

The K.C.P Limited

Code of Business Conduct and Ethics for Board of Directors

1. This code of conduct and ethics is adopted, with effect from 1st January, 2006 pursuant to Clause 49 of the Listing Agreement with National Stock Exchange of India Limited.
2. The K.C.P Limited is committed to conduct its activities in consonance with highest ethical standards and in compliance with legal requirements of the respective sovereignties. This code represents value cherished by the members of the board and forms the basis of Company's relationship with persons/entities in every activity. Honesty, integrity and good faith are the key elements enshrined in this code. This code is to be explicitly followed by the members of the Board.
3. As members of the Board, all Directors are to act in accordance with the highest standards of personal and professional integrity, honesty and ethics, while associated with the Company. Their actions are to be in good faith, and be free of fraud or deception.
4. Directors agree to commit the required time to prepare for the Board and committee meetings, as envisaged under contemporary best practices of corporate governance, and to actively participate in the Board proceedings to safeguard and promote the interest of the shareholders, by their collective wisdom.
5. Directors agree to familiarise themselves with the industries in which the company operates and understand the company's standing in the industry so as to appreciate the business strategies to achieve the desired objectives. Having understood the risk positioning, they agree to apply their best judgement, in furthering the business interests of the Company.
6. Directors agree to maintain confidentiality of all information regarding the company that they come to possess while in their office.

7. Directors agree to avoid and disclose every action that has/may have a conflict of interest with the Company. Accepting Directorships in a company that competes with the Company is to be agreed to by all other directors, before acceptance of such an office. Investment in a competitor or supplier or customer, is to be disclosed prior to the investment. Any business transaction of a relative with the Company is to be disclosed prior to the transaction. The details of disclosure is to be complete and be in such a manner that Company's interests are duly protected. Opportunities that develop owing to the association with the company are not to be personally exploited, without the concurrence of all other members of the board.

8. Directors agree not to accept gifts inappropriate to the occasion and of disproportionate value from anyone associated with the Company, that would be considered as impropriety.

9. Directors agree to comply with all disclosure requirements under all regulations in force from time to time and furnish full, fair, accurate, timely, and understandable details as stipulated.

10. Directors agree to strictly comply with all governmental laws, rules and regulations, applicable to their office.