

Neil Industries Limited

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CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

Introduction

This Code of Conduct (hereinafter referred to as "the Code") has been originally framed on 07 February, 2011 and amended by way of addition to incorporate the duties of Independent Directors as laid down in the Companies Act, 2013 and adopted by **Neil Industries Limited** (hereinafter known as "the Company") in Compliance with the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges.

Applicability

The Code is applicable to the Board of Directors (hereinafter referred to as "**Board Members**") and the Senior Management Personnel, immediately one level below the Board Members.

The Company Secretary shall be the Compliance Officer for the purpose of this Code.

The Code shall come into force with effect from 20th September, 2014 and future amendments / modifications shall take effect from the date stated therein.

The Code of Conduct is as follows:

Code of conduct

The Board Members and the Senior Managers of the Company:

- Shall endeavor to achieve the goals of the Company.
- Shall maintain highest degree of Corporate Governance Practices and professional conduct.
- 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 judgment;
- Shall comply with all applicable laws, rules, regulations and guidelines, as may be required for conducting the business.
- Shall acquire appropriate knowledge of law relating to their duties sufficient to enable them to recognize potential dangers and to know when to seek advice from the Finance, Secretarial and legal departments and shall comply with all Laws, Rules and Regulations applicable to the business of the Company.
- Shall maintain confidentiality of information entrusted by the Company shall not use it for personal gain or advantage.



- Shall conduct the Company's business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders.
- Shall not seek, receive, accept or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended or perceived to be intended to obtain business favours or decision for the conduct of the business.
- Shall protect the Company's assets from loss, damage, misuse or theft and ensure that the assets are only used for business purposes.
- Shall not communicate with any member of press or publicity media or any other outside agency on matters concerning the Company, except through the designated spokespersons or persons authorized otherwise.
- Shall disclose personal and/ or financial interest in any business dealings concerning the Company in conformity with applicable legal provisions and shall declare information about their relatives (spouse, dependent children and dependent parents) including transactions, if any, entered into with them.
- Shall not, without the prior approval of the Board or Senior Management, as the case may be, accept employment or a position of responsibility with any other organization for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
- Shall pursue healthy Human Resource policies.
- Shall not engage in any activity detrimental to or against national interest.
- Shall ensure compliance with the Insider Trading Code framed and adopted by the Board of Directors in compliance of the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Duties of Independent Directors

The duties of Independent Directors of the Company, as laid down under Schedule IV to the Companies Act, 2013, are incorporated herein pursuant to Clause 49 of the Listing Agreement with Stock Exchanges. It shall be the duty of Independent Directors to:

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 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;
- strive to attend all meetings of the Board of Directors and of the Board Committees of which they are a member;
- participate constructively and actively in the Board Committees in which they are chairpersons or members;
- strive to attend the general meetings of the Company;



- ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors;
- keep themselves well informed about the Company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or Board Committee;
- 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;
- ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct;
- act within their authority and assist in protecting the legitimate interests of the Company, shareholders and its employees;
- not to disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board of Directors or required by law.

This Code may be amended, modified, or varied by the Board subject to appropriate applicable provisions of law, rules, regulations and guidelines.

Annual Compliance by Board Members

The compliance with this Code by all the Board Members and Senior Managers shall be affirmed in writing on an annual basis at the end of each financial year of the Company within 7 days of its closure.

Annual Reporting by Managing Director

The Managing Director of the Company shall provide a declaration on annual basis to the Board on the basis of declaration received from all the members of the Board and Senior Management which shall be included in the Annual Report of the Company.

Consequences of Non-Compliance of This Code

In case of breach of this Code by the Non Whole Time Directors, the same shall be considered by the Board for initiating appropriate action, as deemed necessary.

In case of breach of this Code by the Whole Time Directors and the Senior Management Personnel, the same shall be dealt with in accordance with the CDA (Conduct, Discipline and Appeal Rules, 2006) Rules.

20th September 2014

