

## **JBF INDUSTRIES LIMITED CODE OF CONDUCT AND BUSINESS ETHICS FOR BOARD OF DIRECTORS**

1. This Code of Business Conduct and Ethics helps ensure compliance with legal requirements and our standards of business conduct. With a view to maintain the high standards that the Company requires, the following rules/code of conduct should be observed in all activities of the Board. The Company appoints the Company Secretary as Compliance Officer for the purpose of the code, who will be available to Directors and senior management to answer questions and to help them comply with the code.
2. All Directors of the Company must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interest of the Company and its shareholders/ stakeholders. This Code of Business Conduct and Ethics is subject to modification. This Code of Business Conduct and Ethics supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal representations to the extent they are inconsistent.

### **3. HONESTY & INTEGRITY:**

All Directors shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. All Directors will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. Directors will act in the best interest of the Company and fulfill the fiduciary obligations.

### **4. CONFLICT OF INTEREST:**

Each of the Director has a responsibility to the Company, its stakeholders and to each other. Although this duty does not prevent the Directors from engaging in personal transactions and investments, it does demand that the situations can be avoided where a conflict of interest might occur.

1. Directors should not engage in any activity or employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
2. Directors and their immediate families should not invest in a Company of, or do business with, the Customer, suppliers, developers or competitors of the Company or take part in any activity that interferes with the performance or responsibilities of a Director.
3. Directors should avoid conducting Company business with a relative or with a firm / Company in which a relative / related party is associated in any significant role. If any such related party transaction is conducted, the same should be disclosed to the Board of Directors of the Company.

**5. COMPLIANCE:**

Directors are required to comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist the Company in promoting lawful and ethical behaviour, Directors must be alert to possible violations and report any possible violation of laws, rules, regulations or the code of conduct to the Company secretary. Directors must cooperate in any internal or external investigations of possible violations.

**6. OTHER DIRECTORSHIPS:**

The Directors may serve as a Director of any other Company or of the Company/s of supplier, customer, developer or other business partner, as per the provisions of applicable Law but they must report / disclose such relationships to the Board. It is felt that service on the Board of a direct competitor is not in the interest of the company.

**7. INSIDER TRADING:**

Obligations under the Securities and Exchange Board of India (SEBI) apply to the Directors and all the senior management personnel. In the normal course of business Directors and senior management personnel may come into possession of significant, unpublished price sensitive information. Any Director of the Company shall not derive benefit or assist other to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain. All Directors will comply with insider trading guidelines issued by SEBI. The company has stipulated a closed trading Window during which key Insiders are more likely to be exposed to material nonpublic price sensitive information about the Company and therefore are strictly prohibited from trading/ dealing in Company's securities.

**8. CONFIDENTIALITY OF INFORMATION:**

The Company's confidential information is a valuable asset. The Company's confidential information includes all trade related information, trade secrets, confidential customer's information, strategies, administration and labour connected information etc. No Director shall provide such information either formally or informally, to the press or any other publicity media, unless specially authorized.

**9. CORPORATE OPPORTUNITIES:**

All the Directors and senior managerial personnel may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity.

## **10. SHAREHOLDERS:**

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, and disclose such information in accordance with the respective regulations and agreements.

## **11. ETHICAL CONDUCT:**

Every Director of the Company, including whole time Directors and the Managing Director, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

## **12. FUNCTIONS, RESPONSIBILITIES AND DUTIES OF DIRECTORS:**

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. scrutinize 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.

9. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
10. 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;
11. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
12. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
13. strive to attend the general meetings of the Company;
14. 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;
15. keep themselves well informed about the Company and the external environment in which it operates;
16. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
17. 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;
18. 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;
19. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
20. acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
21. 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.

However, Liability of Independent Directors shall arise only in respect to such acts of omission or commission by a Company which had occurred with their knowledge, attributable through Board process and with their consent or connivance or where they have not acted diligently with respect of the provisions contained in the Listing Agreement.