

KNR CONSTRUCTIONS LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND OFFICERS OF SENIOR MANAGEMENT OF THE COMPANY

I Definition

“**Board Members**” shall mean a Director of the Company

“**Senior Management**” shall mean personnel of the Company who are members of its core management team excluding Board of Directors and this would comprise all members of management one level below the Executive Directors, including all functional heads.

“**The Company**” shall mean KNR Constructions Limited

II. Purpose

The Prime purpose of the Code of Conduct is to create an environment where all the Board Members and Senior Management of the Company maintain an ethical standard and compliance to the ethical standards that are laid down. This code of conduct will act as guideline to all to:

- Promote honest and ethical conduct
- Maintain a corporate climate in which the integrity and dignity of each individual is valued and promoted
- Assure compliance with laws, rules and regulations that govern the Company’s business activities;
- Assures the proper use of the Company’s assets
- Not to indulge in doing something which adversely affect the image of the company

This code does not specifically address every potential form of unacceptable conduct, and it is expected that the Board Members and Senior Management of the Company will exercise good judgment in compliance with the principles set out in this code. The Board Members and Senior Management of the Company have a duty to avoid any circumstances that would violate the letter or spirit of this code.

III. Guiding Principles

a. Fair Dealing

The Board Members and Senior management of the Company shall deal with the other in fair manner and ensure “respect for Individual”. Non-Compliance will make individual attract disciplinary action.

b. Proper Use of Company Assets

The Board Members and Senior Management of the Company are prohibited from using company assets, confidential or proprietary information or position for persona gain. The Company assets should be used only for the legitimate business purpose of the Company.

c. Compliance with Laws, Rules and Regulations

Any transaction undertaken in the name of the Company that would violate the laws of the land is prohibited. Particular attention is directed to the laws, rules and regulations relating to discrimination, securities, antitrust, civil rights, transactions with foreign officials, safety and the environment. If any uncertainty arises as to whether a course of action is within the letter and spirit of the law, advice should be obtained from the Managing Director of the Company.

d. Discrimination and Harassment

The Company is committed to providing a workplace free of discrimination and harassment based on race, color, religion, age, gender, national origin, disability, veteran status or any other biases. It would be the endeavor of every Board Member and Senior Management of the Company to see that work place is free from such discrimination and harassment.

If any Officer or Associate is discriminated, he may lodge a complaint of discrimination or harassment the Managing Director of the company.

e. Political contributions

Corporate Funds, Credit, Property or Services shall not be used, directly or indirectly to support any political party or candidate for public office, or to support or oppose any ballot measure, without prior approval of the Board of Directors of the Company.

f. Confidential Information

Confidential information is it technical, operational or commercial should not be disclosed to anyone. Such information is confidential and for exclusive use of the Company.

g. Conflict of Interest

a. General

Generally, a conflict exists when the personal interest or activities of Board Members or Senior Management of the Company may influence the exercise of his or her independent judgment in the performance of one or more duties to the company. Even the appearance of a conflict of interest may be as damaging as an actual conflict and should be avoided.

The Board Members and Senior Management of the Company shall not enter into any transaction or engage in any such practice, directly or indirectly, that would trend to influence him or her to act in any manner other than in the best interest of the Company.

The Board Members and Senior Management of the Company (or members of their immediate family) also should not exercise discretionary authority or make or influence any recommendation or decision on behalf of the Company that would result in an undisclosed personal financial benefit to such person or to members of his or her immediate family members.

It is clarified that it would not be a conflict of interest for the Board Members and Senior Management of the Company or members of their immediate family to obtain services from persons or entities who also provide services to the Company, including legal, accounting or brokerage services, loans from banks or insurance from insurance companies at rates customary for similarly situated customers.

b. Gifts and Other Benefits

No Board Members and Senior Management of the Company or members of his or her immediate family, shall directly or indirectly solicit, accept or retain any gift, entertainment, trip, discount, service or other benefit from any organisation or person doing business or competing with the Company, other than

- i. modest gifts or entertainment as part of normal business courtesy and hospitality that would not influence and would not reasonably appear to be capable of influencing, such person to act In any manner not in the best interest of the Company or
- ii. acceptance of a nominal benefit that has been disclosed to the Company

h. Other Organizations

Senior Management of the company is expected to devote his or her full time and efforts during the normal working hours to the services of the Company. No such person shall engage in any business or secondary employment that interferes with his or her obligations and responsibilities to the Company.

Officers in the Senior Management of the Company will not serve on the Board of Directors of any corporation not owned or controlled by the Company, other than that a non-profit, charitable, religious, civic or educational organisation without the prior approval of the Managing Director of the Company.

i. Employee Relationships

The Company continually strives to promote positive and productive working relationship among its officers to fully comply with the letter and spirit of all laws prohibiting discrimination and sexual harassment.

j. Accounting and Reporting

All the Board Members and Officers in Senior Management of the Company are expected to follow Company's Accounting policies. All accounting records should accurately reflect and describe corporate transaction. The recordation of such data must not be falsified or altered in any way to conceal or distort assets, liabilities, revenue, expenses or the nature of the activity.

All public disclosures made by the Company, including disclosures in reports and documents filed with or submitted to the Statutory Authorities shall be accurate and complete in all material aspects. All the Board Members and Officers in Senior Management are expected to carefully consider all inquiries from the Company related to the disclosure requirements and promptly supply and accurate responses.

k. Non Adherence

Any instance of non-adherence to the Code of Conduct / any other observed unethical behaviour on the part of those covered under this Code should be brought to the attention of the immediate reporting authority, who shall in turn report the same to the Managing Director / Board of Directors

IV. Amendment or Modification

Any amendment or modification of this code would be approved by the Company's Board of Directors or duly authorised Board Committee.