



# **SHREE KRISHNA PAPER MILLS & INDUSTRIES LIMITED**

## **CODE OF CONDUCT FOR DIRECTORS AND THE SENIOR MANAGEMENT TEAM**

{Pursuant to SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015}

## **1. PREAMBLE**

Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires a listed company to frame a Code of Conduct for all members of the Board of Directors and Senior Management, which shall be hosted on the website of the Company. The Code is in alignment with the Company's objectives, and corporate governance policy and aims at enhancing an ethical transparent process in managing the affairs of the Company. The term 'Senior Management' shall entail the members of the Company's core management team excluding the Board and shall comprise of all the members of management one level below the chief executive officer and the managing director, and the whole-time director of the Company, including the company secretary and chief financial officer of the Company.

## **2. PURPOSE**

This Code broadly lays down the general principles to be followed by the Board of Directors and the Senior Management of the Company as a guide for discharging their respective duties and responsibilities as members of the Board or Senior Management of the Company, as the case may be. The purpose of this Code is to promote and enhance transparency in corporate governance and to ensure that the affairs of the Company are conducted in an ethical manner and in compliance with applicable laws and regulations.

## **3. APPLICABILITY**

This Code is applicable to the Board of Directors and the Senior Management Personnel of **SHREE KRISHNA PAPER MILLS AND INDUSTRIES LIMITED** (herein after referred to as "the Company"). The Board of Directors and Senior Management Personnel are expected to familiarize themselves with this Code, understand, adhere to, comply with and uphold the provisions of this Code in their day-to-day functioning.

## **4. DEFINITIONS**

**"Board" or "Board of Directors"** shall mean the Board of Directors of the Company.

**"Company"** shall mean Shree Krishna Paper Mills & Industries Limited.

**"Compliance Officer"** shall mean the Company Secretary of the Company and in his/her 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.

**"Listing Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**"Senior management"** 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.

## **5. GUIDELINES FOR CONDUCT**

### **Diligence:**

The Directors and the Senior Management {in short, “they”} are to exercise due diligence in attending to their respective duties and obligations in the best interest of the Company.

### **Conflicts of Interest:**

They are to be scrupulous in avoiding ‘conflicts of interest’ with the Company. The guiding norm is that any activity or situation involving conflict or potential conflict of interest must be disclosed to the Audit Committee and the Board for appropriate action.

### **Transparency:**

They are to ensure that their action/s in the conduct of business is/are transparent, except where the confidentiality of the business requires otherwise. Such transparency shall be brought through appropriate policies, procedures, and maintaining supporting and proper records.

### **Honest and Ethical standards:**

They are to take action/s in accordance with the accepted standards of personal and professional integrity, honesty, probity, ethics, in good faith and in the best interest of the Company.

### **Business Integrity:**

They are to ensure that the Company carries out its business as per accepted practices of business integrity, ethical standards, fair play and conduct, honestly, legitimately and as a fair competitor.

### **Work place:**

They are to ensure that there is gender friendly work place, equal opportunities are given to men and women, and there exists good employment practices.

### **Quality of products/services:**

They are to endeavour that the products / services of the Company meet the accepted standards of quality and also the specifications of the legal authorities/ laws so that customer satisfaction is ensured. Moreover, costs are kept reasonable.

### **Protection and proper use of the Company’s assets:**

They are to ensure to protect Company’s assets and property and the same should be used only for legitimate business purposes.

### **Confidentiality:**

They are to ensure that they and/or the concerned employees do not disclose any confidential information gained in the course of their employment / holding the position in the Company, for personal profits or future advantage of any other person/s.

### **Compliance with laws, rules, and regulations:**

The Directors and the Senior Management shall ensure compliance with all the applicable laws, rules, regulations etc. as amended from time to time.

### **6. ANNUAL COMPLIANCE REPORTING**

All members of the Board of Directors and Senior Management personnel are required to affirm compliance with this Code on an annual basis .The Annual Report shall contain a declaration signed by the Managing Director stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with this Code.

### **7. REVIEW OF CODE**

The Code shall be reviewed at such intervals, as is deemed necessary by the Board. Consequent upon any changes in regulatory guidelines, such change shall be deemed to be a part of the Code until the Code is reviewed and approved next time.

### **DUTIES OF A DIRECTOR**

Section 166 of the Act provides for the duties of a Director and runs as follows:

1. Subject to the provisions of the Act, a director of a company shall act in accordance with the articles of the company.
2. A director of a 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.
3. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. A director of a 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.
5. A director of a 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 is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
6. A director of a company shall not assign his office and any assignment so made shall be void.

### **DUTIES OF INDEPENDENT DIRECTORS**

As per Schedule IV [section 149(8)] of the Act, 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 to 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 to 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 his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. 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.