



CODE OF CONDUCT

VADILAL INDUSTRIES LIMITED

I. INTRODUCTION

This Code of Conduct has been adopted by Vadilal Industries Limited to comply with the applicable provisions of the Companies Act, 2013, Rules framed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. APPLICABILITY

This Code is applicable to all the Directors of the Company and Senior management

III. DEFINITION

- a) The Company means “**Vadilal Industries Limited.**”
- b) “**Board**” means the Board of Directors of the Company.
- c) “**Senior Management**” mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer..
- d) “**Conflict of interest**” means below
 - i. an employee, officer, or director takes action or has interests that may make it difficult to perform his or her work objectively and effectively,
 - ii. a member of employee/officer/director’s family receives undue and improper personal benefits as a result of his or her position in the Company,
 - iii. an employee/officer/director engages himself in outside business activity that prevents him from devoting appropriate time and attention to his or her responsibilities with the Company,
 - iv. there is a receipt of gifts of significant value, or excessive entertainment from any person/company with which the Company has current or prospective business dealings,
 - v. an employee/officer/director has significant ownership interest in any supplier, customer, development partner or competitor of the Company,
 - vi. an employee/officer/director has consulting or employment relationship with any supplier, customer, business associate or competitor of the Company.

e) **Principles and Core Elements**

Company has the nine thematic pillars of business responsibility which are called Principles. The Principles are interdependent, interrelated and non-divisible, and businesses are urged to address them holistically as below:

- Principle 1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.
- Principle 2 Businesses should provide goods and services in a manner that is sustainable and safe.
- Principle 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- Principle 4 Businesses should respect the interests of and be responsive to all its stakeholders.
- Principle 5 Businesses should respect and promote human rights.
- Principle 6 Businesses should respect and make efforts to protect and restore the environment.
- Principle 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- Principle 8 Businesses should promote inclusive growth and equitable development.
- Principle 9 Businesses should engage with and provide value to their consumers in a responsible manner.

IV. GUIDELINES FOR CONDUCT

The Code expects all the members of the Board of Directors and Senior Management of the Company to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. They should act with competence and diligence, without allowing their independent judgement to be subordinated. Every member of the Board of Directors and Senior Management of the Company has an obligation, at all times, to comply with the spirit, as well as the letter, of the applicable laws and of the principles of this Code.

I. Every member of the Board of Directors and Senior Management of the Company should –

- a) act in good faith in order 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.
- b) exercise his / her duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- c) dedicate sufficient time, energy and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision-making by reviewing in advance any materials distributed and making reasonable inquiries.
- d) Ensure that company is adopting the NGRBC principle and core elements, Sustainability Governance Structure to benchmark, implement and monitor sustainability aligned decisions and actions for the sustainable growth of the company.



- e) Seek to comply with all Corporate Policies.
- f) Conduct themselves in a professional, courteous and respectful manner.
- g) Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service except when authorized or legally required to disclose such information.

V. CORPORATE BUSINESS OPPORTUNITIES: In carrying out their duties and responsibilities, Director and Senior level management should avoid:

- i. Appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as directors;
- ii. Using Company property or information, or their position as directors, for personal gain; and
- iii. Competing with the Company.

A corporate business opportunity is an opportunity (1) which is in the Company's line of business or proposed expansion or diversification, (2) which the Company is financially able to undertake and (3) which may be of interest to the Company. Director and Senior Level Management who learns of such a corporate business opportunity and who wishes to avail of, it should disclose such opportunity to the Company's Board of Directors. If the Board of Directors determines that the Company does not have an actual or expected interest in such opportunity, then, and only then, may the director avail of it, provided that the director has not wrongfully utilized the Company's resources in order to acquire such opportunity.

VI. CONFLICTS OF INTEREST

Director and Senior Level Management should endeavour to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Director and Senior level management should avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees of obligations by the Company. Director and Senior level management should make a full disclosure to the entire board of any transaction or relationship that such a Director and Senior level management reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions or relationships.

VII. COMPANY PROPERTY

In carrying out their duties and responsibilities, Director and Senior level management should endeavor to ensure that management is causing the Company's assets, proprietary information and resources to be Director and Senior level management only for legitimate business purposes of the Company

VIII. CONFIDENTIAL INFORMATION

Director and Senior level management should maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain.



The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of any director or anyone other than the Company. These obligations apply not only during a employee's term, but thereafter as well.

IX. FAIR DEALING

In carrying out their duties and responsibilities, Director and Senior level management should endeavor to deal fairly, and should promote fair dealing by the Company, its other employees (below or above cadre) and agents, with customers, suppliers. Director and Senior level management should not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing.

X. COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out their duties and responsibilities, Director and Senior level management should comply, and endeavor to ensure that the management is causing the Company to comply, with applicable laws, rules and regulations. In addition, if any Director and Senior level management becomes aware of any information that he or she believes constitutes evidence of a material violation of any securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company.

XI. POLITICAL CONTRIBUTIONS

It is the Company's policy to comply fully with all local, state, foreign and other applicable laws, rules and regulations regarding political contributions. The Company's funds or assets must not be used for or be contributed to political campaigns or political practices under any circumstances without the prior approval of the Board of Directors of the Company.

XII. ENCOURAGING THE REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOR

Director and Senior Level Management should endeavor to ensure that management is causing the Company to promote ethical behavior and to encourage Director and Senior level management to report evidence of illegal or unethical behavior to appropriate Company personnel. Director and Senior Level Management should endeavor to ensure that the Company will not allow retaliation against any employee who makes a good faith report about a possible violation of the Company's Code of Conduct.

XIII. OTHERS

- i) To observe and guide the Company in maintaining highest degree of Corporate Governance.
- ii) To inform the Company immediately about the emergence of any situation that may disqualify him / her from directorship.
- iii) Not to hold any office or place of profits in the company by himself / herself or by his / her relatives without full disclosure of information in connection therewith.

XIV. NON-COMPLIANCE

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations should be appropriately investigated. Any waiver of this Directors' Code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation.

XV. DUTIES OF INDEPENDENT DIRECTORS

- i) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii) 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;
- iii) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v) strive to attend the general meetings of the company;
- vi) 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;
- vii) keep themselves well informed about the company and the external environment in which it operates;
- viii) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix) 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;
- x) 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;
- xi) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- xii) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xiii) 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.

Code of conduct was amended as of _____