



CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

PREAMBLE

This Code of Conduct (hereinafter referred to as “the Code”) has been framed and adopted by U.P. Asbestos Limited (hereinafter referred to as the “Company”) in compliance with the Listing guidelines/regulations, as amended from time to time.

The Code is in alignment with the Company’s Vision and Values to achieve the mission and objectives and aims at enhancing ethical transparent process in managing the affairs of the Company. The conduct of directors should be in accordance with the articles of association of the company; but in no case should contravene the duties specified by the law.

APPLICABILITY

The Code is applicable to the all Board Members of the company (hereinafter referred to as “Board Members”) and also to all Senior Management Personnel of the Company (hereinafter referred to as “Senior Management Personnel”).

The Independent / Non- Executive Directors to the extent that it does not conflict with or is prejudicial to the interest to the Company. Subject to the foregoing and in accordance with the following paragraphs, the Independent / Nonexecutive Directors of the Company shall not be precluded from taking up outside assignments / directorships in other companies.

DEFINITIONS AND INTERPRETATIONS

- 1). Board Members: Board Members shall mean the members on the Board of Directors of the Company.
- 2). Senior Management Personnel: Senior management personnel means:
 - all executives one level below the Board;
 - all functional / departmental heads;
 - Chief Financial Officer
 - Company Secretary
 - any other person who the Board may include within the definition of senior management personnel
- 3). Family: Family shall mean the dependent family members (i.e. spouse, son, daughter and parents) of an individual.
- 4). Interest in transaction: Interest in transaction means any material pecuniary interest in any contract or arrangement, either by himself/ herself or through his/ her family.

PURPOSE

The purpose of the Code goes beyond the Legal Minimum and has been framed to:

- 1) Promote ethical standards of business conduct;
- 2) Maintain the culture of honesty, integrity, transparency and accountability in the Senior Management Personnel;



- 3) Provide guidance in the identification and resolution of issues
- 4) Uphold the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing the Company; and
- 5) last of all, to comply with the provisions of the Listing Agreement.

STANDARDS OF ETHICAL CONDUCT

The Board Members and/or Senior Management Personnel shall act within the powers conferred on them and shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.

In addition, the Board Members and/or Senior Management Personnel:

- 1) Shall maintain and help the Company in maintaining highest standards of Corporate Governance practices;
- 2) Shall act in utmost good faith and exercise due care, diligence and personal and professional integrity in the performance of their official duties and responsibilities and shall in no event compromise with their independence of judgement;
- 3) Shall not exploit for their own personal gain, opportunities that are discovered through use of corporate property information or position unless the opportunity is disclosed fully in writing to the Board of Directors of the Company and the Board either declines to pursue such opportunity or allow him to avail such opportunity;
- 4) Shall avoid and disclose actual and apparent conflict of personal interest with the interest of the Company and to disclose all contractual interests whether directly or indirectly in any manner which gives them or their relative or firm or associate, any pecuniary benefit, regardless of the value involved with the Company;
- 5) Shall not commit any offence involving moral turpitude;
- 6) Shall promote professionalism in the Company.

CONFLICT OF INTEREST

A “Conflict of interest” occurs when personal interest of the Board Members and/or Senior Management Personnel interferes or appears to interfere, in any way, with the interests of the Company.

The Board Members and/or Senior Management Personnel shall not engage in any business relationship or activity, whether directly or indirectly, which may be in conflict of interest of the Company. Although this duty does not prevent them from engaging in personal transactions and investments, it does, however, demand that they should avoid situations where a conflict of interest might occur or appear to occur.

Some of the possible instances being:

Employment / Outside Employment: The Managing Director / Whole-time Director and/or Senior Management Personnel are expected to devote their full time and attention to the business



interests of the Company and are further prohibited from engaging in any activity prejudicial to the interests of the Company. Any simultaneous employment or Directorship with competitors of the Company, or any engagement in any activity thereby strengthening their position is considered to be against the business interests of the Company.

Outside Directorships: No Managing Director / Whole-time Director and/or Senior Management Personnel shall serve as a Director of any Company that competes directly or indirectly with the Company unless agreed to by the Board of Directors. Further, each Board Member shall inform the Board of Directors of any changes in his Board positions and shall inform the company immediately about emergency situation that may disqualify him from Directorship.

Business Interests: If any Board Member and/or Senior Management Personnel is considering investment in the business of any competitor of the Company, he should ensure that these investments do not compromise on their responsibilities towards the Company. Before making Substantial Investment (i.e. more than 20% in the paid-up share capital) in the business of the Competitor, the Board Member and/or Senior Management Personnel shall obtain approval of the Board of Directors of the Company.

Related Parties: The Board Member and/or Senior Management Personnel, before conducting business of the Company with a Related Party or a relative and/or with a business in which a relative is associated in any significant role, shall promptly disclose their interest to the Board of Directors of the Company.

For the sake of clarity, the term “Relative” shall mean “relative” as defined in Section 2(77) of the Companies Act, 2013

No Payments or gifts from others: Under no circumstances, the Board Member and/or Senior Management Personnel shall accept or receive, directly or indirectly, any gift, payments or favour, in whatsoever form, from Company’s business associates, which can be perceived as being given to gain favour or dealing with the Company or which may influence any business decision.

TRANSACTION IN SHARES OF THE COMPANY AND PREVENTION OF INSIDER TRADING:

The Board Member and/or Senior Management Personnel of the Company shall not indulge in trading in Company’s securities on the basis of unpublished price sensitive information. All Board Member and/or Senior Management Personnel will comply with the prevention of insider trading guidelines as issued by SEBI.

Conduct of Business: The Board Member and/or Senior Management team shall conduct the Company’s business in an efficient and transparent manner and in meeting its obligations to their stakeholders.

Reporting: The Board Member and/or Senior Management team shall immediately bring to the notice of the Board about any unethical behavior, actual or suspected fraud or violation of company’s policies as and when it come to his/her knowledge.

PROTECTION OF COMPANY’S ASSETS

The Board Member and/or Senior Management Personnel shall endeavor to protect the assets and proprietary information of the Company and ensure that the same are being used by the Company



only for business purposes of the Company. Any suspected incident or fraud or mismanagement of the assets of the Company should be immediately reported to the Chairman or Managing Director or Compliance Officer of the Company.

CONFIDENTIAL INFORMATION

The Board Member and/or Senior Management Personnel shall maintain confidentiality of Confidential Information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage. They shall, at all times, ensure compliance with applicable insider trading regulations as also other regulations, as may become applicable to them, from time to time.

This obligation shall apply to the Board Member and/or Senior Management Personnel not only during their tenure or employment with the Company but even after the cessation thereof for a reasonable period of time.

Further they shall not make any statement which has the effect of adverse criticism of any policy or action of the Company or which is capable of embarrassing the relations between the company and the public including all the stakeholders.

The term “Confidential Information” includes all non-public information, which if disclosed, might be prejudicial to the interests of the Company.

COMPLIANCE OF LAW

The Managing Director or Whole Time Director and/or Senior Management Personnel shall acquire appropriate knowledge of law relating to their duties sufficient to enable them to recognize potential dangers and to know when to seek advise from the Finance, Secretarial and legal departments and shall comply with all Laws, Rules and regulations applicable to the business of the Company.

CODE FOR INDEPENDENT DIRECTORS AS PER SCHEDULE IV READ WITH SECTION 149(8) OF THE COMPANIES ACT 2013

CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of Independent Directors.

GUIDELINES FOR PROFESSIONAL CONDUCT- An Independent Director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the Company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective;
6. exercise independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
7. not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;



8. refrain from any action that would lead to loss of his independence; where circumstances arise which make an independent Director lose his independence, the independent Director must immediately inform the Board accordingly; and
9. assist the Company in implementing the best corporate governance practices.

II. ROLE AND FUNCTIONS: The independent Directors shall:

1. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. DUTIES : 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.



IV. MANNER OF APPOINTMENT:

1. Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
2. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
3. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
4. The appointment of independent directors shall be formalized through a letter of appointment, which shall set out :
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. provision for Directors and Officers (D and O) insurance, if any;
 - e. the Code of Business Ethics that the company expects its directors and employees to follow;
 - f. the list of actions that a director should not do while functioning as such in the company; and
 - g. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
5. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
6. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. RE-APPOINTMENT:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. RESIGNATION OR REMOVAL:

1. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
2. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
3. Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. SEPARATE MEETINGS:

1. The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
2. All the independent directors of the company shall strive to be present at such meeting;
3. The meeting shall:
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors;



- c. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. EVALUATION MECHANISM :

1. The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

WAIVERS AND AMENDMENTS OF THE CODE

The Company is committed to continuously reviewing and updating its policies and procedures. However, any amendment or waiver of any provision of the Code must be approved by the Board of Directors of the Company and publicly disclosed as required by any applicable law or regulation and also on the Company's website, if any, together with details about the nature of the amendment or waiver.

NO RIGHTS CREATED

The Code sets forth certain fundamental principles, ethics, values, policies and procedures that govern the Senior Management Personnel in the conduct of the business of the Company. It is not intended to and does not create any rights in any employee, client, competitor, shareholder or any other person or entity.

PLACEMENT OF THE CODE ON WEBSITE

Pursuant to the applicable listing agreement, the Code and any amendment thereto shall be posted on the website of the Company.

ACKNOWLEDGEMENT OF RECEIPT AND AFFIRMATION OF ANNUAL COMPLIANCE

The Board Member and/or Senior Management Personnel shall acknowledge receipt of the Code in the Acknowledgement Form annexed to the Code as Appendix - I and forward the same to the Compliance Officer.

Any breach of the Code brought to the notice of the Compliance Officer shall be reported to the Board of Directors for necessary action.

The Board Member and/or Senior Management Personnel shall affirm compliance with this Code on an annual basis as at the end of the each financial year of the Company in the format annexed as Appendix II within 30 days of the close of every financial year.



APPENDIX- I

ACKNOWLEDGEMENT FORM

Code of Conduct for Current Financial Year

I, have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature :

Name :

Designation :

Date :

Place :



APPENDIX-II

ANNUAL COMPLIANCE REPORT

FINANCIAL YEAR PREVIOUS FINANCIAL YEAR

I....., do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the Financial Year ending 31st March.....

Signature :

Name :

Designation :

Date :

Place :