



KOTYARK INDUSTRIES LIMITED

CIN: L24100GJ2016PLC094939

**CODE OF CONDUCT
FOR
BOARD OF DIRECTORS
AND
SENIOR MANAGERIAL PERSONNEL**



1. INTRODUCTION

This Code of Conduct (the “Code”) has been formulated in accordance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Companies Act, 2013. The Code is intended to provide guidance to the Directors and Senior Management of Kotyark Industries Limited (the “Company”) to manage the affairs of the Company in an ethical manner.

2. DEFINITIONS

“Act” shall mean the Companies Act, 2013, rules framed there under and any amendments thereto.

“Board” or “Board of Directors” shall mean the board of directors of the Company.

“Company” shall mean Kotyark Industries Limited.

“Compliance Officer” shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.

“Director” shall mean a member of the Board.

“Independent Director” means a director appointed as such in accordance with the relevant provisions of the Act and the SEBI Listing Regulations; and amendments thereto.

“Key Managerial Personnel” shall have the same meaning as defined under sub-section (51) of Section 2 of the Act.

“Relative” shall mean relative as defined under sub-section (77) of Section 2 of the Act, read with the Companies (Specification of definitions details) Rules, 2014.

“SEBI Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

“Securities” shall mean the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956.

“Senior Management” shall mean officers/personnel of the Company who are members of the core management team excluding the Board of Directors and shall comprise all members of management one level below the executive directors, including all functional heads.

“Listing Regulations” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



All other words and expressions used but not defined in this Code but defined in the SEBI Act, 1992, the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, SEBI Listing Regulations, the Act and/ or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

3. APPLICABILITY

This Code is applicable to all the members of the Board of Directors, Key Managerial Personnel and Senior Management of the Company.

Apart from the Code, the Independent Directors, in particular, shall abide by the Code for Independent Directors as prescribed under the Act, as amended, and the Regulations, as amended from time to time. The same is annexed to this Code as Annexure A

4. KEY PRINCIPLES

i. Integrity and Honesty

- Directors and Senior Management shall act with integrity, honesty, and ethical conduct in all their dealings.
- They shall avoid situations where their personal interests conflict with the interests of the Company.

ii. Compliance with Laws

- Directors and Senior Management shall comply with all applicable laws, rules, and regulations.
- They shall ensure that the Company complies with all statutory obligations.
- Any possible violation of law, rules, regulations or the code of conduct has to be reported to the Company Secretary, who will be available to assist in interpreting the appropriateness of any event or action or proposed event or action, in this context.

iii. Confidentiality

- Directors and Senior Management shall maintain the confidentiality of all material non-public information about the Company.
- They shall not disclose such information to any third party unless required by law or authorized by the Board.

iv. Corporate Opportunities

- Directors and Senior Management shall not exploit for their own personal gain, opportunities that are discovered through the use of Company property, information, or position.
- They shall not compete with the Company.



v. Fair Dealing

- Directors and Senior Management shall deal fairly with the Company's customers, suppliers, competitors, and employees.
- They shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, or any other unfair practice.

vi. Protection and Proper Use of Company Assets

- Directors and Senior Management shall protect the Company's assets and ensure their efficient use.
- They shall not use Company assets for personal gain.

vii. Reporting of Illegal or Unethical Behavior

- Directors and Senior Management shall report any illegal or unethical behavior to the Board or the Compliance Officer.
- They shall cooperate in any internal or external investigations of possible violations.

viii. Other directorships etc.

- They should avoid serving on Boards or in Senior Management positions or in a controlling position of a direct competitor likely to lead to potential conflict of interest.

ix. Insider trading

- They should not derive any benefit or assist others in deriving any benefit by giving investment advice based on their access to and possession of information about the company, not in public domain and therefore constituting insider information. They shall comply with the insider trading guidelines as issued by SEBI.

5. CONFLICT OF INTEREST

They shall not engage in any business, relationship or activity, which is likely to develop a conflict of interest with the Company. Conflicts can arise in many situations, It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Some of the common circumstances that may lead to actual or potential conflict of interest are:

- Any activity / employment that interferes with the performance or responsibility to the company or is otherwise in conflict with or prejudicial to the company
- Investments by them / their family members viz. parents, spouse and sons / daughters, in unlisted entities of competitors, customers, suppliers and any other investments that compromise their responsibility to the company.



6. COMPLIANCE OFFICER

The Company Secretary of the Company shall act as the Compliance Officer for the purposes of this Code. The Compliance Officer will be available to answer any questions, provide clarification, and help ensure compliance with the Code.

7. VIOLATION

In the event of any violation, the same shall immediately upon knowledge, be reported to the Chairman of the Company. The Chairman shall thereafter, inform the Board of Directors of the Company about such violation at their subsequent meetings

8. WAIVERS AND AMENDMENTS

Any waiver of any provision of this Code for a member of the Company's Board of Directors or Senior Management must be approved in writing by the Board of Directors.

The board of directors of the Company reserves the right to modify and/or amend the Code at any time. The Code and subsequent amendment(s) thereto, shall be published on the website of the Company.

9. ACKNOWLEDGMENT OF RECEIPT OF THE CODE

All Directors and Senior Management shall acknowledge the receipt of this Code and affirm compliance with the Code on an annual basis.



Annexure-A

THE CODE FOR INDEPENDENT DIRECTORS

(As per Schedule IV of 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.

1. Guidelines of professional conduct:

An independent director shall:

- i. Uphold ethical standards of integrity and probity;
- ii. Act objectively and constructively while exercising his duties;
- iii. Exercise his responsibilities in a bona fide manner in the interest of the company;
- iv. Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. 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;
- vi. 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;
- vii. Refrain from any action that would lead to loss of his independence;
- viii. Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- ix. Assist the company in implementing the best corporate governance practices.

2. Role and functions:

An independent director shall:

- i. 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;
- ii. Bring an objective view in the evaluation of the performance of board and management;
- iii. Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;;
- iv. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. Safeguard the interests of all stakeholders, particularly the minority shareholders



- vi. Balance the conflicting interest of the stakeholders
- vii. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- viii. Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

3. Duties:

An independent director shall:

- i. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii. 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;
- iii. Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv. Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. Strive to attend the general meetings of the company;
- vi. 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;
- vii. Keep themselves well informed about the company and the external environment in which it operates;
- viii. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. 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;
- x. Ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xi. Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- xii. Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xiii. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
