



CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

PREFACE

This Code of Conduct for the Board of Directors including the Independent Directors of the Company (hereinafter referred to as the “Directors”) and Senior Management (hereinafter referred to as the “Officers”) of the Company aims at maintaining the highest standard of Business Conduct & Ethics for the Company, provides guidance in difficult situations involving conflict of interest & moral dilemma and ensures compliance with all applicable laws. The Directors and Officers of the Company subscribe to the following code of Conduct adopted by the Board:

HONEST AND ETHICAL CONDUCT

All the Directors and Officers should act in accordance with the highest standards of personal and professional integrity, honesty and ethics. Their conduct should be free from fraud and deception and it should help foster a culture of honesty, truthfulness, reliability, accountability and respect for human values in the Organisation.

CONFLICTS OF INTEREST

All Directors & Officers should be scrupulous in avoiding situations wherein financial or personal considerations tend to compromise the exercise of professional judgments in discharging of their duties. They should not allow personal interests to conflict with the interests of the Company. Acceptance of any undue offer, gift, money or money's worth or favour, whether for himself/herself or for family members, from any business associates, is prohibited.

CONFIDENTIALITY

All Directors and Officers should respect the confidentiality of all the confidential information, regarding the Company including but not limited to technical processes, patents, business processes, product developments, R&D, expansion plans, prices of goods, raw materials and Plant & Machinery, its customers, suppliers, employees, associates etc., acquired by them in the course of their duties. No such information is to be disclosed except when it is authorised or legally required. The use of such information for his or her own advantage or profit is prohibited.

PROTECTION AND PROPER USE OF COMPANY'S PROPERTY

All Directors and Officers shall themselves make and ensure the use of Company's Property in most efficient and economic manner. All efforts should be





made to protect the Company's Property from any misappropriation, theft, carelessness etc. and the Property must be used for legitimate and official purposes only.

COMPLIANCE WITH ALL APPLICABLE LAWS

All Directors and Officers must comply with all applicable Government Laws, Rules and Regulations. They should make themselves conversant with all the latest legal provisions required in discharging of their duties so that no action of them should jeopardize the Company.

ENHANCING THE VALUE OF THE ORGANISATION

All the Directors and Officers should strive hard to adopt a customer oriented approach and to make the Company more competitive. They should endeavor to make continuous improvements in all the business plans & processes, should foster suggestions/ take innovative steps for the betterment of the Company.

DISCLOSURES

All Directors and Officers should ensure to provide full, fair, accurate, timely and understandable disclosures in all reports and documents required to be presented to shareholders, investors and other Government Authorities.

DUTIES OF INDEPENDENT DIRECTORS OF THE COMPANY

(Applicable to Independent Directors only)

Every Independent Director of the Company 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 committee of the Board in which they are chairperson and 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 under 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 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 interest 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 ethical policy;
12. acting within his authority, assist in protecting the legitimate interest 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 approved by Board or by law;

VIOLATION OF THE CODE

The Board of Directors will have the power to take appropriate action against anyone found violating the provisions of the Code. Where the Company has suffered a loss due to such violation, it may pursue remedies against the individual.

WAIVERS AND AMENDMENTS OF THE CODE

The Board of Directors is committed to continuously review and update the policies and procedures. Therefore, this Code is subject to modifications, waivers and amendments as the Board may think appropriate from time to time. The Board or any designated person/committee can waive compliance with this code for any director or officer of the Company.





To:

The Compliance Officer,
Krishna Defence and Allied Industries Limited,
Office No. 344, A to Z Industrial Estate,
Ganapatrao Kadam Marg,
Lower Parel,
Mumbai - 400013,
Maharashtra, India

ANNUAL COMPLIANCE
CERTIFICATE

I certify that:

1. I have received a copy of and have read the Code of Conduct for Directors and Senior Management of the Company.
2. I have not violated the said Code of Conduct.

I further certify that to my knowledge neither I nor any member of my immediate family has any interest or connection, or has in the past twelve months engaged in any activity, which might conflict with Company's interest, except as previously reported to the Company from time to time.

Dated:

Name:

Signature: _____

