



SHREE KRISHNA PAPER MILLS & INDUSTRIES LTD.

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CODE OF CONDUCT FOR BOARD AND THE SENIOR MANAGEMENT PERSONNEL

{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, read with Schedule IV of Companies Act, 2013 on Code for Independent Directors, 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. This enables customers and all stakeholders to be partners in the Company's growth and prosperity.

3. APPLICABILITY

This Code is applicable to the Board of Directors and the Senior Management Personnel of **SHREE KRISHNA PAPER MILLS AND INDUSTRIES LTD.** (hereinafter 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 Ltd.

"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 without allowing their independent judgement to be subordinated.

Conflicts of Interest:

They are to be scrupulous in avoiding ‘conflicts of interest’ with the Company. The Board of Directors and Senior Management personnel shall not engage in any activity, business, or relationship, which may be in conflict with the interest of the Company or prejudicial to the Company’s interest. They should avoid transacting company business with their relative or with a firm/ company in which either they themselves or their relative are interested or plays any significant role and in case such related party transaction is unavoidable, it must be made only after proper and fullest disclosure to the Board. 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. The Directors and Senior Management personnel are entrusted with the responsibility to oversee and formulate the policies for the management and affairs of the Company. Therefore in the interest of good corporate governance, they shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity, and fairness. All of them must act in good faith with honesty and accountability and with due care, competence, and diligence. The Directors and Senior Management personnel shall encourage employees of the Company to report violations of laws, rules, regulations, or this Code to the appropriate personnel.

Disclosure of Interest

The Directors shall promptly disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws. The Directors and Senior Management personnel shall also promptly disclose their relationships with other individuals, firms, or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

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:

Directors and Senior Management personnel should maintain the confidentiality of information entrusted to them by the Company. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the Director/ Senior Management personnel or anyone other than the Company. Confidential information includes any information relating to the Company's business, customers, suppliers, employees, etc., which is not available in the public domain and to which the Director/ Senior Management personnel has access or they possess such information because of their position in the Company.

Insider Trading and Fraudulent & Unfair Practices in the Securities Market:

A Director or the senior management personnel and their Relatives shall not derive any benefit or assist others to derive any benefit from the access to and possession of any information about the Company, which is not in the public domain and thus constitutes insider information. They shall also ensure compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended and the Code to regulate, monitor, and report trading by designated persons and immediate relatives as also other regulations as may become applicable to them from time to time in addition to the Company's Code for Prevention of Insider Trading. The Company also prohibits its Directors and senior management personnel to undertake any fraudulent or unfair trade practice in connection with the securities of the Company.

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.

AMENDMENT:-

Any subsequent amendment / modification in the Listing Regulations or the Act or any other governing Act / Rules / Regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.

