

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT



LT Foods Ltd.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

1. PREAMBLE:

LT Foods Limited ('the Company') is committed to the highest standards of corporate governance in all its activities and processes. It regards corporate governance as the cornerstone for sustained growth and performance of the Company for serving all the stakeholders.

In furtherance as required under Regulation 17(5) of SEBI (Listing Obligation & Disclosures) Regulation, 2015, the Board of Directors approved the following code of conduct ("The Code") of the Company for Board Members and Senior Management Group ('the Code')

2. OBJECTIVITY:

This Code is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the company in an ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of Employees, Board of Directors and Senior Management Personnel and to develop a culture of honesty and accountability.

3. DEFINITIONS & INTERPRETATION:

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

"Board Members" shall mean the Directors on the Board of Directors of the Company.

"Whole-time Directors" shall mean the Board Members who are in whole-time employment of the Company.

"Part time Directors" shall mean the Board Members who are not in whole time employment of the Company and shall include Independent Directors and Nominee Directors.

"Relative" shall mean 'relative' as defined in Clause 77 of Section 2 and read with Rule 4 of Chapter I Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013.

"Senior Management Personnel" shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise of all members of management one level below the Managing Director, including Company Secretary, CEO, CFO, General Managers, all Functional Heads, all Unit Heads, Presidents, Joint Presidents and all other executives having similar or equivalent rank in the Company

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“The Company” shall mean LT Foods Limited.

4. APPLICABILITY:

The Board of Directors (the “Board”) of the Company has adopted the Code divided into three parts as

Part A - applicable for Non Executive Directors of the Company

Part B - applicable for Executive Directors including Senior Management Personnel

Part C - applicable for both Non-Executive and Senior Management Personnel.

5. THE CODE

Part A - Code of Conduct for Non-Executive & Independent Directors

A Non-Executive Director (NED) is a member of the Board of Directors of the Company who does not form part of the executive management team. He is not involved in the day-to-day affairs of the Company but monitors the executive activity and contributes to the development of strategy. It is clarified that an Independent Director of the Company as such is a Non- Executive Director of the Company, and accordingly, this Code also applies to Independent Directors of the Company.

Non-Executive Directors will comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities, and be committed to maintaining high standards of integrity in every sphere of activity.

Non-Executive Directors will safeguard the confidentiality of all information received by them by virtue of their position and shall promptly report to the Company any violations of law or ethical principles which come to their knowledge during their dealings with the Company.

Conduct, Role, Functions and Duties of Independent Directors as per the Companies Act, 2013:

An Independent Director shall adhere to his/ her professional conduct, role, functions and duties as specified under the Companies Act, 2013 and the Rules thereunder and Regulation 29 and other regulations of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, in particular, Schedule IV of the Companies Act, 2013. The Code is a guide to professional conduct for Independent Directors.

ROLE AND FUNCTIONS:

The Independent Directors shall:

1. Shall help in bringing an independent judgment to bear on the Board’s deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

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2. Shall bring an objective view in the evaluation of the performance of Board and management;
3. Shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. Shall satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible including through but not limited to the Audit Committee;
5. Shall safeguard the interests of all stakeholders, particularly the minority shareholders;
6. Shall balance the conflicting interest of the stakeholders;
7. Shall determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. Shall moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

DUTIES OF INDEPENDENT DIRECTORS:

The independent directors:

1. Shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. Shall 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;
3. Shall strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. Shall participate constructively and actively in the Committees of the Board in which they are chairpersons or members; 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, insist that their concerns are recorded in the minutes of the Board meeting;
5. Shall keep themselves well informed about the Company and the external environment in which it operates;
6. Shall not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;
7. Shall 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;
8. Shall ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
9. Shall report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy to such authorities as they deem appropriate if the Board is unable to initiate appropriate measures to redress such acts;
10. Shall act within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
11. Shall 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. Shall strive to attend the general meetings of the Company;

Part B - Code of Conduct for Senior Management Personnel

While performing their respective functions, all the Senior Management Personnel shall always ensure non-violation of the Code herein and to

- act with integrity, probity, honesty, transparency and with utmost good faith;
- assist in achieving the Company's Objectives by adopting fair and ethical practices and
- Create an organization that is responsive, positive, driven by business and social needs.

All Senior Management Personnel who violate / deviate from the requirements of the Code herein shall attract prosecution including but not limited to disciplinary action, which may also include termination of office / employment.

COMPLIANCE WITH LAWS, RULES AND REGULATIONS:

All Senior Management Personnel shall conduct the business and operations of the Company in accordance with the laws, rules, regulations, agreements, guidelines; standards including accounting standards governing its operations in the geographies the Company operate. The Directors and Senior Management personnel shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors and Senior Management personnel shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Prohibition of Insider Trading policy of the Company.

CONFLICT OF INTERESTS:

Directors and Senior Management personnel shall not use personal influence to make the Company do business with a Company/institution in which his or her relatives are interested. As a general rule, Directors and Senior Management personnel shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role.

When any Senior Management Personnel have a personal interest of whatsoever nature, in any transaction of the Company, in whatsoever manner, then "Conflict of Interest" arises. As a general rule, all Senior Management Personnel shall avoid actual and / or apparent Conflict of Interest and shall always uphold the interests of the Company as a professional in letter and spirit.

PROTECTION OF STAKEHOLDER'S INTEREST:

All Senior Management Personnel shall ensure protection of stakeholders' interest by complying with all the applicable laws, rules and regulations and shall also ensure maintenance of accurate and complete records without any misleading, false or artificial entries in the Books of Accounts.

INTEGRITY OF INFORMATION FURNISHED:

Every employee of Company shall ensure, at all times, the integrity of data or information furnished by him/her to the Company. He/She shall be entirely responsible for ensuring that confidentiality of all data is retained and shall not be transferred to any outside person / party in any circumstance during normal course of operations without prior approval of management.

COMPETITION AND FAIR DEALING:

The Company strives to outperform its competition by adopting fair and ethical practices. Each Senior Management Personnel shall deal diligently and fairly with the Company's customers, suppliers, competitors and employees and should not take any unfair or undue advantage of anyone through any intentional or unfair dealings, unethical practices. Pilfering proprietary information, possessing trade secrets and confidential information obtained without the owner's consent, or inducing such disclosures by / through past or present employees of competitor is prohibited.

DISCRIMINATION AND HARASSMENT:

The Company is firmly committed to providing equal opportunity to all in all aspects of employment without any discrimination and harassment of any type.

HEALTH AND SAFETY:

The Company strives to provide each employee with a safe and healthy work environment. Every Senior Management Personnel has a responsibility towards maintaining a safe and healthy workplace by following all safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Being under the influence of illegal drugs and/or alcohol on the job is absolutely prohibited.

Part C – Code of Conduct for both Non-Executive and Senior Management Personnel.

CONFIDENTIALITY:

All Non- Executive Directors and Senior Management Personnel shall maintain confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to their knowledge, from whatever source, in their capacity, except when disclosure is duly authorized by the Chief Executive Officer or Chief Financial Officer or the Audit Committee or the Board of Directors or is required by laws or regulations. Confidentiality extends to information that suppliers and customers have entrusted to the Company. Use of confidential information for personal gain is strictly prohibited.

Maintaining confidentiality of information extends to the third parties and their employees in their interaction with, and on behalf of the Company.

PROTECTION AND PROPER USE OF COMPANY ASSETS AND PROPRIETARY INFORMATION:

The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code. All Non-Executive Directors and Senior Management Personnel must endeavor to protect the Company's assets and ensure their efficient use. Any suspected incident of fraud or theft should be immediately reported to the Head of Human Resource Department and in appropriate cases, the Chairman of the Audit Committee for investigation. Company assets should not be used for personal use or for personal gain, though incidental personal use may be permitted when properly authorized.

REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR:

If any Non-Executive Director /Senior Management Personnel believes that a violation of or significant deviation from the Code has occurred or has become unavoidable, he/she must inform in writing to the head of the Human Resources Department and in appropriate cases, the Chairman of the Audit Committee. Use of the above reporting procedures in bad faith or in a false or frivolous manner shall be treated as gross violation of the Code.

COMPLIANCE PROCEDURES:

Each Board Member and Senior Management Personnel shall affirm/ report on or before 15th April of each year, compliance of the Code in the prescribed form as per the Annexure to the Code

AMENDMENTS TO THE CODE:

The Board of Directors can amend this code, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

To,

The Board of Directors

LT Foods Limited

Dear Sirs,

I, _____, S/o _____, a Non- Executive Director / Senior Management Personnel under the Code of Business Conduct and Ethics of the Company adopted by the Board of Directors at its meeting held on May 27, 2016, hereby affirm compliance with the Code of Business Conduct and Ethics for the financial year _____.

(In case any provision of the Code has not been complied with, please state exact provision and circumstances for non compliance in detail together with details of waiver granted by the Board, if any).

Thanking You,

Yours truly,

Name & Signature