



# **Konstelec Engineers Limited**

CONSULTING ENGINEERS & EPC CONTRACTORS

CIN: U45203MH1995PLC095011

## **Code of Conduct for Board of Directors and Senior Management Personnel**

**Approved and adopted vide Board resolution dated: 16/10/2023**



**Code of Conduct for Board of Directors and Senior Management Personnel:**

<p><b><u>INTRODUCTION</u></b></p>	<p>The Code of Conduct for Board of Directors and Senior Management (“Code of Conduct”) has been framed pursuant to the requirements of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Section 149(8) read with Schedule IV of the Companies Act, 2013 (“Act”). All the Directors and Senior Management personnel of Konstelec Engineers Limited (“the Company”) are expected to read and understand the Code of Conduct and uphold these standards in their day-to-day activities, comply with all applicable policies and ensure compliance.</p> <p>The matters covered in this Code of Conduct (“Code”) are of utmost importance to Konstelec Engineers Limited (“Company”), its shareholders and stakeholders and are essential so that it can conduct business in accordance with legal and ethical values to which the Company is strongly committed. A code of conduct for the board of directors of the Company (“Board”) and the senior management personnel of the Company (i.e. one level below, the executive directors, and functional heads) (“Senior Management Personnel”) enables the Company to publicly state to its external stakeholders (suppliers, customers, consumers, and shareholders), the way in which they intend to do business.</p>
<p><b><u>OBJECTIVE</u></b></p>	<p>This Code has been drawn up in accordance with the Corporate Governance requirements as per Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).</p> <ul style="list-style-type: none"><li>• To conduct the business of the Company with integrity, fairness and transparency.</li><li>• To meet the expectations of statutory and regulatory authorities, and progressively enhance the scope of this Code to align the conduct with the expectations of shareholders, other stakeholders and the society at large.</li></ul>
<p><b><u>APPLICABILITY OF THE CODE</u></b></p>	<p>This Code applies to board of directors of the Company and the senior management personnel of the Company.</p>
<p><b><u>DEFINITIONS AND INTERPRETATION</u></b></p>	<p>In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this code, shall have the meaning assigned to them below:</p>



	<ol style="list-style-type: none"> <li>1. <b>'Company'</b> shall mean <b>"Konstelec Engineers Limited"</b>.</li> <li>2. <b>'Board of directors'</b> (Board) shall mean all the Directors of the Company including non- official part time directors i.e. Independent Directors.</li> <li>3. <b>'Independent Directors'</b> shall mean the Board members as defined under Section 2(47) read with 149(6) of the Companies Act, 2013.</li> <li>4. <b>'Senior Management Personnel'</b> shall mean one level below the executive directors and functional heads.</li> <li>5. <b>'Relative'</b> shall mean 'relative' as defined in Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014.</li> </ol>
<b><u>ANNUAL AFFIRMATION WITH COMPLIANCE OF THIS CODE</u></b>	In terms of Regulation 26(3) of the Listing Regulations, all members of the Board and Senior Management Personnel of the Company shall affirm compliance with this Code on an annual basis.
<b><u>AMENDMENTS</u></b>	<ul style="list-style-type: none"> <li>• The board may amend and revise the provisions of this code from time to time as and when necessitate.</li> <li>• Unless otherwise specified, such amendments shall be effective from the date of the Board Meeting at which it is approved.</li> <li>• Board Meeting at which such amendments are approved, the board shall review the policy at such regular interval basis as and when board decides but not exceeding 3 years.</li> </ul>

**CODE OF CONDUCT FOR BOARD OF DIRECTORS**

<b><u>BUSINESS INTEREST</u></b>	<ul style="list-style-type: none"> <li>• Demonstrate the highest standards of integrity, business ethics, and corporate governance.</li> <li>• Perform their roles with competence, diligence, in good faith and in the best interests of the Company.</li> <li>• Conduct in a professional, courteous and respectful manner and not take improper advantage of their position.</li> <li>• Provide expertise and experience in their areas of specialization and share learning's at the meetings of the Board in the best interest of the Company and its stakeholders. They should guide the Company's management in the 'right' direction based on their experience and judgment.</li> <li>• Give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the Management. They should call for additional information, where necessary, for making such judgments.</li> </ul>
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<p><b><u>OUTSIDE OF THE DIRECTORSHIP</u></b></p>	<ul style="list-style-type: none"><li>• Not engage in any business, relationship or any activity which detrimentally conflicts with the interest of the Company or brings discredit to it.</li><li>• Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests must be avoided at all costs.</li><li>• Wholetime Directors and Senior Management Executives are expected to devote their full attention to the business interest of the Company.</li><li>• The Senior Management Executives are <b>strictly prohibited</b> from holding any position or job or be on the Board of any other company outside the Company without the permission of Chairman &amp; Managing Director of the Company.</li></ul>
<p><b><u>RELATED PARTY</u></b></p>	<p>Avoid conducting business on behalf of the Company except with the prior approval of the Board and as per policy of the company regarding Related Party Transactions and as per Section 188 and defined under section 2(77) of the Companies Act, 2013 with</p> <ul style="list-style-type: none"><li>A. A relative as defined in the Companies Act, 2013</li><li>B. A Private Limited Company in which he/she or his/her relative is a Member or a Director.</li><li>C. A Public Limited Company in which he/she along with his relative holds more than two per cent of its paid-up share capital; and</li><li>D. With a firm in which he/she or his/her relative is a partner.</li></ul>
<p><b><u>CONFIDENTIALITY</u></b></p>	<ul style="list-style-type: none"><li>A. Any information concerning the Company's business, its customers, suppliers, etc. shall be considered as confidential.</li><li>B. No Directors or Senior Management Executive shall provide any information concerning the Company or its business or its customers, suppliers etc., either formally or informally, to any person including press or publicity media, unless such information is –<ul style="list-style-type: none"><li>• In public domain at the time of disclosure; or</li><li>• Authorized or Required to Be Disclosed Pursuant to A Decision of the Board /Committee Thereof; Or</li><li>• Required to be disclosed in accordance with applicable laws or requirement of any government authority.</li></ul></li><li>C. Directors must ensure that the information is not used by them for the benefit of any of the Company's competitors or other parties who, if in possession of the said information, may use it in a manner inconsistent with the Company's</li></ul>



	interests. <b>D.</b> Not disclose any confidential/privileged information of the Company and should direct any media queries or approaches to the appropriate spokesperson within the Company.
<b><u>INSIDER TRADING</u></b>	<ul style="list-style-type: none"><li>• Directors and Senior Management Executives of the Company must ensure that they and their relatives comply with the SEBI (Prohibition of Insider Trading) Regulations and the Company's Policy on the Insider Trading.</li><li>• Directors must ensure that they do not, by themselves or through third parties, deal in the Company's shares while in possession of material non-public information relating to the Company.</li><li>• Directors and Senior Management Executives must also ensure that they do not divulge such information to third parties except for a legitimate purpose as defined in the Company's Policy who may use the information to deal in the Company's shares.</li></ul>
<b><u>PUBLIC POLICY</u></b>	<ul style="list-style-type: none"><li>• Follow all the guidelines put forth in the Code of Conduct for Prevention of Insider Trading.</li><li>• Not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy.</li></ul>
<b><u>GIFTS/FAVORS</u></b>	<ul style="list-style-type: none"><li>• Directors / Senior Management personnel shall not accept any gift, favour or invitation offered by any client, person or organization with whom the Company has any business relationship that creates a conflict between the individual's personal interest and the interest of the Company. Directors / Senior Management personnel shall not accept any such gift, favour or invitation except those extended as a customary courtesy of business life.</li></ul>

**In addition to the provisions contained in this Code, following shall also be applicable to Independent Directors (IDs) of the Company:**

**a. Disclosures:**

Every ID shall at the first meeting of Board in which he participates as a Director and thereafter at the first meeting of Board in every financial year or wherever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence.



**DUTIES OF INDEPENDENT DIRECTORS:**

The Independent Directors shall along with the above mentioned code of Conducts:

- a) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) 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;
- c) strive to attend all meetings of the Board and of the committees of the Board, which the independent director(s) is a member of;
- d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the Company; 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, that their concerns are recorded in the minutes of the meeting of Board and Committee meetings;
- f) keep themselves well informed about the Company and the external environment in which it operates;
- g) not to unfairly obstruct the functioning of an otherwise proper the Board or committees of the Board;
- h) 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;
- i) ascertain and ensure that the Company has an adequate and functional Vigil Mechanism / Whistle Blower Policy and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- j) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- k) acting within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- l) 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.



**APPENDIX I**

**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT ANNUAL COMPLIANCE REPORT\***

I Mr. Biharilal Ravilal Shah, Chairman cum Managing Director of Konstelec Engineers Limited, do hereby solemnly affirm that I have, in letter and spirit and to the best of my knowledge and belief, complied with the provisions of CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT during the financial year.

For Konstelec Engineers Limited

S/d-  
Biharilal Ravilal Shah  
Managing Director  
DIN: 00337318

S/d-  
Amish Biharilal Shah  
Whole Time Director  
DIN: 01415766

Date: 16.10.2023  
Place: Mumbai

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