

# **CODE OF CONDUCT AND ETHICS**



**V.K.A. Polymers Pvt Ltd  
Address: Old no.137/9,  
New No.9/939 Cheran Nagar,  
ChinnaAndan Kovil Road, Karur  
Tamilnadu India -639002**

**Document ID: HR- POLICY-2017-003COE**



## TABLE OF CONTENTS

---

<b>1</b>	<b>PURPOSE .....</b>	<b>2</b>
<b>2</b>	<b>DEFINITION .....</b>	<b>2</b>
<b>3</b>	<b>EFFECTIVE .....</b>	<b>3</b>
<b>4</b>	<b>SCOPE AND TO WHO IT APPLIES.....</b>	<b>3</b>
<b>5</b>	<b>VARIOUS HEADS UNDER THE POLICY .....</b>	<b>3</b>
5.1	<b>Our Commitment to the Human Rights.....</b>	<b>3</b>
5.2	<b>Conflict of Interest.....</b>	<b>3</b>
5.3	<b>Company Confidential Information and Third Party Intellectual Property .....</b>	<b>5</b>
5.4	<b>Fraud.....</b>	<b>5</b>
5.5	<b>Gifts and Entertainment .....</b>	<b>6</b>
5.6	<b>Use and Protection of Company Assets (Tangible and Intangible) .....</b>	<b>6</b>
5.7	<b>Expense Claims.....</b>	<b>8</b>
5.8	<b>Ethics and Supplier/Customer Relations .....</b>	<b>8</b>
5.9	<b>Product Standards / Customer Feedback and Receptiveness/ Customer Privacy .....</b>	<b>8</b>
5.10	<b>Records: Retention, Disclosure and Audits .....</b>	<b>9</b>
5.10.1	<b>Maintenance of Accurate Records: .....</b>	<b>9</b>
5.10.2	<b>Ensuring accurate disclosures:.....</b>	<b>9</b>
5.10.3	<b>Regulators and Auditors .....</b>	<b>9</b>
5.10.4	<b>Legal Hold on Records .....</b>	<b>9</b>
5.10.5	<b>Retention of Records .....</b>	<b>9</b>
5.11	<b>Compliance with Applicable Laws.....</b>	<b>10</b>
<b>6</b>	<b>Responsibility for and Administration of the Code of Conduct and Ethics .....</b>	<b>10</b>
6.1	<b>MISCONDUCT AND NON-CONFORMANCE WITH THE POLICY .....</b>	<b>10</b>
6.2	<b>EXCEPTIONS .....</b>	<b>10</b>
6.3	<b>ACCOUNTABILITY .....</b>	<b>10</b>
6.4	<b>CONTACT.....</b>	<b>11</b>
6.5	<b>AMENDMENTS .....</b>	<b>11</b>
6.6	<b>ASK US-FOR QUESTIONS.....</b>	<b>11</b>



## CODE OF CONDUCT AND ETHICS

---

### 1 PURPOSE

This “Code of Conduct and Ethics (the “Policy”) of VKA POLYMERS PVT. LTD (**‘VKA’/ ‘Company’/ ‘Organisation’/ ‘Our’/ ‘ We’**) has been formulated in order to foster and maintain Employee trust, and confidence in the professionalism and the integrity of the Employees of the Company by ensuring that all Employees adhere to appropriate standards of conduct as set out in this Policy, that maintains and enhances the reputation of the Company.

This Policy expresses VKA’s commitment to conducting business ethically. It explains what it means to act with integrity and transparency in everything we do and in accordance with our culture and values.

This Policy aims to provide guidance to all Employees of the Company on how and in which manner should the conduct of Employees be when they are undertaking business on behalf of the Company.

The circumstances of conducts as set out below in this Policy, although not exhaustive, are intended to cover those situations, which are most likely perceived to be encountered by Employees. In case any Employee encounters any circumstance which is not covered hereunder or in case of any doubt, Employees should seek guidance from the Reporting Manager/ Reviewing Manager and/or from the Human Resource Department and act accordingly.

Every employee is responsible for demonstrating integrity and leadership in complying with the provisions of this Code of Conduct and Ethics, Company policies and applicable laws and regulations. By including a focus on integrity, we show our commitment to a business culture that promotes the highest ethical standards.

### 2 DEFINITION

“Applicable Laws” or “Laws” means any national or local law (statutory or otherwise), constitution, treaty, convention, code, rule, regulation, order, judicial interpretation, policy or other similar requirement enacted, adopted, promulgated or applied by a governmental authority that is binding upon or applicable to the shareholders and/or the Company, as amended unless expressly specified otherwise

“VKA” means VKA Polymers Pvt Ltd, and also referred as “Company”/ “Us”/ “We”/ “Our” a private limited company incorporated under the Companies Act 1956, having its registered office at 3A Coimbatore Road, Karur, Tamil Nadu, India (also referred to as the “Company”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors, legal representatives and permitted assigns;.



### 3 EFFECTIVE

This Code of Conduct and Ethics shall become effective as of **Eighth day of August, 2017**, subject to clarification and updates by the Company regularly.

### 4 SCOPE AND TO WHO IT APPLIES

This Policy applies to all individuals worldwide working for all affiliates and subsidiaries of VKA at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, persons on probation, casual workers, volunteers, interns, agents, or any other person associated with VKA (**collectively referred to as “You” or “you” in this Policy**).

The Company's reputation and credibility are based upon its total commitment to ethical business practices and also on ethical conduct of its Employees. To safeguard the Company's reputation, Employees must conduct themselves in accordance with the highest ethical standards and also be perceived to be acting ethically. Compliance with all policies of the Company, relevant applicable laws, and regulations is the minimum standard which should be adhered to by Employees at all times.

### 5 VARIOUS HEADS UNDER THE POLICY

#### 5.1 Our Commitment to the Human Rights

VKA is committed to respecting human rights worldwide. The Company adopts the following standards and seeks partners who equally believe in:

- equal opportunity for employees in all grades, independently of skin color, race, gender, sexual identity, age, ethnicity, nationality, sexual orientation, marital status, disability or any other characteristics protected under the law;
- secure and healthy workplace where human health and the environment are protected;
- the payment of employee compensation that will respect local laws being fair according to the employee's skills and the function to be performed in the Company, in addition to providing opportunities to improve their competencies and skills;
- respect for employees' right to legal association; and
- cooperation with governments and communities where we do business, so as to improve the level of education, culture, economy, and social welfare of these communities.

#### 5.2 Conflict of Interest

##### What does conflict of interest mean?

When the interests or benefits of one person conflict with the interests or benefits of the Company, a conflict of interest is said to occur. We must avoid situations involving actual or potential conflict of interest so that even the slightest doubt about our integrity is not raised. Conflicts of interest also occur when we or our family members receive improper personal benefits, or preferential treatment as a result of our position, or the position of a family



member, in the Company. Remember that such situations might impact our judgment or responsibilities towards the Company, shareholders and customers.

### **Purpose**

Employees must avoid personal interests or financial activities that conflict, or appear to conflict, with VKA's interests or that influence, or appear to influence, their judgment or actions in performing their duties as employees. Such conflicts may arise in a number of situations. It is not possible to cover all of them in this Code of Conduct and Ethics, nor will it always be easy to distinguish proper conduct from improper. If you have doubts about any situation, ask your supervisor or the Legal Counsel, HR Head, before you take action.

The following guidelines apply to common situations where there is a conflict of interest:

- (i) Employees should not engage in any business activity, which could be detrimental to, or in competition with, the Company's any business activities.
- (ii) All Employees must avoid situations in which their personal interest could conflict with the interest of the Company. If, under any circumstance, Employees' personal interests conflict with those of the Company's', in all such cases the Employee must seek advice from his or her reporting/ reviewing manager or from senior management.

#### **(iii) Investments:**

Employees are advised to not make any investments that might influence your business decisions. The Policy prohibits VKA employees from owning stock or share of competing companies or companies in the same industry as VKA. This prohibition does not apply to small amounts of stock (typically less than 5 percent) in publicly-held companies, so long as the amount invested shall not be so significant that it might create a conflict of interest.

For avoidance of doubt, mere financial portfolio investments shall not be considered as activities that conflict with the business of the Company.

#### **(iv) Relationship with suppliers, dealers, customers and business partners:**

Any employee who owns or acquires, directly or indirectly, an interest in any concern regarding the procurement of goods or services, or competing with the Company, sales distribution with dealers or other business partners, is required to disclose the full detail concerning such interest or relationship. In such circumstances, a conflict may arise if such employee is in a position to influence decisions with respect to any Company transaction involving a business partner; if his or her other interest or relationship is such that it might bring into question his or her continuing ability to make impartial judgment in the Company's best interest.

#### **(v) Related Party Transactions/ Family**

- a) You should also avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives

include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws.

- b) Employees are required to notify their supervisor and obtain approval from their Head of Department and the Legal Department of the Company before you start negotiations on behalf of VKA with any company where you, a family member or friend has an interest that might in any way benefit from your actions or their actions.

### 5.3 Company Confidential Information and Third Party Intellectual Property

- (i) **Confidential Information** is of prime importance to VKA. It is a valuable asset and VKA mandates every director, employee and agent of the Company to protect it.

Confidential information includes all non-public information (regardless of its source) that might be of use to the Company's competitors or harmful to the Company if disclosed. We must take care that all confidential information is used for Company business purposes only.

As employees, we have access to large and important amounts of company information that may not be available to the public, and we should preserve the confidentiality of information obtained in the Company's service. Information of a confidential, private and sensitive nature must be used responsibly and controlled and protected to prevent its prohibited, arbitrary or careless disclosure.

Unless the Company has provided its specific consent, which should preferably be in writing, or there is a legal or professional right or duty to disclose, we are prohibited from disclosing confidential Company information. Confidential or proprietary information about clients, our organization, or other parties, which has been gained through employment or affiliation with VKA, may not be used for personal advantage or for the benefit of third parties.

#### (ii) **Respect for Third Party Intellectual Property and Confidential Information**

VKA will not knowingly, willingly and/or wilfully infringe upon the intellectual property rights of third parties. We shall take all available and relevant measures to ensure that we do not in any capacity infringe upon the intellectual property of third parties.

We respect the intellectual property and the confidential information of third parties.

Employees shall deem this to be particularly important if you are in possession of intellectual property and confidential information from a former employer.

### 5.4 Fraud

Fraud — or the act or intent to cheat, trick, steal, deceive, or lie — is both dishonest and, in most cases, criminal. Intentional acts of fraud are subject to strict disciplinary action, including dismissal and possible civil and/or criminal action against the concerned Employee.

Some examples of Fraud include:



- Submitting false expense reports;
- Forging or altering cheques;
- Misappropriating assets or misusing Company's property;
- Unauthorized handling or reporting of transactions;
- Inflating sales numbers by shipping inventory known to be defective or non-conforming;
- Making any entry on Company records or financial statements that is not accurate and in accordance with proper accounting standards

### **5.5 Gifts and Entertainment**

Gifts are an important way of re-enforcing and building business relationships. We must be careful, both while giving or accepting gifts, to avoid any misrepresentation. We should ensure that we do not violate any regulations or do anything that is contrary to our Company values.

When we make a gift to a customer, a government official or any third party we should keep the following in mind:

- It is not done to obtain or retain business or gain an improper advantage in business;
- It is lawful under the laws of the country where the gift is being given and permitted under the policies of the client;
- It constitutes a bona fide promotion or goodwill expenditure;
- It is not in the form of cash;
- The gift is of nominal value (on an individual and aggregate basis);
- The gift is accurately recorded in the Company's books and records;
- In any event, you must comply with our gifts and entertainment policy.

Accepting Gifts: The same principles apply if a customer or supplier wishes to give us a gift or any other token of their appreciation.

To understand the process we follow at VKA, you are requested to contact the Human Resource Department by writing to [dc@vka.com](mailto:dc@vka.com).

### **5.6 Use and Protection of Company Assets (Tangible and Intangible)**

- (i) VKA prohibits of its assets for individual profit or any unlawful, unauthorized personal or unethical purpose is prohibited. Our information technology, intellectual property and all intangible assets (e.g., trade secrets, copyrights, patents, and trademarks), facilities, equipment, machines, software, and cash may be used for business purposes only, including responsible and accurate expense reimbursement, and in accordance with applicable policies.



(ii) VKA trade secrets and other company-private information include, but are not limited to, formulae, concepts, devices or any information utilized in our business, which gives the Company a competitive advantage with our competitors (collectively referred to as "VKA's Trade Secret(s)"). Trade secrets and other company-private information are not exclusively technical in nature. They may include information from business investigation, new product plans, strategic goals, financial information, unpublished pricing strategies, lists of sales people, customers and employees, and information about customer requirements, preferences, commercial traits and plans. Although this is not intended to be an all-inclusive list, it suggests the large variety of information that must be safeguarded.

Your duty with regard to VKA's Trade Secret(s) and other company-private/restricted information is:

- Do not release company-private information to other VKA employees unless they have a justified "need to know" or "need to use" with business reasons;
- Do not release company-private information to people outside of VKA without proper authorization;
- Do not utilize company-private information for your own benefit.

In the event of you leaving the Company, your duty to protect VKA's Trade Secret(s) and other company-restricted information remains until the information becomes public or VKA no longer consider it to be a trade secret or company-restricted.

You, must also bear in mind that VKA's correspondence, printed documents, electronically stored information, documents or logs of all kinds, process specific knowledge, procedures, special production methods, confidential or not, are company property and should remain in the Company.

(iii) All other assets (e.g., computers, printers, and copiers) may be used for minor and incidental personal purposes provided such use is kept to a minimum, and does not create any significant incremental costs, interfere with work duties, or violate any laws or VKA policies. Use of our resources for personal political activities is prohibited.

Computer hardware, software, data, and facilities are valuable resources that need protection from potential destruction, theft, or misuse. It is your responsibility to prevent unauthorized access through the use of ID badges, passwords, or other security codes. Copyrighted, patented and all other IPR materials (e.g., fibre, thesis work, journals, books, software etc.) should not be reproduced, distributed, or altered without permission of the IPR owner or an authorized agent.





## 5.7 Expense Claims

Each supervisor, manager, and individual employee has an obligation to each other and to the Company to comply with VKA business expenses and reimbursement practices. All business-related expense claims must be authorized by your manager before being incurred. Personal expenses will not be reimbursed by the Company.

## 5.8 Ethics and Supplier/Customer Relations

Our aim and purpose is to ensure continuous and reliable sources of supply. We deem it essential to conduct transparent and honest negotiations with customers and suppliers to maintain strong, lasting business relationships with them

We consider all prospective customers and suppliers in a manner that is fair and consistent, making our decisions based on objective criteria such as price and quality, in addition to the supplier's reliability and integrity. We treat every customer with the same business criteria. Giving or taking a "kickback" or payment of any kind as a means to secure business is forbidden which addresses our responsibility to comply with anti-bribery, competition, and antitrust laws under our policies.

## 5.9 Product Standards / Customer Feedback and Receptiveness/ Customer Privacy

- (i) VKA is committed to assure that customers can depend on its branded products for their superior reliability, quality and performance.

At VKA, the customer's requirement's, health and well being are of utmost concern. The products sold by VKA must not only comply with all standards of safety defined in law, but also our own standards. . As a VKA employee, it is your duty to immediately report to the head of your business unit any problems that, in your view, are related to the quality and/or safety of the product.

- (ii) **Customer Receptiveness:** Since our line of business is supply for the end customer, our success depends on the satisfaction, confidence and goodwill of our customers.

We recognize the importance of anticipating customer requirements and being receptive to the customer with regard to our products. We believe that opinions, concerns and questions from customers about our products are an important source of feedback.

- (iii) **Customer Privacy:** We respect and honor our customer's right to privacy. VKA collects, processes, utilizes and maintains customer information in accordance with applicable laws, and we make all reasonable efforts to safeguard such information.

Our policy is to not share customers' personal information unless it is required for providing the services our customers need, or to remain in compliance with applicable laws and regulations.



## **5.10 Records: Retention, Disclosure and Audits**

### **5.10.1 Maintenance of Accurate Records:**

The integrity of our financial transactions and records is critical to the operation of our business. The trust of our stakeholders is based on their confidence in the accurate recording of our financial transactions. If you have responsibility for or any involvement in financial reporting or accounting, you should have an appropriate understanding of, and you should seek in good faith to adhere to, relevant accounting and financial reporting principles, standards, laws, rules and regulations and the company's financial and accounting policies, controls and procedures.

### **5.10.2 Ensuring accurate disclosures:**

VKA is committed to provide full, fair, accurate, timely and clear disclosures in reports and documents that we file with,

or submit to our regulators and in our other public communications. To enable this, we must ensure that we comply with our disclosure controls and procedures, and our internal control over financial reporting.

### **5.10.3 Regulators and Auditors**

VKA mandates that you must fully and truthfully cooperate with any examination or request for information from a regulator or law enforcement agency. Any contact with law enforcement agencies or regulators must be coordinated through the Legal Department at VKA.

Further, our outside auditors have a duty to review our records in a fair and accurate manner.

We must cooperate with them as required, in good faith and in accordance with law. We must not mislead them in any manner regarding financial records, processes, controls or procedures or other matters which they may enquire about.

### **5.10.4 Legal Hold on Records**

In certain circumstances, such as litigation or government investigations, you may be informed by the Legal Department that a legal hold is placed on records for which you are responsible. A legal hold prevents the destruction of documents which may be required for such investigations. We must all comply with instructions of the Legal Department if a legal hold is placed. Unless released in writing by the Legal Department, a legal hold remains effective. If you have any questions about a legal hold, contact the person who has sent you the notice of legal hold.

### **5.10.5 Retention of Records**

All records shall be maintained in accordance with our Policy for Document Retention.



### **5.11 Compliance with Applicable Laws**

We abide by all the laws that are applicable to VKA's business.

In no circumstances shall the employees of the Company be allowed, either directly or indirectly, to engage in or otherwise be concerned with any transaction, practice, method, or arrangement which is corrupt, illegal, dishonest or improper. The business of the Company and the conduct of its directors, management staff and employees in the course of the business and operations of the Company shall at all times be conducted in accordance with all Applicable Laws, rules, and regulations. For any unlawful practice, it is required to report any activity that involves or could lead to the involvement of the Company.

## **6 Responsibility for and Administration of the Code of Conduct and Ethics**

### **6.1 MISCONDUCT AND NON-CONFORMANCE WITH THE POLICY**

Non-observance or breach of this Policy shall be construed as misconduct that could warrant disciplinary action against the Employee concerned, including dismissal or termination of employment or any other legal action as may be available to the Company or all of the above, as the case may be.

### **6.2 EXCEPTIONS**

Any exceptions to the norms laid down in this Policy may be at the discretion of the CEO of the Company or any appropriate authority delegated by them.

### **6.3 ACCOUNTABILITY**

It is a condition of an appointment and/ or employment that all Employees must understand and adhere to the Company's Code of Conduct and at all times and abide by the standards, requirements and procedures laid down herein. They must:

- (a) commit to individual conduct in accordance with this Policy.
- (b) observe both, the spirit and the letter of the law in their dealings on Company's behalf.
- (c) recognize Company's responsibility to its shareholders, customers, employees, those with whom Company does business, and to society.
- (d) assess priorities in the context of discharging these responsibilities appropriately on Company's behalf.
- (e) conduct themselves as responsible members of society, giving due regard to health, safety, and environmental concerns, and human rights, in the operation of Company's business.



- (f) report any suspected breach of the law or this Policy to the HR Office or to the Ombudsperson via email at dc@vka.com to who will protect those who report violations in good faith.

#### **6.4 CONTACT**

All queries and clarifications on the policy and procedures may be referred to the HR-Office.

#### **6.5 AMENDMENTS**

The Company reserves the rights to change/ amend / add /delete/ modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The Employees acknowledge that they will not be personally advised of any such change/ amendment / addition /deletion/ modification. The Employees are advised to check for any such change/ amendment / addition /deletion/ modification regularly. The Employees hereby unconditionally agree to all such changes / amendments / additions / deletions / modifications.

#### **6.6 ASK US-FOR QUESTIONS**

Should you have questions or concerns about the interpretation or utilization of this Code of Conduct and Ethics or any policy, procedure or standard associated with VKA, you should discuss the issue with your supervisor, Human Resources or Legal Department of the Company, with the following contact information:

**Human Resources Department**  
**V.K.A. Polymers Pvt Ltd**  
**Door No. 137/9 Cheran Nagar**  
**China Andan Koid Road**  
**Karur 639002**  
**Ph: 04324 248694**

**END OF DOCUMENT**