

Corporate Governance Policy

1. Introduction

AICS Industries Limited (“the Company”) is committed to the highest standards of corporate governance in all its activities and processes. This Corporate Governance Policy outlines the principles, framework, and key policies that guide the Company in achieving transparency, accountability, and long-term stakeholder value.

2. Purpose

The purpose of this policy is to:

- Ensure compliance with applicable laws and ethical standards.
 - Promote integrity and transparency in decision-making.
 - Define the roles and responsibilities of the Board and senior management.
 - Protect the interests of shareholders, employees, customers, and other stakeholders.
 - Foster a culture of ethical conduct, responsibility, and sustainability.
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3. Legal Framework

This policy is aligned with:

- The Companies Act, 2013 and rules made thereunder.
 - Securities and Exchange Board of India (SEBI) Guidelines (where applicable).
 - Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
 - Any other applicable laws and regulations.
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4. Governance Structure

4.1 Board of Directors

The Board of Directors is responsible for overseeing the management of the Company and ensuring adherence to good corporate governance practices.

- **Composition:** The Board shall have a balanced mix of executive, non-executive, and independent directors, where applicable, in line with best practices.

- **Chairperson:** The role of the Chairperson is to provide leadership and ensure the effective functioning of the Board.
- **Meetings:** The Board shall meet at least four times a year, with a gap of not more than 120 days between two meetings.

4.2 Board Committees

The Company may constitute the following committees, with defined roles and responsibilities:

- **Audit Committee**
- **Risk Management Committee**

Committee charters shall be prepared and approved by the Board.

5. Roles and Responsibilities

5.1 Board of Directors

- Approve strategic and business plans.
- Monitor the Company's performance.
- Ensure compliance with all statutory and regulatory obligations.
- Review risk management and internal control systems.
- Oversee financial reporting and disclosures.

5.2 Key Managerial Personnel (KMP)

- Implement strategies approved by the Board.
 - Manage day-to-day affairs of the Company.
 - Maintain high standards of integrity and transparency.
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6. Ethical Conduct and Compliance

The Company shall adopt:

- A **Code of Conduct** for Directors and Senior Management.
- A **Whistleblower Policy** to report concerns about unethical behavior or violations.
- An **Anti-Bribery and Anti-Corruption Policy**.

7. Transparency and Disclosures

The Company shall ensure timely and accurate disclosures relating to:

- Financial and operational performance.
 - Material events as per internal disclosure policy.
 - Statutory filings with the Registrar of Companies and other authorities.
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8. Risk Management

The Company shall have an effective risk management framework to identify, assess, and mitigate key business risks. The Board will periodically review risk exposure and mitigation strategies.

9. Evaluation and Remuneration

- The Board shall conduct an **annual evaluation** of its performance, as well as that of its committees and individual directors.
 - The **Nomination and Remuneration Committee** shall recommend a transparent remuneration policy linked to performance and industry benchmarks.
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10. Stakeholder Engagement

The Company acknowledges the interests of various stakeholders and shall adopt a stakeholder-inclusive approach in its governance processes, with special focus on employees, customers, suppliers, and the community.

11. Sustainability and CSR

The Company is committed to environmental and social responsibility and shall align its operations with sustainability goals. A separate CSR Policy (if applicable under Section 135 of the Companies Act) shall guide CSR initiatives.

12. Policy Review: This Corporate Governance Policy shall be reviewed periodically by the Board to ensure its relevance and effectiveness. Amendments, if any, shall be approved by the Board.