



CENTURY ENKA LIMITED

CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

DOCUMENT CONTROL

Document version

This Code named as 'Code of Conduct for Members of the Board of Directors and Senior Management' document is version 1.1.

Revision history

Sr. No.	Date of preparation / modification	Version No.	Modified By	Reviewed and approved by
1	04.02.2015	Ref: WD/LC/06 Was considered as version 1.0	Legal & Secretarial Department	Board of Directors
2	11.05.2022	1.1	Legal & Secretarial Department	Board of Directors

Issuing Authority

This Code is approved by the Board of the Company.

Author and Responsible Official

This Code is to be maintained and updated by way of additions, deletions and modifications, only by the Legal and Secretarial Department subject to review of the Managing Director and shall be approved by the Board.

Every time the Code document is edited, the version increases by one unit and the version is to be mentioned in the Document Control section.

Applicability and Usage

This policy document applies to Board of Directors of the **Century Enka Limited**.

PREFACE

The Company has always believed in the 'Creed of Trusteeship' and therefore, laid down the foundation of Corporate Governance based on globally accepted corporate practices, consistent and effective adherence of transparency, fairness to all and independent monitoring & supervision in the conduct of its business operation has remained in focus in the process of its implementation.

A written Code of Conduct was formally introduced in 1999 for employees of the Company. A special Code of Conduct for dealing in Equity Shares and other listed securities of the Company was also put in place in 2002 for the Directors and the employees of the Company which was repealed and substituted by Code of conduct to regulate, monitor & report trades in equity shares and other listed securities in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

In compliance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel.

DEFINITIONS AND INTERPRETATIONS

- a) 'Act'** means Companies Act, 2013 and includes notifications, circulars & clarifications as issued/amended by the Ministry of Corporate Affairs, from time to time.
- b) 'Board' or 'Board of Directors'** shall mean the Board of Directors of the Company.
- c) 'Code' or 'this Code'** means Code of Conduct for Members of the Board of Directors and Senior Management.
- d) 'Company'** shall mean Century Enka Limited unless the context otherwise provides.
- e) 'Company Secretary'** means a person appointed as Company Secretary of the Company in terms of Section 203 of the Companies Act, 2013.

f) 'Confidential information' includes all unpublished information related to the Company.

g) 'Director' shall mean a member of the Board.

h) 'Insider Trading Regulations' shall mean SEBI (Prohibition of Insider Trading) Regulations, 2015.

i) 'Listing Regulations' shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

j) 'SEBI' means the Securities and Exchange Board of India.

k) 'Senior Management' means

- all members of management one level below the Managing Director/Whole-time Director/Executive Director
- Chief Financial Officer
- Company Secretary
- Functional heads
- Such other persons as may be decided by the Board from time to time.

OBJECTIVE OR PURPOSE

The main thrust of this Code is to:

- Ensure compliance of all the laws applicable on the Company in letter and spirit.
- Adopt ethical business practices in personal and corporate behavior.
- Deter wrongdoing in any business-related activities.
- Adopt the highest standards of honesty, fairness, integrity, transparency, accountability, professionalization, and corporate social responsibility

for enhancing shareholders' value as well as the value of organization and contributing to society at large.

APPLICABILITY & SCOPE

This Code of Conduct shall be applicable to the Board of Directors and Senior Management personnel of the Company.

CODE OF CONDUCT

A. Common Code of Conduct for Directors and Senior Management

1. Ethical Behavior

- a) To act in accordance with the highest standard of personal and professional integrity.
- b) To be fair in dealings with customers, suppliers, employees and others in the best interest of the Company.
- c) To be honest and not to make deliberately false or deceptive claims in business decision making.
- d) Do not get or seek to obtain any undue benefit or advantage either to himself or to his relatives, partners, or associates.

2. Conflict of Interest

Not to involve themselves directly or indirectly in any business, relationship or activity which might detrimentally conflict with the interest of the Company. If such a situation arises, he/she shall, must immediately notify the Company and provide a complete and accurate disclosure of all facts and circumstances.

Further, they shall disclose all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

An illustrative list of common instances of conflict of interest which directors and senior management should avoid are listed below:

a. Relationship of Company with third parties

Not to receive any personal benefit (including his/her immediate family) and participate in any decision-making process from/ with a person or entity which is seeking to do business or to retain business with the Company.

b. Compensation from non-Company sources

Not to accept any compensation for services provided to the Company from any source other than the Company.

c. Gifts

Not to give/accept any offer, payment or anything value to/ from the customers, vendors, dealer, consultants, contractor, competitor or any business associate etc., that is perceived as intended, directly or indirectly, to influence any business decision.

Clarification: Gifts of nominal value which are customary in nature may be given/ accepted on a special occasion.

d. Personal use of Company assets

Not to use Company's assets, labour and information for personal use.

3. Corporate Opportunities

- a. Not to divert any business opportunity to his/her own advantage that the Company is in pursuit.
- b. Not to compete, directly or indirectly, with the Company.
- c. The Company's Directors and Senior Management are prohibited from exploiting any opportunities for personal gain, discovered through the use of Company property & information, or position as a director or senior management unless the said opportunity is fully disclosed in writing to the Company's Board of Directors and the Board allow to pursue such opportunity,

4. Confidentiality

To maintain the confidentiality of information entrusted to them by the Company or acquired during tenure of service and at the same time maintaining the expectations to meet operational transparency to the stakeholders of the Company.

Ensure that confidential information is not disclosed inadvertently or otherwise unless authorized by the Board or any code(s) or policies of the Company or required to be disclosed in accordance with applicable laws.

5. Compliance with Laws, Rules and Regulations

To comply and oversee the compliance of all applicable laws, rules and regulations in letter and spirit.

Independent Directors shall in addition to this Code, specifically be required to comply with the duties as laid down in Part III of Schedule IV of the Companies Act, 2013 and as may be modified, substituted, amended, replaced from time to time. **(Annexed as Annexure-I).**

To act always in the best interests of the Company and all its stakeholders, including employees to the best of their knowledge, belief and effort.

Explanation: Wherever there is any doubt about the proper interpretation of law, all concerned should act in accordance with the opinion of the Company's legal advisers to safeguard the interest of the Company. Claims, if any, may be made only after disclosing full facts to the authorities concerned so that there may be no allegations of concealment or deliberate violation.

6. Financial Reporting and Records:

To ensure that:

- a. Financial statements and accounts are prepared in accordance with applicable accounting standards, laws and regulations and it reflects true and fair view of the affairs of the Company. There shall be no premature recognition of income, deferment in chargeable expenses and no undisclosed bank account and fund.
- b. Adequate Accounting Systems & Procedures are introduced to reflect true and fair position of all business transactions.

Clarification: Any willful material misrepresentation and/ or misinformation shall be regarded as violation of this Code apart from inviting appropriate civil or criminal action under relevant laws.

7. Internal Control System

To maintain and cause to maintain a system of internal control and ensure that such internal controls are adequate and operating effectively for accurate financial reporting.

8. Political Non-Alignment

Not to support any specific political party or candidate for political office and not to offer or give any amount or property as donation, directly or indirectly, to any specific individual, organization or campaign, if it violates any law.

9. Insider Trading

To comply with the Code of Conduct to regulate, monitor and report of trades in equity shares and other listed securities of the Company and insider trading regulations, circulars, guidelines as issued by SEBI from time to time.

10. Meetings

All the directors of the Company and members of the committee shall:

- strive to attend all the meetings of the Board / Committees
- exercise independent judgment
- participate actively and constructively during discussions of the meetings.

11. Environment, Health and Safety (EHS)

To ensure that the Company is providing a safe and healthy working environment and comply with all the environmental and labor laws as applicable to the Company and contribute effectively for environment conservation and focus on sustainability.

They should ensure that the Company should be committed to optimum utilization of natural resources, adoption of efficient energy management system; and prevent the wastage of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products on the environment.

12. Quality Standard

They should ensure that the Company is committed to supply products of the highest quality standards and meeting the needs of customers of the Company and focus on systematic development of new products or process by adopting the advantages of technological advancements and strive to continual improvement of knowledge base and skill set of the employees.

B. Additional Code of Conduct for Directors

1. To inform the Company immediately about any situation that may disqualify him from directorship.
2. To inform the Company about the committee positions they occupy in other listed entities and notify changes as and when they take place.
3. Not to hold any office or place of profit in the Company by himself or by his relatives without full disclosure of information in connection therewith and ensure compliance with applicable laws.

C. Additional Code of Conduct for Senior Management

1. Not to accept simultaneous part time employment, retainership, consultancy etc. with any other individual or organization including with suppliers, customers, competitors of the Company and not to take part in any activity which may enhance or support a competitor.
2. To ensure integrity of data/ information, furnished to the Board/ Committee and to ensure that no willful misrepresentation, manipulation, and incorrect information is provided in financial statements and reports.
3. To ensure compliance of all policies & procedures laid down by the Company for smooth functioning of the business.

COMPLIANCE STANDARDS

It would be impossible to enumerate and address all possible form of unacceptable and unethical conducts and it is expected to exercise good judgement in commensurate with the objectives of this Code. If a proposed transaction or situation raises any issue or doubt as to the course of action to be taken, they must be addressed in consultation with the Company's Key Managerial Personnel / Board of Directors / Audit Committee.

AFFIRMATION OF THE CODE

All Directors and Senior Management Personnel shall sign the acknowledgment form annexed as **Annexure-II** indicating that they have received, read and understood the provisions of the Code, and agree to comply with the same and return the form to the Company Secretary indicating that they have received, read and understood and agree to comply with the Code.

All Directors and Senior Management Personnel shall affirm compliance with the Code on an annual basis to the Company Secretary, in the form annexed hereto as **Annexure-III**. In pursuance to the Listing Regulations, Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director.

INTERPRETATION AND VIOLATIONS OF THE CODE

Any question or interpretation under this Code of Conduct shall be considered and detail with by the Board or any committee or any person authorized by the Board in this behalf.

Directors or Senior Management shall communicate any suspected violation of this Code promptly to Key Managerial Personnel or the Board or any committee or any person so designated. Such violations will be investigated by the Board or any committee or any authorized person(s) and if found breach or violation of this Code, the Board of Directors is empowered to deal with the matter for initiating any appropriate action as deems fit.

The Board of Directors or any authorized person / the committee so authorized is empowered to grant waiver of any of the conditions mentioned in this Code in special circumstances.

The person seeking waiver of this Code shall make full disclosure of the circumstances of the case to the Board or the authorized person(s)/ committee.

Any waiver of this Code as may be made by the Board and/ or so authorized person(s)/ committee shall be promptly hosted on the website of the Company.

WEBSITE DISCLOSURE

In pursuance of Regulation 46 of the Listing Regulations, this Code and any amendment(s) thereto shall be hosted on the website of the Company.

INTERPRETATION OR MODIFICATION

The Board of the Company shall have authority to amend or modify this Code to align with any amendments made to the Act and rules made thereunder or Listing Regulations or such other circulars, SOPs, guidelines or regulations issued by SEBI, Stock Exchange(s) or any other authority or as and when deemed fit.

In the event of inconsistency of this Code with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Code.

Annexure-I

DUTIES OF INDEPENDENT DIRECTOR (SCHEDULE-IV OF COMPANIES ACT, 2013)

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 behavior, 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.

ANNEXURE-II

Board of Directors
Century Enka Limited
Plot No.72 &72-A,
MIDC, Bhosari
Pune - 411026.

SUB: ACKNOWLEDGEMENT OF CODE OF CONDUCT FOR MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

I, undersigned, have received and read the amended Company's Code of Conduct for Members of the Board of Directors and Senior Management. I have understood all the paras mentioned in the Code and agree to comply with the code.

Signature:

Date:

Name:

Place:

Designation:

ANNEXURE-III

ANNUAL CONTINUOUS DISCLOSURE

Board of Directors
Century Enka Limited
Plot No.72 &72-A,
MIDC, Bhosari
Pune - 411026.

SUB: AFFIRMATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

Pursuant to Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby affirm that I have observed the Code of Conduct framed by Century Enka Limited for the Board of Directors and Senior Management, so far as it is applicable to me and that I have not entered into any transactions nor acted in any manner during the financial year _____ which violates the said Code of Conduct.

I further confirm that I shall abide by the provisions of the Company's Code of Conduct for Board of Directors and Senior Management Personnel as far as it is applicable to me during the financial year _____.

Signature:

Date:

Name:

Place:

Designation: