

KUMAKA INDUSTRIES LIMITED

CODE OF CONDUCT

Applicability :

This code shall be applicable to all Board members and members of senior management of the company and their relatives.

For this purpose, the term "senior management" shall mean personnel of the company who are members of its core management team and comprise all members of management one level below the executive directors, including all functional heads.

List of persons termed as relatives as per Section 6 of the Companies Act, 1956, is given in Annexure I.

Object of Code :

Asian is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics and transparency. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. All Board members and senior management of the company is expected to comply with the letter and spirit of this Code.

The Board members and senior management of the company must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.

This code does not attempt to describe all potential problem areas that could develop, but some of the more common problems are described below:

1. Conflicts of Interest :

A conflict situation can arise :

- a. When an employee, officer, or director takes action or has interests that may make it difficult to perform his or her work objectively and effectively,
- b. The receipt of improper personal benefits by a member of his or her family as a result of one's position in the Company,
- c. Any outside business activity that detracts an individual's ability to devote appropriate time and attention to his or her responsibilities with the Company,

KUMAKA INDUSTRIES LIMITED

- d. The receipt of non-nominal gifts or excessive entertainment from any person/company with which the Company has current or prospective business dealings,
- e. Any significant ownership interest in any supplier, customer, development partner or competitor of the Company,
- f. Any consulting or employment relationship with any supplier, customer, business associate or competitor of the Company.

The Board members and members of senior management of the company should be scrupulous in avoiding 'conflicts of interest' with the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of directors or any Committee / officer nominated for this purpose by the Board and a prior written approval should be obtained.

2. Related Party Disclosures

The Board members and members of senior management of the company shall make disclosure of related party transactions to the Board of Directors in the format provided under Accounting Standard 18 (AS-18), as per Annexure II, issued by the Institute of Chartered Accountants of India (ICAI) and/or any modification or recodification thereof.

3. Honest and Ethical Conduct

The Board members and members of senior management of the company shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct not only on Company's premises and offsite but also at company sponsored business, social events as well as any places. They shall act and conduct free from fraud and deception. Their conduct shall conform to the best-accepted professional standards of conduct.

4. Corporate Opportunities :

The Board members and members of senior management owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. The Board members and members of senior management of the company are expressly prohibited from:

- a. Taking for themselves personally, opportunities that are discovered through the use of Company's property, information, or position,
- b. Competing directly with the business of the Company or with any business that the Company is considering.
- c. Using Company's property, information, or position for personal gain. If the Company has finally decided not to pursue an opportunity that relates to the Company's business activity, he/she may pursue such activity only after disclosing the same to the Board of directors or the nominated person/committee.

KUMAKA INDUSTRIES LIMITED

5. Confidentiality:

The Board members and members of senior management of the company shall maintain the confidentiality of confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated. The Confidential information includes all non-public information (including private, proprietary, and other) that might be of use to competitors or harmful to the Company or its associates. The use of confidential information for his/her own advantage or profit is also prohibited.

6. Fair Dealing :

The Board members and members of senior management of the company should deal fairly with customers, suppliers, competitors, and employees of the Company. They should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing-practices.

7. Protection and Proper Use of Company's Assets :

All Board members and members of senior management of the company should protect Company's assets and property and ensure its efficient use. Theft, carelessness, and waste of the Company's assets and property have a direct impact on the Company's profitability. Company's assets should be used only for legitimate business purposes.

8. Insider Trading (Dealing in Shares of the Company)

Non-public information, which might influence the market price of Company shares, should be kept in strict confidence until publicly released in accordance with applicable legal requirements and stock exchange regulations. Officers shall not derive personal benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company not in public domain and which could constitute as insider information.

Directors should observe all applicable laws and regulations including the Company policies and Codes as applicable to them with respect to the purchase and sale of the Company's securities / shares.

It is the responsibility of each director to become familiar with and understand these laws, regulations, policies and codes and should seek further explanations and advice concerning their interpretation and if required.

KUMAKA INDUSTRIES LIMITED

Directors should direct questions regarding the application or interpretation of these guidelines to the Company Secretary/ Compliance Officer.

9. Compliance with Laws, Rules, and Regulations:

The Board members and members of senior management shall comply with all applicable laws, rules, and regulations. Transactions, directly or indirectly, involving securities of the Company should not be undertaken without pre-clearance from the Company's compliance officer. Any director, officer or employee who is unfamiliar or uncertain about the legal rules involving Company business conducted by him/her should consult the legal department of the Company before taking any action that may jeopardize the Company or that individual.

10. Compliance with Code of Conduct :

If any director, officer or employee who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of conduct, he/she must immediately report the same to the Board of Directors or any designated person / committee thereof. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

It terms of clause 49 of the listing agreement all Board members and members of senior management shall within 30 days of close of every financial year (i.e. before 30th April of each year) affirm compliance with the Code. A proforma of Annual Compliance Report is annexed to this Code as Annexure III. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company.

Violations of this Code of Ethics will result in disciplinary action, which may even include termination of services of the employee. The Company's Board or any Committee/person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code of Ethics.

11. Interpretation of Code :

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Board or any person /committee authorised by the Board of the Company. The Board of Directors or any designated person/committee has the authority to waive compliance with this Code of business conduct for any director, officer or employee of the Company. The person-seeking waiver of

KUMAKA INDUSTRIES LIMITED

this Code shall make full disclosure of the particular circumstances to the Board or the designated person/ committee.

12. Placement of the code on Website

Pursuant to Clause 49 of the Listing Agreement, this Code and any amendment thereto shall be hosted on the website of the Company.

13. Acknowledgement of Receipt

All Board Members and members of Senior Management shall acknowledge the receipt of this code in the acknowledgement form annexed to this Code (Annexure IV) indicating that they have received, read and understood, and agreed to comply with the code and send the same to the Compliance Officer.

Date : 28.05.2013

Place : Vadodara

For Kumaka Industries Limited

Sd/-

Pankaj M Kadakia

Chairman & Managing Director

Meaning of the Relative

Meaning of "relative" (As per Section 6 of the Companies Act, 1956)

A person shall be deemed to be a relative of another if, and only if :

- (a) they are members of a Hindu undivided family; or
- (b) they are husband and wife; or
- (c) the one is related to the other in the manner indicated in Schedule IA.

SCHEDULE IA : LIST OF RELATIVES

- 1. Father
- 2. Mother (including step-mother)
- 3. Son (including step-son)
- 4. Son's wife
- 5. Daughter (including step-daughter)
- 6. Father's father
- 7. Father's mother
- 8. Mother's mother
- 9. Mother's father
- 10. Son's son
- 11. Son's son's wife
- 12. Son's daughter
- 13. Son's daughter's husband
- 14. Daughter's husband
- 15. Daughter's son
- 16. Daughter's son's wife
- 17. Daughter's daughter
- 18. Daughter's daughter's husband
- 19. Brother (including step-brother)
- 20. Brother's wife
- 21. Sister (including step sister)
- 22. Sister's husband

DISCLOSURE OF RELATED PARY TRANSACTIONS

The Board Members and members of Senior Management shall disclose the following, in respect of all transactions with related parties, as covered in AS-18 issued by ICAI:

- (i) the name of the transacting related party;
- (ii) a description of the relationship between the parties;
- (iii) a description of the nature of transactions;
- (iv) volume of the transactions either as an amount or as an appropriate proportion ;
- (v) any other elements of the related party transactions necessary for an understanding of the financial statements.

Signature _____

Name _____

Designation _____

Date _____

Place _____

ANNUAL COMPLIANCE REPORT

(to be submitted before 30th April each year)

I _____ do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the CODE OF CONDUCT of the Company, during the financial year ending 31st March, 20__

Signature _____

Name _____

Designation _____

Date _____

Place _____

CODE OF CONDUCT

ACKNOWLEDGEMENT FORM

I, have received and read the Company's "CODE OF CONDUCT ("this Code") / amendment in CODE OF CONDUCT. I have understood the provisions and policies contained in this Code and I agree to comply with this code.

Signature _____

Name _____

Designation _____

Date _____

Place _____