

# CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

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## 1. INTRODUCTION

India Gelatine & Chemicals Ltd. is committed to good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of Professionalism, Fast Track Growth, and Building Shareholder Equity with principles of Fair Play, Ethics and Corporate Governance in spirit.

## 2. APPLICABILITY OF THIS CODE

- In pursuant to Regulation 17(5) (a) & (b) of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 read with Section 166 of Companies Act, 2013 the Company has lay down a Code of Conduct for all Directors and Senior Management Personnel of the Company.
- This Code is applicable to all members of the Board and senior management personnel & are therefore expected to read and understand this Code,& uphold these standards in day-to-day activities & management of the Company.

## 3. HONEST AND ETHICAL CONDUCT

The Company expects all Board Members and senior management personnel to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct.

## 4. RELATIONSHIP WITH THE COMPANY & CONFLICTS OF INTEREST

The Board Members and senior management personnel of the Company shall not generally engage in any business, relationship or activity which might detrimentally conflict with the interest of the Company or any of its subsidiary(s).

Notwithstanding that such or other instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested Board Members and senior management personnel should be made to the Board of Directors of the Company. Every such disclosure as mentioned above shall be done in writing and shall be placed before the Board.

## 5. RECEIVING AND MAKING GIFTS

Board Member and senior management personnel (including his/her immediate family member) shall not accept a gift of any nature from any supplier, vendor, dealer, contractor, customer, competitor or any business associate.

This prohibition does not apply to routine two-way exchange of normal business courtesies, which might reasonably be expected to be exchanged in the ordinary course of business.

These courtesies include business lunch/dinner and exchange of company diaries and calendars, pens with company logo and the like that are not lavish in any way.

If a gift is inadvertently received it should be promptly returned with a polite note explaining that it is contrary to the Company policy.

## 6. CORPORATE OPPORTUNITIES

The Board Members and senior management personnel may not exploit for their own personal gain opportunities that are discovered using corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors.

## 7. DUTIES OF INDEPENDENT DIRECTORS AS PER COMPANIES ACT, 2013.

The Independent Directors shall abide with the duties of directors and duties of Independent Directors as laid down by the Companies Act, 2013, the Schedules and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force). The duties of directors as per Section 166 and the duties of Independent Directors in accordance with Schedule IV of the Companies Act, 2013 are as follows:

166. (1) Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
- (2) A director of a company shall act in good faith to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- (6) A director of a company shall not assign his office and any assignment so made shall be void.

### **SCHEDULE IV [See section 149(8)] CODE FOR INDEPENDENT DIRECTORS**

The independent directors shall—

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. 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. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. 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;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. 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;
10. 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 because of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. 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.

## 8. HEALTH & SAFETY

- The Company shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs, with all regulations regarding the preservation of the environment of the territory it operates in. The Company shall be committed to prevent the wasteful use of natural resources and minimise any

hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

- Company policy prohibits sexual harassment, harassment based on race, religion, national origin, ethnic origin, colour, gender, age, citizenship, veteran status marital status or a disability unrelated to the requirements of the position or any other basis protected by the central, state or local law or ordinance or regulation. If you believe that you have been harassed, submit a complaint to your own or any other company manager. In addition, if you believe you have been sexually harassed, you may submit a complaint to the Head of the Human Resources function.

## 9. ACCOUNTING AND PAYMENT PRACTICES

All transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation and approval are strictly prohibited and violate Company policy and the law. There shall be no wilful omissions of any company transactions from the books and records. Any wilful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. Additionally, all documentation supporting a transaction should fully and accurately describe the nature of the transaction and be processed in a timely fashion.

## 10. MAINTAINING OF RECORDS/DOCUMENTS

- The purpose of this section is to set forth and convey the Company's business and legal requirements in managing records, including all recorded information regardless of medium or characteristics. These records include paper documents, CDs, computer hard disks, email, floppy disks, microfiche, microfilm or all other media. The Company is required by local, state, foreign and other applicable laws, rules and regulations to retain certain records and to follow specific guidelines in managing its records.
- The results of operations and the financial position of the Company must be recorded in accordance with the requirements of law and generally accepted accounting principles. It is Company policy, as well as a requirement of law, to maintain books, records and accounts that in reasonable detail accurately and fairly reflect the business transactions and disposition of assets of the Company.
- The integrity of the Company's accounting and financial records is based on the accuracy and completeness of the basic information supporting entries to the Company's books of accounts. The Board Members and senior management personnel involved in creating, processing and recording such information are held responsible for its integrity. Every accounting or financial entry should reflect exactly what is described by the supporting information.

- There must be no concealment of information from (or by) management, or from the Company's internal or independent auditors. No payment on behalf of the Company shall be approved or made with the intention or understanding that any part of such payment is to be used for any purpose other than that described by the documents supporting the payment.
- No false or misleading entries may be made in any books or records of the Company for any reason, and no fund, asset or account of the Company may be established, acquired or maintained for any purpose unless such fund, asset or account is properly reflected in the books and records of the Company. No corporate funds or assets should be used for any unlawful or improper purpose.
- Revenue and expenses should be properly recognized on a timely basis. Assets and liabilities should be properly recorded and appropriately valued.

## 11. PROTECTING COMPANY'S ASSETS AND CONFIDENTIAL INFORMATION

- **Protecting company assets:**

The assets of the company should not be misused but employed for conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as patents, trademarks, proprietary information, relationships with customers and suppliers, etc.

- **Confidential Information:**

The Company's confidential information is an asset. The Company's confidential information including product architectures; source codes; product plans and road maps; names and lists of customers, dealers, and employees; and financial information. This information is the property of the Company and may be protected by patent, trademark, copyright and trade secret laws. All confidential information must be used for Company's business purposes only. Every Board Member and senior management personnel must safeguard it.

Obligations of the Board Members and senior management personnel with respect to Company Confidential Information are:

- Not to disclose this information to persons outside of the Company without prior approval of the Chairman/Board. Not to use this information for the Board Member and senior management personnel for own benefit or the benefit of persons outside of Company.
- Not to disclose this information to other Company employees except on a "need to know" or "need to use" basis and then only with a strong statement that the information is confidential.

- Company confidential information is not always of a technical nature. Such information can also include business research, new product plans, strategic objectives, any unpublished financial or pricing information, employee, customer and vendor lists and information regarding customer requirements, preferences, business habits and plans. This list, while not complete, suggests the wide variety of information that needs to be safeguarded.
- If any Board Member and senior management personnel leaves Company, his or her obligation to protect Company confidential information continues until the information becomes publicly available.
- Board Member and senior management personnel should not disclose the Company's confidential information to anyone or use it to benefit anyone other than the Company without the prior written consent of the Board of Directors.
- Board Member and senior management personnel shall not use or proliferate information which is not available to the investing public and which therefore constitutes insider information for making or giving advice on investment decisions on the securities of the Company on which such insider information has been obtained.

**Such insider information might include the following:**

- acquisition and divestiture of businesses or business units;
- financial information such as profits, earnings and dividends;
- announcement of new product introductions or developments;
- asset revaluations;
- investment decisions/plans;
- restructuring plans;
- major supply and delivery agreements'
- raising finances.

## 12. DISCLOSURE TO THE STOCK EXCHANGES AND PUBLIC

It is the Company's policy to provide full, fair, accurate, timely and understandable disclosure in reports and documents that are to be filed with or submitted to, the stock exchanges where the Company's shares are listed, statutory authorities and in our other public communications. Accordingly, Board Member and senior management personnel must ensure the compliance with such disclosure controls and procedures. All Board Members and senior management personnel must also respect the confidentiality of information acquired during one's work except when authorized or otherwise legally obligated to disclose.

## 13. RESPONDING TO INQUIRIES FROM THE PRESS AND OTHERS

The requests for financial or business information about Company from the media, press, financial community, the Securities and Exchange Board of India or other regulators or the public must be referred to the CFO & Company Secretary.

## 14. COMPLIANCE WITH GOVERNMENT LAWS, RULES AND REGULATIONS

The Board Members and senior management personnel must comply with all applicable governmental laws, rules and regulations. The Board Members and senior management personnel must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. If the ethical and professional standards set out in the applicable laws and regulations are below that of the code, then the standards of the code shall prevail.

## 15. SHAREHOLDERS

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The board of directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the company's business, and disclose such information in accordance with the respective regulations and agreements.

## 16. VIOLATIONS OF THE CODE

- It is a part of the Board Members and senior management personnel job, and his/her ethical responsibility to help enforce this Code. The Board Members and senior management personnel should be alert to possible violations and report this to the Company Secretary or Chief Financial Officer. The Board Members and senior management personnel should cooperate in any internal or external investigations of possible violations.
- Actual violations of law, this code, or other Company policies or procedures, should be promptly reported to the Company Secretary or Chief Financial Officer. The Company will take appropriate action against those whose actions are found to violate the Code or any other policy of the Company.

## 17. WAIVERS AND AMENDMENTS TO THE CODE

The Company is committed to continuously review and update the policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's board of directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant

to applicable laws and regulations, together with details about the nature of the amendment or waiver.