such; and the remuneration payable.

In terms of Clauses IV(5) and IV(6) of Schedule IV to the Act, 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, and shall be posted on the website of the Company.

11. INDEPENDENT DIRECTORS

An Independent Director shall meet the criteria of independence in Section 149(6) of the Act and shall give a declaration to that effect at the first Board meeting in which he or she participates as a director, at the first Board meeting of every financial year thereafter, and whenever circumstances change. He or she shall also comply with Section 150 of the Act relating to the data bank maintained by the Indian Institute of Corporate Affairs and, where applicable, the online proficiency self-assessment test.

Every Independent Director shall abide by Schedule IV to the Act in its entirety, and in particular shall: act with integrity and probity and exercise objective independent judgement free of extraneous considerations; refrain from any action that would lead to loss of independence and inform the Board forthwith if his or her independence is affected; not abuse his or her position for personal advantage or that of any associated person; strive to attend and participate constructively in all meetings of the Board, its committees and the general meetings; satisfy himself or herself on the integrity of financial information and the robustness of financial controls and risk management systems; safeguard the interests of all stakeholders, particularly minority shareholders; ensure adequate deliberation before the approval of related party transactions and that the vigil mechanism is functional and its users protected; insist that unresolved concerns are recorded in the minutes; report unethical behaviour, actual or suspected fraud or violation of this Code; and not disclose confidential information, including unpublished price sensitive information, unless approved by the Board or required by law.

The Independent Directors shall meet at least once in every financial year without the attendance of non-independent directors and members of the management, to review the performance of the non-independent directors, of the Board as a whole and of the Chairperson, and to assess the quality, quantity and timeliness of the flow of information between the management and the Board.

12. WORKPLACE CONDUCT AND POLITICAL CONTRIBUTIONS

Every Covered Person shall comply with the Company's policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, shall not discriminate on any ground prohibited by law, and shall support the Company in maintaining a safe workplace and in conducting its operations in an environmentally responsible manner. No contribution shall be made on behalf of the Company to any political party or for any political purpose except in accordance with Section 182 of the Act and with the prior approval of the Board.

13. REPORTING OF CONCERNS AND VIGIL MECHANISM

Any suspected violation of this Code, or any concern about unethical behaviour, actual or suspected fraud or violation of law, shall be reported to the Compliance Officer or, where the matter concerns the Compliance Officer or is otherwise sensitive, directly to the Chairperson of the Audit Committee. Reports may also be made through the Vigil Mechanism established under Section 177(9) of the Act and the Company's Whistle Blower Policy. All reports shall be appropriately investigated. The Company shall provide adequate safeguards against victimisation of any person who reports in good faith, and no Covered Person shall retaliate, or cause or permit retaliation, against such a person.

14. CONSEQUENCES OF NON-COMPLIANCE

The Company may take such action as it considers appropriate against a Covered Person found to have violated this Code, including counselling, warning, suspension, removal from a position of responsibility or termination of employment or engagement. Where the Company has suffered loss it may pursue its remedies against those responsible, and where a law has been violated it shall co-operate fully with the appropriate authorities.

15. WAIVERS, AMENDMENTS AND REVIEW

Any amendment to, or waiver of any provision of, this Code in respect of a Director or a member of the SMP, must be approved in writing by the Board and shall be recorded in the minutes. The Board shall review this Code at least once in every three financial years or earlier upon any material change in the applicable legal framework. Any question of interpretation shall be referred to the Compliance Officer and, where material, to the Board, whose decision shall be final.

16. ACKNOWLEDGEMENT OF THE CODE

Every Covered Person shall, within thirty days of appointment, acknowledge receipt of this Code and undertake to comply with it in the format at the “Annexure A” to this Code. The Compliance Officer or any person authorized by the Board shall maintain a record of the acknowledgements received and shall place the same before the Board. Every amendment to this Code shall be communicated to every Covered Person, who shall acknowledge receipt in like manner.

"ANNEXURE A"

ACKNOWLEDGEMENT AND UNDERTAKING ON APPOINTMENT

To,
The Board of Directors,
Shri Kanha Stainless Limited

I, __________________, [Designation], acknowledge that I have received and read the Code of Conduct for the Board of Directors and Senior Management Personnel, and that the duties applicable to me under Section 166 of the Companies Act, 2013 and, where applicable, Schedule IV to that Act have been communicated to me.

I undertake to comply with the Code and with all applicable laws in the discharge of my duties, and to disclose promptly any actual or apparent conflict of interest and all disclosures required under the Companies Act, 2013 and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Name:

DIN / Identification No.:

Place:

Date: