



**Southern Magnesium and Chemicals Limited**

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**CODE OF CONDUCT FOR BOARD  
MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL**

## **INTRODUCTION**

This Code of Conduct is adopted by the Board of Directors and Senior Management Personnel of Southern Magnesium and Chemicals Limited to uphold high ethical and legal standards in the conduct of Company's business.

## **OBJECTIVE**

The objective of the Code is to promote honest and ethical conduct and disclose in a transparent manner the values in accordance to which the business of the Company will be conducted and encourage the observance of those standards to protect and promote the interests of shareholders and all other stakeholders (including but not limited to employees, customers, suppliers, creditors, lenders and society at large); The Board is of the view that the standards should apply to itself and to the Senior Management of the Company should be higher than those that are applicable to all employees. Accordingly, compliance with this Code is a condition of employment and service for Whole Time Directors and Senior Management.

## **DEFINITIONS**

“**Board**” means the Board of Directors of the Company.

“**Code**” means the Code of Conduct.

“**Company**” means Southern Magnesium and Chemicals Limited.

“**Senior Management Personnel**” means personnel of the Company just below the level of executive directors i.e., at the level of President and Executive Vice President.

## **AMENDMENTS TO THE CODE**

Any amendment to the provisions of the Act and Listing Regulations to the Code of Conduct for Board Members and Senior Management Personnel shall be incorporated in the Code with the approval of the Board.

## **GUIDELINES OF THE CODE:**

Every Director and Senior Management Personnel of the Company shall bind and subscribe to the following Guidelines adopted by the Board.

- To act honestly and use their powers of office in good faith and in the best interest of the Company.
- To discharge their duties with good faith and in the interests of all the Stakeholders of the Company.

- To dedicate sufficient time, energy and attention to the Company's objectives and to its development.
- Not to take advantage of their office for their personal benefits and gains.
- To keep confidentiality relating to the affairs of the Company more particularly with information acquired by virtue of their office. Further not to make improper use of confidential information of the Company.
- To comply with all applicable laws, Rules and Regulations of the Statute.
- To comply with Corporate Policies and Regulations such as Insider Trading Regulations etc.,

**DUTIES OF ALL DIRECTORS OF THE COMPANY UNDER THE PROVISIONS OF COMPANIES ACT, 2013**

- To act in accordance with the Company's Articles of Association.
- To 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 interest of the Company.
- To discharge the duties with due and reasonable care, skill and diligence.
- 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.
- Shall not achieve or attempt to achieve any undue gain or advantage either to Director or to his/her relatives, partners or associates.
- Shall not assign his office as Director and any assignments so made shall be void.