

KEI INDUSTRIES LIMITED
Regd Office: D-90, Okhla Industrial Area, Phase-I, New Delhi-110 020.

CODE OF CONDUCT
FOR
DIRECTORS & SENIOR MANAGEMENT PERSONNEL

INTRODUCTION

The purpose of this Code of Conduct (the "Code") is to conduct the business of the Company in accordance with the applicable laws, rules, regulations and with the highest standard of ethics and values. The matters covered in this Code are of utmost importance to the Company, shareholders and other stakeholders. This Code shall come into force with immediate effect. Each and every Director/Officer (as defined herein below) shall be duty-bound to follow the provisions of this Code in letter and spirit. Any instance of non-compliance of any of the provisions shall be a breach of ethical conduct and shall be viewed seriously by the Company. Accordingly, the Director/Officers (as defined herein below) are expected to read and understand this Code and uphold these standards in their business dealings and activities.

I. APPLICABILITY

This Code of Conduct applies to the following:

1. All Members of the Board of Directors of the Company; (hereinafter referred to as the "**Directors**")

- 2.(a) Chief Executive Officer;
(b) Company Secretary;
(c) Head of Finance function (by whatever designation called);
(d) All Departmental/Functional heads of different functions of the Company (by whatever designation they are called).

(hereinafter referred to as "**Officers**")

II. HONEST AND ETHICAL CONDUCT

We expect all the Directors/Officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working at the Company's premises, at offsite locations, at Company's sponsored business and social events, and/or at any other place where the Directors/Officers represent the Company. We consider

honest conduct to be a conduct that is free from fraud and/or deception. We consider ethical conduct to be a conduct conforming to the accepted professional standards of conduct. Ethical conduct includes ethical handling of actual or apparent conflicts of interest as specified in III below, between personal and professional relationships.

III. CONFLICTS OF INTEREST

Duty of the Directors/Officers of the Company demands that he/she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. For eg:

A. Employment / Outside Employment: In consideration of employment with the Company, Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or otherwise in conflict with or prejudicial to the Company. For eg. simultaneous engagement / employment or directorship with competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position. Each Officer shall inform the Board of any change in events/circumstances/ conditions that may interfere with their ability to perform their duties. Additionally, Officers must disclose to the Company's Board of Directors, any interest that they have that may conflict with the business of the Company.

B. Outside Directorships: It is a conflict of interest to serve as a Director of any Company that competes directly with the Company. Directors/Officers must first obtain approval from the Company's Board of Directors before accepting such Directorship. Further each Director/Officer shall inform the Board of any changes in their board positions, relationship with other businesses (including charitable).

C. Business Interests: If any Director/Officer is considering investment in the business of any competitor of the Company, he/she must first take care to ensure that these investments do not compromise on their responsibilities towards the Company. Before making substantial investment in the business of the Competitor, the Director/officer shall take permission from the Board of Directors of the Company. Substantial Investment shall mean any investment over Rs.50,00,000/- for Directors and Rs. 10,00,000/- for Officers.

D. Related parties: As a general rule, Director/Officers, before conducting Company business with a relative and/or with a business in which a relative is associated in any significant role, must disclose their interest before the Board of Directors of the Company and take their prior approval for the same. Relatives include spouse, siblings, sibling's spouse, children, children's spouse, parents, grandparents, grandchildren and step relationships.

E. Payments or gifts from others: Under no circumstances any Director/Officer shall accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc. of the Company that is perceived and/or intended, directly or indirectly, to influence any business decision of the Company, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud.

F. Corporate opportunities: Directors/Officers shall not exploit for their own personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is first disclosed in writing to the Company's Board of Directors.

G. Other situations: Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, Directors/Officers must consult the Company's Chairman and/ or the Board of Directors.

IV. COMPLIANCE WITH STATUTORY LAWS, RULES AND REGULATIONS

Directors/Officers must comply with all applicable governmental laws, rules and regulations. Directors/Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the Finance and/or Legal Department. Violations of applicable governmental laws, rules and regulations may subject Directors/Officers to individual criminal and/or civil liability. Such individual violations may also subject the Company to civil and/or criminal liability and/ or the loss of business.

V. CONFIDENTIAL INFORMATION

Directors/Officers are required to maintain the confidentiality of all confidential information that they receive or become privy to in connection with the Company's business, except when disclosure is authorized or legally mandated. Confidential information includes all nonpublic information that might prejudice the ability of the Company to pursue certain objectives, be of use to competitors or harm the Company, its suppliers or its advertisers, if disclosed. Confidential information also includes any information relating to the Company's business and affairs that results in or would reasonably be expected to result in a significant change in the market value of the Company's securities or any information that a reasonable investor would consider important in making an investment decision. Directors/Officers must not use confidential information for their own advantage or profit directly or indirectly.

VI DISCLOSURES

Company's policy is to provide full, fair, accurate, timely and understandable disclosure in reports and documents that Company file with, or submit to, the stock exchange, SEBI and/or any other government agency and in all other public communications made by the Company. Company's management has the general responsibility for preparing such filings and communications and shall ensure that the same shall conform to all applicable laws and regulations.

VII VIOLATIONS OF THE CODE

Part of the Directors/Officer's job, and of his or her ethical responsibility, is to help enforce this Code. Directors/Officers should be alert to possible violations. Directors/Officers must co-operate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, to be avoided. Actual violations of law, this Code, or other Company policies or procedures, should be promptly reported to Mr. Anil Gupta, CMD with copy to Company Secretary & General Manager (HR &Adm.).

VIII WAIVERS AND AMENDMENTS OF THE CODE

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable

regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

IX. MONITORING CODE COMPLIANCE

Each Director and Senior Management of the Company is expected to monitor his or her personal compliance with this Code. An Annual reaffirmation of compliance with this Code is required of all Directors and Senior Management of the Company.

IX. NO RIGHTS CREATED

This Code of conduct is a statement of certain fundamental principles, ethics, values, policies and procedures that govern the Directors and senior management of the Company in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity.

ANNUAL CERTIFICATION

"I, _____, hereby certify and acknowledge that:

- a. I am a member in good standing of the Board of Directors / Senior Management of KEI INDUSTRIES LIMITED;
- b. I have received, read, and understood the 'KEI's Code of Conduct and Business Ethics';
- c. such Code has been and is applicable to my activities as a member of such Board of Directors / Senior Management ;
- d. I have complied and am in compliance with such Code; and
- e. I am not aware of any non-compliance with such Code by others.

Signed: _____

Name: _____

Date: _____

It is the responsibility of each Director and Senior Management to become familiar with and understand these guidelines, seek further explanation and advice concerning the

interpretation and requirements of these guidelines, as well as any situation which appears to be in conflict with them.

The Board of Directors of the Company shall determine appropriate actions to be taken in the vent of violations of these guidelines.

**ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT FOR
DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

I have received and read the Company's Code of Conduct for Directors and Senior Management (the "Code"). I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult the HR department or the finance department, and that my questions or reports to these sources will be maintained in confidence.

Name:

Signature:

Date:

Note: Please sign and return this form to the HR Department.

