SAHAJ DIGITAL LIMITED

(Formerly known as Jolly Plastic Industries Limited)

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

[Framed pursuant to Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149(8) and Schedule IV of the Companies Act, 2013]

1. PREAMBLE AND OBJECTIVE

1.1 Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) requires the board of directors of a listed entity to lay down a code of conduct for all members of the board of directors and senior management of the listed entity, which shall suitably incorporate the duties of independent directors as laid down in the Companies Act, 2013.

1.2 This Code of Conduct (the “Code”) of Sahaj Digital Limited (the “Company”) is framed in compliance with that requirement, read with Section 149(8) and Schedule IV of the Companies Act, 2013 (the “Act”). The duties of independent directors as laid down in Schedule IV of the Act are set out in the Annexure to this Code, which forms an integral part of it.

1.3 The object of this Code is to maintain standards of business conduct in line with the stated values of the Company; to assist the Board of Directors and the Senior Management in performing their duties in accordance with the highest standards of honesty, integrity, accountability, confidentiality and independence; and to promote a culture of compliance and ethical conduct throughout the Company.

1.4 Any subsequent amendment, modification or clarification issued in the Act, the Listing Regulations or any other applicable law shall apply to this Code automatically, and in the event of any inconsistency the provisions of the applicable law shall prevail.

2. DEFINITIONS AND APPLICABILITY

2.1 This Code applies to:

a. all members of the Board of Directors of the Company, whether executive, non-executive or independent; and

b. all Senior Management Personnel of the Company.

2.2 “Senior Management” shall have the meaning assigned to it in Regulation 16(1)(d) of the Listing Regulations, and accordingly means the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including the Chief Executive Officer and Manager, in case they are not part of the Board of Directors), and shall specifically include the functional heads, by whatever name called, and the Company Secretary and the Chief Financial Officer.

2.3 The members of the Board of Directors and the Senior Management Personnel are hereinafter collectively referred to as the “Officers”. Words and expressions used but not defined in this Code shall have the meanings assigned to them in the Act and the Listing Regulations.

2.4 The procedures and guidelines set out in this Code are intended to deal with the most common practical implications of the principles it embodies, but cannot deal specifically with every situation that may arise. Where an Officer is in doubt as to how a particular situation should be dealt with from an ethical standpoint, he or she may consult the Chief Executive Officer or the Company Secretary and Compliance Officer, or may seek independent professional advice, and shall in the first instance consult the Company Secretary and Compliance Officer.

3. GENERAL PRINCIPLES

Every Officer shall:

a. maintain the standards of business conduct in line with the stated values of the Company;

b. perform his or her duties in accordance with the highest standards of honesty, integrity, accountability, confidentiality and independence;

c. not enter into, without the prior approval of the disinterested members of the Board of Directors, any transaction or relationship with the Company in which he or she has a financial or personal interest, whether directly or indirectly, including through a relative or any other person or organisation with which he or she is associated, or any transaction or situation which otherwise involves a conflict of interest;

d. maintain the confidentiality of all material non-public information concerning the Company, its business and affairs, and make no use of such information other than in furtherance of the interests of the Company;

e. abide by all applicable laws and regulations, including the Company's codes framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

f. ensure compliance with the legal requirements applicable to the Company, including the Act and the Listing Regulations.

4. DUTIES OF DIRECTORS UNDER SECTION 166 OF THE ACT

Every Director of the Company shall, in accordance with Section 166 of the Act, act in accordance with the articles of association of the Company; 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, its shareholders, the community and for the protection of the environment; exercise his or her duties with due and reasonable care, skill and diligence and exercise independent judgment; 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; 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 not assign his or her office, any assignment so made being void.

5. HONESTY AND INTEGRITY

While participating in the business of the Company, the Officers shall act honestly, in good faith and in the best interests of the Company, its employees, its shareholders and the wider investing community, and shall exercise the due care, diligence and skill of a reasonably prudent person under comparable circumstances.

6. COMPLIANCE WITH LAW AND DUTY TO REVIEW REPORTS

6.1 Every Officer shall comply with every applicable law for the time being in force and the rules and regulations made thereunder, and shall encourage and promote statutory compliance in its true letter and spirit.

6.2 The Officers shall review such reports and compliance statements concerning the affairs of the Company as may be prescribed from time to time, at such intervals as may be prescribed, and may add to or modify such reports as they consider appropriate to ensure statutory compliance and the smooth and transparent operation of the Company.

7. CONFLICT OF INTEREST

7.1 A conflict of interest exists when the personal interest of an Officer interferes in any way with the interests of the Company. A conflict may also arise where an Officer acts, or has an interest, in a manner that may make it difficult to perform his or her duties objectively and effectively, or where his or her relatives receive improper personal benefits as a result of his or her position in the Company.

7.2 The Officers shall carry out their responsibilities to the exclusion of any personal advantage, benefit or interest, and shall avoid any situation involving a conflict, or the appearance of a conflict, between their personal interests and the performance of their official duties.

7.3 Where a conflict of interest is likely to arise in the case of a Director, he or she shall make full disclosure of all facts and circumstances to the Board of Directors. In the case of any other Officer, such disclosure shall be made to the Managing Director or to such other authority as the Managing Director may designate.

7.4 Every Senior Management Personnel shall, in terms of Regulation 26(5) of the Listing Regulations, make disclosure to the Board of Directors relating to all material financial and commercial transactions where they have personal interest that may have a potential conflict with the interest of the Company at large.

7.5 Every Director shall disclose his or her concern or interest in any company, body corporate, firm or other association of individuals in the manner and within the time prescribed under Section 184 of the Act, and shall not participate in the discussion of, or vote on, any contract or arrangement in which he or she is interested, save as permitted under Section 184(2) of the Act.

7.6 All related party transactions shall be entered into in compliance with Section 188 of the Act and Regulation 23 of the Listing Regulations, and with the Company's policy on related party transactions, including the requirements as to prior approval of the Audit Committee and, where applicable, of the shareholders.

7.7 The Officers acknowledge their obligations under the Act, the Listing Regulations, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and all other applicable Indian and foreign laws and regulations, and shall not themselves act, nor aid or abet any person acting, contrary to any such provision or to any judgment or order, whether judicial, quasi-judicial, administrative or otherwise, issued by a competent authority.

8. GIFTS AND PREFERENTIAL TREATMENT

The Officers shall not give or receive corporate gifts, hospitality, preferential treatment or other benefits that might affect, or could reasonably appear to affect, the ability to make independent judgments on transactions involving the Company. Customary gifts of nominal value given or received in the ordinary course of business may be accepted, provided that the same are disclosed to the Company Secretary and Compliance Officer where their value is material.

9. CORPORATE OPPORTUNITIES

9.1 The Officers are prohibited from making use of any corporate opportunity for their personal gain. A corporate opportunity is a profit-making opportunity which, in justice and equity, belongs to the Company.

9.2 Where a corporate opportunity arises which belongs, wholly or in part, to the Company, the Officers shall advance the legitimate interest of the Company in that opportunity. The duty not to take unfair advantage of a corporate opportunity extends also to the protection and proper use of the property of the Company.

10. CONFIDENTIALITY OF INFORMATION

10.1 The Officers owe a fiduciary duty to maintain the confidentiality of all critical and material non-public information, the disclosure of which might adversely affect the interests of the Company, unless such disclosure is required under any law for the time being in force or pursuant to any direction or order of a statutory authority.

10.2 Disclosure in any other case may be made only with the prior consent of the Board of Directors. In the case of any question or doubt as to the confidentiality or criticality of any information, the Officer concerned shall consult the Company Secretary and Compliance Officer.

10.3 Confidential information includes commercial secrets, technologies, advertising and sales promotion plans, and unpublished price sensitive information.

11. INSIDER TRADING

11.1 The Company has framed a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information under Regulation 8 read with Schedule A, and a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons under Regulation 9 read with Schedule B, of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Both codes apply to the Officers, who are expected to be conversant with them and are required to adhere to them strictly.

11.2 The Officers shall observe the trading window restrictions, the pre-clearance requirements, the contra trade restriction and the disclosure obligations set out in the said Code of Conduct, and shall not communicate, provide or allow access to any unpublished price sensitive information except in furtherance of legitimate purposes, the performance of duties or the discharge of legal obligations.

11.3 The sharing of unpublished price sensitive information shall in every case be recorded in the structured digital database maintained by the Company under Regulation 3(5) of the said regulations.

12. FAIR DEALING

The Company seeks to gain competitive advantage through superior performance and not through unethical or illegal business practices. Every Officer shall respect the rights of, and deal fairly with, the other Officers, the employees, customers, suppliers and competitors of the Company. No Officer shall take unfair advantage of any person through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

13. FAIRNESS AT WORK AND TO THE EXTERNAL ENVIRONMENT

The Officers recognise their responsibility to act fairly towards customers, employees and the community at large, and shall support the principles of health and safety, environmental best practice and equality legislation. The Officers shall also have regard to the Company’s obligations in relation to business responsibility and sustainability reporting under the Listing Regulations, to the extent applicable to the Company.

14. PROHIBITION OF DISCRIMINATION AND HARASSMENT

14.1 The Company believes in providing equal opportunity to all its employees in every aspect of employment. Any discrimination against any employee, whether on the ground of gender, caste, region, community, religion, disability or otherwise, and any harassment of or derogatory comment against any employee, shall be viewed seriously and shall be subject to disciplinary action, which may extend to termination of employment. Harassment includes violent or threatening behaviour against any employee.

14.2 The Company has constituted an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Every Officer shall comply with that Act and with the Company’s policy framed thereunder, and shall extend full co-operation to the Internal Committee in the discharge of its functions.

15. VIGIL MECHANISM AND REPORTING OF UNETHICAL BEHAVIOUR

15.1 Any unethical behaviour observed by an Officer shall be reported to the Board of Directors at the earliest. Every such report shall be made in good faith and shall not be mala fide, nor made to settle any personal grudge against another Officer, nor intended in any way to frustrate or defeat the objects of this Code.

15.2 The Company has established a vigil mechanism and whistle-blower policy under Section 177(9) of the Act and Regulation 22 of the Listing Regulations, which provides adequate safeguards against the victimisation of persons who use the mechanism and direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. Reports of ethical violations may be made in confidence and without fear of retaliation, and where the circumstances so require, the identity of the person reporting shall be protected. The Company does not permit retaliation of any kind against any person for a report of an ethical violation made in good faith.

16. ANNUAL AFFIRMATION OF COMPLIANCE

16.1 In terms of Regulation 26(3) of the Listing Regulations, all members of the Board of Directors and Senior Management Personnel shall affirm compliance with this Code on an annual basis, in such form as the Company Secretary and Compliance Officer may prescribe.

16.2 In terms of Regulation 34(3) read with Part D of Schedule V of the Listing Regulations, the annual report of the Company shall contain a declaration signed by the Chief Executive Officer stating that the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with this Code.

16.3 Every Officer shall furnish the affirmation referred to in Clause 16.1 within such time as may be intimated by the Company Secretary and Compliance Officer, so as to enable the Company to comply with Clause 16.2.

17. COMPLIANCE PROCEDURE

The following is an illustrative procedure to be followed by the Officers in ensuring compliance with this Code:

a. Ascertain what is expected. In every situation, Officers are expected to know what is expected of them and to act accordingly. As Officers may encounter novel situations, they should take proper counsel from the Company Secretary and Compliance Officer in case of doubt.

b. Role and responsibility. Officers should be clear as to their role and responsibility.

c. Discuss the matter with fellow Officers. Where fellow Officers may be expected to be better informed on the question, they should be consulted and brought into the decision-making process.

d. Seek the assistance of the Company Secretary. Where it may not be appropriate to discuss a matter with fellow Officers, or where the Officer does not feel comfortable in approaching them, the matter may be discussed with the Company Secretary and Compliance Officer.

e. Report ethical violations. Ethical violations may be reported in confidence and without fear of retaliation, in accordance with Clause 15 of this Code.

18. WAIVER, AMENDMENT AND PUBLICATION

18.1 Any amendment to this Code may be made by, or under the authority of, the Board of Directors, and shall be intimated to all Officers without delay.

18.2 Only the Board of Directors, or a committee thereof, may grant a waiver of, or an exemption from, any provision of this Code. No waiver or exemption may be granted which is in violation of, or which is not in consonance with the true letter and spirit of, any applicable law for the time being in force or any rule or regulation made thereunder. Any such waiver or exemption, and the reasons for it, shall be recorded and, where required, disclosed.

18.3 This Code shall be published on the official website of the Company in terms of Regulation 46(2)(d) of the Listing Regulations.

ANNEXURE — CODE FOR INDEPENDENT DIRECTORS

[Section 149(8) read with Schedule IV of the Companies Act, 2013, as amended]

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies, in the institution of independent directors.

I. Guidelines of professional conduct

An independent director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, immediately inform the Board accordingly; and
9. assist the company in implementing the best corporate governance practices.

II. Role and functions

The independent directors shall:

1. help in bringing an independent judgment to bear on the Board’s deliberations, especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of the Board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;

7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and, where necessary, recommending removal of executive directors, key managerial personnel and senior management; and

8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholders' interest.

III. Duties

The independent directors shall:

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 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 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 their authority, assist in protecting the legitimate interests of the company, shareholders and its employees; and

13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment

1. The appointment process of independent directors shall be independent of the company management. While selecting independent directors, the Board shall ensure that there is an appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

2. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders. In the case of the Company, being a listed entity, the appointment, re-appointment or removal of an independent director shall be subject

to the approval of shareholders by special resolution, in terms of Regulation 25(2A) of the Listing Regulations.

3. The explanatory statement attached to the notice of the meeting for approving the appointment of an independent director shall include a statement that, in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management, together with the detailed reasons for the appointment as required under the Listing Regulations.

4. The appointment of independent directors shall be formalised through a letter of appointment, which shall set out the term of appointment; the expectation of the Board from the appointed director, the Board-level committee(s) in which the director is expected to serve and its tasks; the fiduciary duties that come with such an appointment along with the accompanying liabilities; 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 in the company; and the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Board and other meetings and profit related commission, if any.

5. 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.

6. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

7. Every independent director shall apply for inclusion of his or her name in the data bank maintained by the Indian Institute of Corporate Affairs, and shall pass the online proficiency self-assessment test within the time and in the manner prescribed under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, unless exempt thereunder.

8. Every independent director shall give a declaration that he or she meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations at the first meeting of the Board in which he or she participates as a director, thereafter at the first meeting of the Board in every financial year, and whenever there is any change in circumstances which may affect his or her status as an independent director.

V. Re-appointment

The re-appointment of an independent director shall be on the basis of the report of performance evaluation.

VI. Resignation or removal

1. The resignation or removal of an independent director shall be in the same manner as is provided in Sections 168 and 169 of the Act.

2. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than three months from the date of such resignation or removal, as the case may be.

3. Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

4. In the case of the Company, being a listed entity, any vacancy in the office of an independent director shall be filled within the time prescribed under Regulation 25(6) of the Listing Regulations. The detailed reasons for the resignation of an

independent director, together with the confirmation that there is no other material reason other than those provided, shall be disclosed to the stock exchange(s) in terms of Regulation 30 read with Schedule III of the Listing Regulations.

5. An independent director who resigns from the Company shall not be appointed as an executive or whole-time director of the Company, its holding, subsidiary or associate company, or of a company belonging to its promoter group, unless a period of one year has elapsed from the date of such resignation, in terms of Regulation 25(11) of the Listing Regulations.

VII. Separate meetings

1. The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management.

2. All the independent directors of the company shall strive to be present at such meeting.

3. The meeting shall (a) review the performance of non-independent directors and the Board as a whole; (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; and (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism

1. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.