

## **Code of Business Conduct and Ethics for Board of Directors**

1. This code of conduct and ethics is adopted, with effect from 1<sup>st</sup> January 2006 and amended pursuant to the SEBI (LODR) Regulations, 2015 as amended (Listing regulations).
2. The K.C.P. Limited is committed to conduct its activities in consonance with highest ethical standards and in compliance with legal requirements of the respective sovereignties. This code represents value cherished by the members of the board and forms the basis of Company's relationship with persons/entities in every activity. Honesty, integrity and good faith are the key elements enshrined in this code. This code is to be explicitly followed by the members of the Board.
3. As members of the Board, all Directors are to act in accordance with the highest standard of personal and professional integrity, honesty and ethics. While associated with the Company. Their actions are to be in good faith, and be free of fraud or deception.
4. Directors agree to commit the required time to prepare for the Board and committee meetings, as envisaged under contemporary best practices of corporate governance and to actively participate in the Board proceedings to safeguard and promote the interest of the shareholders by their collective wisdom.
5. Directors agree to familiarize themselves with the industries in which the company operates and understand the company's standing in the industry so as to appreciate the business strategies to achieve the desired objectives. Having understood the risk positioning, they agree to apply their best judgement in furthering the business interests of the Company.
6. Directors agree to maintain confidentiality of all information regarding the company that they come to possess while in their office.
7. Directors agree to avoid and disclose every action that has / may have a conflict of interest with the company. Accepting Directorships in a company that competes with the Company is to be agreed to by all other directors before acceptance of such an office. Investment in a competitor or supplier or customer is to be disclosed prior to the investment. Any business transaction of a relative with the company is to be disclosed prior to the transaction. The details of disclosure are to be complete and be in such a manner that Company's interests are duly protected. Opportunities that develop owing to the association with the company are not to be personally exploited without the concurrence of all other members of the Board.
8. Directors agree not to accept gifts inappropriate to the occasion and of disproportionate value from anyone associated with the Company that would be considered as impropriety.
9. Directors agree to comply with all disclosure requirements under all regulations in force from time to time and furnish full, fair, accurate, timely and understandable details as stipulated.
10. Directors agree to strictly comply with all governmental laws, rules and regulations, applicable to their office.

## **Code of Conduct for Independent Directors**

### **(SCHEDULE IV OF THE COMPANIES ACT, 2013)**

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.

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 be 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, the independent director must immediately inform the Board accordingly.
- 9) Assist the company in implementing the best corporate governance practices.

#### **Code of Conduct for Employees**

1. All employees are required to devote themselves exclusively to the company's business and during their employment with the Company; no employee should be engaged in any trade, business or profession either directly or indirectly other than that of the Company unless permitted by the company in writing to do so.
2. During the employment with the Company or after termination of such employment no employee should divulge to anyone any information, relating to the Company's business or the business of any of the Company's subsidiaries or associated companies.
3. During the employment with the Company, you either wholly or partly discover, invent and / or make improvements in plants, machinery, process or other things used or may be used in the production or business of the Company the same will be deemed to have been made, invented suggested or acquired on behalf of and for the benefit of the Company alone and all rights, privileges and titles will rest only with the Company.
4. If any employee commits breach of any of the conditions as laid by the company or guilty of misconduct or conduct themselves in a manner which would bring the company or its employees into disrepute or if they borrow money from any of the customers of the Company or from anyone trading with the company, they will be discharged immediately without notice or salary in lieu thereof and in such cases they will have no claim on the Company whatsoever.

