

KINETIC MOTOR COMPANY LIMITED / KINETIC ENGINEERING LIMITED

Code of Conduct for Board of Directors and Senior Management

Corporate Governance philosophy of the Company aims to ensure that the Company is managed to suit the best interest of all its stakeholders with object to maximize their wealth.

This philosophy is already imbibed in the minds of all members of the Board of Directors and Senior management of the Company and is also being implemented by them as is evident from their relationship with Company's stakeholders.

A broad summary of the Code of Conduct laid down by Board of Directors for themselves and for Senior management of the Company is given hereunder as per requirements of the Listing Agreement with the Stock Exchange.

(I) Code of Conduct for Board of Directors

The Board of Directors will meet regularly, at least four times in a year , with a maximum gap of three months between two Board meetings.

The Board should have optimum combination of professionally competent executive and non-executive directors having wide experience in various fields for proper supervision , control and direction of the affairs of the Company. The Non-executive directors should bring an independent judgment to bear the issues of strategy, performance, resources, standards of Company conduct etc.

The Directors should stay abreast of latest developments in the Industry in general and automobile industry and affairs of the Company in particular.

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3. The Directors should stay abreast of latest developments in the Industry in general and automobile industry and affairs of the Company in particular.
4. Executive Directors remuneration should be fixed by the Remuneration Committee consisting

- of all non-executive independent directors .
5. The Directors should be conscious of the interests of shareholders, employees, customers and other stakeholders and social responsibility of the Company.
 6. The Directors should access the Company Secretary who is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

(II) Code of Conduct for Senior Management

'Senior Management' means personnel of the Company who are members of its Core Management Team excluding Board of Directors. This would comprise all members of management one level below the executive directors, including all functional heads.

(1) Senior Management should ensure strategic management of the Company's business under superintendence, control and direction of the Board of Directors and shall keep the Board informed on all the matters of importance.

(2) Senior Management should strive hard to maintain good corporate relationships with all stakeholders to maintain good corporate image and to provide best services to customers and investors of the Company .

(3) Senior Management should all times act with utmost good faith towards the Company and should not divert to his own advantage any business opportunity being pursued by the Company .

(4) Senior management should not divulge the confidential information obtained by reason of his / her office that will adversely affect interests of the Company or use the same for his own advantage.

(5) Senior Management should stay abreast of latest developments in the Industry in general and automobile industry and affairs of the Company in particular .

(6) Functional Heads should be accountable to the Senior Management for proper discharging responsibilities of their respective functions.