

HR Dept.	KALYANI TECHNOFORGE LTD	Revision 04
		Prepared Date- 01-03-2017
		Next Revision - 01-04-2025

Code of Conduct and Ethics Policy



1. Introduction

This Code of Conduct and Ethics for Employees adopted by Kalyani Technoforge Ltd. (KTFL) and Group Companies, lays down “Standards for Conduct” that define the Company’s value system and business practices and represents long cherished values of the Company.

The Code provides guidance to employees in recognizing and dealing with important business, legal and ethical issues and fosters a culture of honesty, loyalty and accountability.

2. Objective

The main object of this Code is to promote ethical conduct and ensure efficient compliance with all legal requirements and other standards of business conduct & service rules and regulations.

All employees are expected to read and understand this Code of Conduct and Ethics and endeavor to achieve the aims of KTFL and the goals agreed for their work while complying with the Code in its letter and spirit.

As the principles and standards laid down in this Code are general in nature, and it is not possible to put within its ambit every possible issue that may arise or every situation where standards of business conduct are required to be complied with, we should take note of the fact that these principles and standards described in this Code are rather key guiding principles and standards. We should also review all applicable Company policies and procedures from time to time.

This Code of Conduct and Ethics is subject to modification. It may be updated as and when needed and notified by intranet and e-mail.

3. Scope / Applicability of this Code

This Code is applicable to all KTFL and all group companies employees including

Executive Directors within all sectors, regions, areas and functions in India. The reference to “Employee” shall mean and include

- a. Employees
- b. Consultants/Advisors, Retainers, Agents, Representatives etc. to the extent applicable.

4. Compliance with this Code

We are committed to the highest level of ethical conduct and it should be reflected in all business activities of the Company. We must respect and adhere to these practices. These practices have various legal and regulatory consequences. The violation of the same would create significant liability for the Company and its Directors and employees. It will be our responsibility to enforce this Code of Conduct and Ethics.

5. Knowledge of Applicable Laws

Each employee must acquire appropriate knowledge of the requirements regarding his or her duties sufficient to enable him or her to comply with the provisions of all applicable laws, rules, regulations and any other statutory orders.

6. Conflict of Interest

6.1 A conflict of interest exists where the interests or benefits of any employee conflict with the interest or benefit of the Company and/or other group Companies.

Our employees are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. The honest conduct would be a conduct that is free from fraud or deception. The ethical conduct would be a conduct conforming to the accepted professional standards of conduct.

Employees must remain loyal to the Company in their personal conduct. Specifically, this means employees.

- Must avoid situations in which their personal or financial interests conflict with those of the Company and/or other companies of the Group.
- Must not pursue any interest of their own within the context of doing their jobs that conflict with the interests of the Company and/or other companies of the Group.
- Must not directly or indirectly exploit any business opportunity available to the Company and/or the other companies of the Group for their own benefit, or for the benefit of persons or companies outside of the Company and/or the Group Companies with which they are connected.
- Every Employee (including prospective Employee) shall disclose if he/she is related to any employee in the Company. The placement of closely related employees shall be such

that it shall not be prejudicial to the interests of the Company.

7. Protection and Use of the Company's Assets

- 7.1** All employees are responsible for protecting and for appropriate use of the assets including intangible assets of the Company. We must safeguard the assets of the Company against loss, damage, misuse or theft. Any violation of this aspect of the Code will subject to the disciplinary action mentioned in this Code. The assets of the Company including vehicles, spares and supplies, equipment's, stationery, funds, brand and logo of the Company, hardware and software and all other electronic communication devices, must be utilized in legal, ethical and appropriate manner.
- 7.2** If during the employment with the Company, employees either wholly or partly discover, invent and/or make improvements in plants, machinery, process or other things used or may be used in the production or business of the Company, the same will be deemed to have been made, invented, suggested or acquired on behalf of and for the benefit of the Company alone and all rights, privileges and titles will rest exclusively with the Company.

8. Protection of Confidential Information

8.1 The Corporate Confidential Information is a valuable asset to the Company. The confidential information shall mean and include information in written, oral, visual and / or physical / electronic form without limitation, information regarding the Company's actual or proposed business, historical or projected technical / operational, administration, economy, planning, business, financial information, budgets, services, products, trade secrets, marketing techniques, plans and materials, processes, operations, formula, methods, flow diagrams, documentations, procedures, computer programs and software's in any stage of development, product specifications, know-how, compositions, inventions, discoveries, sketches, drawings, blue-prints, plan-layouts, reports, manuals, correspondence, samples, formats, analysis, strategies, forecasts, R&D plans, concepts, ideas, models, data product plans and architectures, source codes, object code, contracts, customer names and lists of existing and potential customers, dealers, suppliers and employees, price lists, pricing policies and any non-public information that might be useful to the competitors of the Company, intellectual properties, business objects and strategies, pricing information and any other vital financial, commercial and legal information and statistics in general. All confidential information must be used for the purposes of the Company. All employees of the Company must respect the property rights

including the intellectual rights of other companies and concerns.

- 8.1 Employees must not pass any Company documents and information identified or identifiable as confidential to customers, vendors, and partners or to a third party, or in any way make them available outside the Company.
- 8.2 Employees must use suitable and appropriate measures to ensure that confidential and protected information does not fall into the hands of unauthorized parties, internally or externally.
- 8.3 A confidentiality and non-disclosure agreement will be signed by all candidates joining Jejuri, Khed, Ambethan and other Gear Plant and for others based on the job responsibilities and grades as directed by Head HR
- 8.4 The obligation to safeguard the proprietary and confidential information continues to exist even after leaving the employment of the Company. Each of us has liability to return all corporate confidential information in possession while leaving the Company.
- 8.5 Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action as mentioned in this Code, even if they do not actually benefit from the disclosed information.

9. E-Mail / Internet Policy

All Company supplied computer systems, including computer hardware and software programs, and Company related proprietary, confidential, or privileged information, are the exclusive property of the Company and not the employee's. These systems, including the Internet and Email, should be used for Company business only and should not be used to Company-related proprietary confidential, or privileged information outside the Company, without proper business purpose and appropriate security measures. If employees have any questions concerning the sensitivity, confidential classification, and/or protection of Company information, they should first speak to their Superior / Head of the Department before transmitting information outside the Company. The Company has the right to monitor any employee's Email and Internet usage.

10. Protecting Environment and Employee Health and Safety

- 10.1 It is the Company's policy to protect the environment, safeguard the health and safety of employees. The Company conducts its operations so as to avoid or minimize any possible adverse impact on the environment or employees and expects all employees to obey those Laws, Rules & Regulations that are designed to protect the environment

and the health and safety of employees.

- 10.2** All employees are expected to notify their superior, The Unit/Functional Head, Head of Human Resources if they observe conduct which violates, or is likely to violate, environmental, health or safety requirements including tempering with safety devices/ machines/ equipment's etc. installed within the Company premises.

11. Abuse of Alcohol / Weapons

Employees whose behavior, judgment or performance is impaired by drugs or alcohol, as also an employee in possession of Arms, weapons and inflammable substance will be prohibited from entering the Company's premises or engaging in Company business. Violations of this Policy are serious and will result in appropriate disciplinary and legal action as mentioned in this Code. Smoking shall be permitted only in designated places.

12. Harassment

12.1 Harassment occurring in the work place or at any company-sponsored social, sporting or business function will not be tolerated. Harassment includes verbal or physical conduct, which may or does offend, denigrate or belittle any individual because of, or due to, race, color, religion, national or ethnic origin, age, gender, sexual orientation, disability or pregnancy. Such conduct includes -but is not limited to - pictures, jokes, comments, overtone or any other behavior considered offensive or demeaning.

12.2 Furthermore, any retaliation against an individual who has complained about harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated.

12.3 The Company is committed to maintaining a professional work environment and strongly disapproves of all forms of sexual harassment. Employees who believe they have been subjected to sexual harassment or who have witnessed sexual harassment should report such incidents to their Superior's, Unit/Functional Head or CHRO. If an employee is uncomfortable reporting the incident to designated authorities, he or she should contact any other employee of the Company, who shall appropriately communicate the same to the designated authorities.

13. Fair Dealing with Customers, Suppliers and Public

We must remember that we represent our Company while dealing with our customers, suppliers and public. We hereby confirm our commitment to build a relationship based upon trust. Each employee must act in such manner so that the

members of public will be confident that they will be treated lawfully and in an ethical manner. No one should take unfair advantage through giving misleading information, concealment of facts, misrepresentation of material facts or abusing the non-public privileged information.

14. Co-operation with Government Authorities

It is the policy of the Company to cooperate with governmental investigations or enquiries or Court proceedings as the case may be. Accordingly, if employees reasonably believe that a government investigation, enquiry or Court proceedings is in progress, they should fully co-operate with the Company and its officials in communicating the required information/document to the concerned authorities in a timely & in all possible manner.

15. Duty to Report Violations

Employees are responsible for reporting in good faith to the Company, any circumstances that the employee believes may constitute a violation of this Code of Conduct and Ethics. Employees should report suspected violations to the immediate superior, or Unit/Functional Head, or CHRO. CHRO will investigate these matters. There will be no action taken against the employee for good faith reporting of suspected policy violations; however, the employee will not be protected from possible disciplinary action if the report is in bad faith or the employee has otherwise engaged in misconduct.

16. Disciplinary Actions

16.1 It is expected from all persons covered under this Code of Conduct and Ethics that they will adhere to the principles and rules laid down in this Code. The appropriate disciplinary action will be taken against the delinquent employee who is found to violate these principles and policies or any other policy of the Company.

The disciplinary action may include warning, suspension, discharged, discharged The Company will recover any loss suffered by it due to violation of the provisions of this Code by any delinquent in legal manner

16.2 All employees are encouraged to report any suspected violation promptly. The Company will not tolerate any kind of retaliation for reports or complaints regarding misconduct that were made in good faith.

16.3 All employees shall work to ensure prompt and consistent action against violations of this Code. However, in some situations there may be “grey areas” for which it may be difficult to know the right thing to do. Since every situation cannot be

anticipated, it is important that there is a way to approach a new question or problem. All employees are advised to keep some of the steps in mind:

Make sure all the facts are available. In order to reach the right solutions, we must be as fully informed as possible.

Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

Discuss the problem with your Superior. This is the basic guidance for all situations. In many cases, your Superior will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your superior's responsibility to help solve problems.

Seek help from the Company's resources. In the rare case in which it may not be appropriate to discuss an issue with your Superior or where you do not feel comfortable approaching your Superior with your question, discuss it with the Head of Human Resources. A serious note of such incidents in respect of female employees would be taken and will not be tolerated.

Your report of violations of this Code is in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees for good faith reports of violations of this Code or questionable accounting or auditing matters. "Good faith" does not mean that you have to be right – but it does mean that you believe that you are providing truthful information. The important thing is that you bring your question or concern to attention of Superior's through one of the available channels.

If any employee commits breach of any of the conditions as laid by the Company or guilty of misconduct or conduct themselves in a manner which would bring the Company or its employees into disrepute can result into disciplinary action such as warning, suspension, termination without notice or salary in lieu thereof and can lead to civil / criminal action/s and prosecution. In such cases employee will have no claim against Company