

CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT PERSONNEL: KEI INDUSTRIES LIMITED



KEI INDUSTRIES LIMITED

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CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT PERSONNEL: KEI INDUSTRIES LIMITED

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. 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 with 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:

- 1.1. Directors, both Executive & Non-Executive Directors, including the Alternate Directors or Nominee Directors if appointed on the Board;
- 1.2 (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")
- 1.3 Senior Management Personnel [SMPs] i.e. shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer (CFO).

II. DUTIES OF THE BOARD OF DIRECTORS/ SMPs/KMPs

- 2.1 A Director/ SMP/ KMP of the Company shall act in accordance with the Articles of the Company, subject to the applicable provisions of the Companies Act, 2013
- 2.2 A Director, SMP and KMP of the Company 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 environment.
- 2.3 A Director/KMP/SMP of the Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.

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- 2.4 A Director/KMP/SMP of the Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 2.5 A Director/KMP/SMP of the Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director/KMP/SMP is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- 2.6 A Director/KMP/SMP of the Company shall not assign his office and any assignment so made shall be void.
- 2.7 The Directors/KMPs/SMPs of the Company shall disclose the following information to the Board of Directors / Company:
 - Disclosure of any material interest, whether directly/indirectly or on behalf of third parties, in any transaction or matter directly affecting the Company.
- 2.8 The Board and top management should conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining the confidentiality of information in order to foster a culture for good decision-making.
- 2.9 Each Director/ SMP should act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, whenever the Company's business is being conducted at any place where such Director/ SMP is representing the Company.

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 interest 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 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 Director, 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

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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/Officers 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 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 the list all possible situations. If proposed transactions 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. Violation of applicable governmental laws, 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. INSIDER TRADING

The Company has already framed a detailed Code of Conduct against Insider Trading, as stipulated by SEBI Regulations. The same shall be applicable to all the persons who are

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subject to this policy. Such persons are expected to be well conversant with this code and are required to strictly adhere to this code.

VI. PROTECTION AND PROPER USE OF COMPANY ASSETS

In carrying out their duties and responsibilities, Directors/ SMPs/KMPs should endeavor to protect the Company's assets and proprietary information, and ensure that the same are being used by the Company and its employees only for legitimate business purposes of the Company. Any suspected incident of fraud, mismanagement of Company assets or theft should be immediately reported for investigation to the Chairman of the Board or such other person as designated in this regard.

VII. 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 advertiser if disclosed. Confidential Information also includes any information relating to the Company 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 confident all Information for their own advantage or profit directly or indirectly.

VIII. DISCLOSURES

Company policy 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 the general responsibility for preparing such filings and communications and shall ensure that the same shall conform to all applicable laws and regulations.

IX. HEALTH, SAFETY AND DRUG & ALCOHOL USE

Violence and threatening behavior are not permitted. All the persons being part of the company should report to work in a condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace is absolutely prohibited.

X. DISCRIMINATION AND HARASSMENT

The Company believes in providing equal opportunity to all the employees in every aspect of employment. Any discrimination, harassment or derogatory comments against any employee whether based on gender, region, community, caste, creed or religion will be seriously viewed and will be subject to disciplinary action and might entail termination of employment.

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XI. VIOLATIONS OF THE CODE

- It is a part of Director's/ SMP's job and his/her ethical responsibility to help enforce this Code. Directors/ SMPs should be alert to possible violations and report this to the Chairman of the Board of Directors or to the Chairman of the Audit Committee of the Company.
- Director/ SMP should cooperate in any internal or external investigations of possible violations.
- Actual violations of laws, this Code or other Company policies or codes, should be promptly reported to the Chairman & Managing Director or with copy to Company Secretary and General Manager (HR & Adm.)
- Those who violate this Code will be subject to disciplinary action, up to and including discharge from the duties/office held in the Company.

XII. 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.

XIII. MONITORING CODE COMPLIANCE

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

XIV. 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.

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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.