

**Agro Tech Foods Limited**

**CODE OF CONDUCT**

Dear Colleagues,

Agro Tech Foods wants to be one of India's most successful and respected Food Companies. Adherence to the highest standards of integrity and ethical behavior is fundamental to these goals. Our brands and our businesses have a very good reputation with our customers and consumers. The Agro Tech Foods name must also be synonymous with ethical behavior and sound business practices.

Our reputation depends on each of us fulfilling our responsibilities to each other, to our consumers, to our suppliers and customers, to our shareholders, to the marketplace and to the communities in which we do business. The Agro Tech Foods Code of Conduct sets out guidelines for fulfilling these responsibilities.

The legal responsibilities and ethical standards found in our Code of Conduct are not new. Agro Tech Foods has had high standards for ethical business practices for many years. While business practices and our business environment may change over time, our commitment to the highest standards of integrity and responsibility remain constant. We have adopted this Code of Conduct to reinvigorate and renew our commitment to the highest standards of conduct. We believe that conducting business legally and ethically is an essential part of our goal of becoming one of India's most successful Food Companies.

We understand that a Code of Conduct cannot anticipate and address every situation. In many situations, common sense and good judgment are our best guide. All of us must remember that when we act on behalf of Agro Tech Foods, our company's reputation for honesty and integrity is in our hands.

Chairperson

## ***Code of Conduct***

Agro Tech Foods employs many people, each with his or her own personal values. Two of the values we must all share are integrity and a desire to have a good reputation. The reputation of Agro Tech Foods is one of our most important assets. Each and every employee is important in protecting our reputation.

Our reputation makes a big difference in our relationships with customers, consumers, and suppliers, in the marketplace, shareholders and in the communities where we do business. We desire to maintain, protect and enhance our reputation.

We conduct our operations legally and ethically. We provide quality products and services to our consumers. We keep our word. We do the right thing because it is right. That has been our policy. That will continue to be our policy.

Personal responsibility is at the core of our Code of Conduct. We expect our employees to know right from wrong and to always choose right over wrong. Each employee has a responsibility to comply with our Code of Conduct. Our Code of Conduct also applies to our directors with respect to their director-related duties.

One employee who does the wrong thing can severely damage the reputation of Agro Tech Foods. This Code of Conduct was adopted by our Board of Directors and is intended to tell you what Agro Tech Foods expects of you. This document will not answer every specific ethical or legal question, but it will guide you in making decisions. Uncertainties are bound to occur. In these situations, you should seek guidance from the people identified in this Code of Conduct. You should report unlawful conduct or unethical conduct that violates this Code of Conduct to the Managing Director or the Senior Vice President - Human Resources and Corporate Communication.

Our Code of Conduct follows the standard set forth over the years:

*'Ethics involves the point of view that suggests we live in a glass bowl, and we should feel comfortable with any actions we take, as if they were shared publicly.'*

## ***Reporting and Administration***

The overall administration of our Code of Conduct rests with the Managing Director, who reports on the administration of our Code of Conduct to the Audit Committee of our Board of Directors.

Questions about our Code of Conduct should be directed to your immediate supervisor or the Managing Director of our Company. You may also direct inquiries or reports of violations to the persons on this page.

Agro Tech Foods will not tolerate any threats or acts of retaliation against an employee for any report made in good faith. We have long encouraged employees to report evidence of ethics

violations:

For matters relating to compliance with laws, you may write, e-mail or call:

Company Secretary  
Agro Tech Foods Limited  
15<sup>th</sup> Floor, Tower C, Building No.10,  
Phase – II, DLF Cyber City, Gurgaon – 122002  
e-mail: [jyoti.chawla@atfoods.com](mailto:jyoti.chawla@atfoods.com)

Ph: 0124-4593700

You may always contact Agro Tech Foods’ Senior Vice President, Human Resources and Corporate Communication by writing, e-mailing or calling:

Senior Vice President - Human Resources and Corporate Communication  
Agro Tech Foods Limited  
15<sup>th</sup> Floor, Tower C, Building No.10,  
Phase – II, DLF Cyber City, Gurgaon – 122002  
e-mail : [narasimha.rao@atfoods.com](mailto:narasimha.rao@atfoods.com)  
Ph: 0124-4593700

### ***Investigation of Reports***

Supervisors should be readily accessible to employees who wish to report any unlawful or unethical conduct. Any person receiving an employee report of a violation of this Code of Conduct should notify the Senior Vice President, Human Resources and Corporate Communication of the report. Agro Tech Foods will investigate all employee reports of unlawful or unethical conduct. You are responsible for providing truthful information and cooperating fully in any investigation.

Employees:

Must not interfere with an investigation, such as by providing false, misleading or incomplete information, concealing information or encouraging others not to contribute to an investigation.

Must not destroy or alter any information relevant to an investigation.

Must not discuss any matter under investigation with any unauthorized person.

### ***Corrective Action and Discipline***

Violation of our Code of Conduct is a serious matter and may, in some circumstances, subject Agro Tech Foods or the employee involved to civil liability or even criminal prosecution.

Employees who violate our Code of Conduct may be disciplined. Disciplinary action will be determined by Leadership Team or the Senior Vice President - Human Resources and Corporate Communication or his designee based on the circumstances involved. Disciplinary action can

include severe consequences, such as termination of employment, suspension from employment without pay, demotion, transfer, withholding of promotion and requiring reimbursement of damages caused.

### ***Dealing With Our Fellow Employees***

Agro Tech Foods employs many people. Our success depends on the contributions of all the people we work with. We should be fair and respectful in our dealings with our fellow employees.

#### VALUING DIVERSITY

Agro Tech Foods conducts business in an environment reflecting the diversity among our employees, our customers, our consumers, our suppliers and vendors, our shareholders and our communities. We understand and appreciate the value that diversity contributes to our company and to the communities in which we live and work. Mutual respect among employees is a core value of Agro Tech Foods and every employee has a responsibility to act accordingly.

#### EQUAL OPPORTUNITY EMPLOYMENT

Each Agro Tech Foods manager and employee shall take whatever action is necessary to ensure that all applicants and employees are afforded an equal opportunity in employment without regard to race, age, caste, religion, sex, disability, veteran status or other protected status covered by local, state or central law. Discrimination on the basis of these factors has no place at Agro Tech Foods.

All managers and employees are charged with the responsibility of preventing or eliminating such abuses should they be found to exist. Agro Tech Foods will ensure that only bona fide job-related requirements and procedures are used with regard to recruitment, employment, promotion, transfer, discipline including termination, compensation, benefits, demotion, layoff, training and educational programs.

#### PROHIBITION OF HARASSMENT

Agro Tech Foods will not tolerate harassment of its employees by anyone, including managers, co-workers, vendors or customers of Agro Tech Foods

Harassment consists of unwelcome conduct, whether verbal, written or physical, that is based upon a person's protected status, such as sex, race, caste, religion, age, disability, veteran status, or other protected status covered by local or state law. Agro Tech Foods will not tolerate harassing conduct that affects tangible job benefits; that interferes unreasonably with an individual's work performance; or that creates an intimidating, hostile or offensive working environment.

Sexual harassment is specifically prohibited. Unwelcome sexual advances, requests for sexual favors, and other physical, written or verbal conduct based on sex, constitutes sexual harassment when: (1) submission to the conduct is an explicit or implicit term or condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

The Guidelines of the Supreme Court of India for prevention of 'sexual harassment' are:

- i. Duty of the employer to prevent or deter acts of sexual harassment by providing resolution and prosecution against acts of sexual harassment.
- ii. Clearly defines sexual harassment to include: unwelcome sexually determined behaviour such as physical contact and advances, demand or request for sexual favors, remarks or any other verbal or non-verbal conduct of sexual nature.
- iii. Initiate Disciplinary Action and criminal proceedings
- iv. Create an appropriate complaint redressal mechanism with time bound treatment.
- v. A complaints committee to be set up headed by a woman and with third party involvement. Creating and awareness among workers on the subject.

ATFL has a Complaints Committee for Workplace Harassment headed by Ms. Kalpalatha J.

Any employee who has a question or concern regarding any type of discrimination or harassment is encouraged to bring it to the attention of his/her immediate supervisor, the Senior Vice President – Human Resources and Corporate Communication or the Complaints Committee

**(For more details read Policy on Work Place Harassment which is attached)**

## WORKPLACE SAFETY

Agro Tech Foods is committed to providing a safe work environment. Each employee is responsible for observing the safety rules and practices that apply to his or her job. Employees are also responsible for taking precautions necessary to protect themselves and their co-workers, including immediately reporting accidents, injuries and unsafe practices or conditions. Appropriate action will be taken to correct known unsafe practices or conditions.

Agro Tech Foods will not tolerate any threatening or hostile behavior at the workplace. Employees must not engage in any assaults, hostile physical contact or intimidation, fighting, verbal threats or physical harm or violence, while on company property or on company business. Employees must not carry weapons on company property, while conducting company business, in company vehicles, or in personal vehicles when on company property or while conducting company business.

## DRUGS AND ALCOHOL

Improper use of alcohol or drugs adversely affects job performance and can risk the safety of others.

Agro Tech Foods employees should not work or report to work while impaired by alcohol, illegal drugs or controlled substances. Employees are prohibited from possessing, selling, using, distributing or offering to others any illegal drugs or controlled substances while on company business or on company premises. Employees should not consume alcohol at any time because it may impair their ability to perform their job, endanger others, or reflect adversely on the reputation of Agro Tech Foods or any of its employees.

### *Dealing with Our Consumers*

Agro Tech Foods has brands recognized and respected in India. Consumers buy our products because they trust the quality, value and safety of our products. We must conduct our business to preserve that trust.

## PRODUCT QUALITY AND SAFETY

Agro Tech Foods has established a reputation for wholesome, safe food products. Our reputation is built on research and development, and a commitment to utilizing safe ingredients in clean environments. All Agro Tech Foods employees are responsible for continuing our tradition of safety, not only by compliance with all laws and good manufacturing practices, but also by following our company standards that, in many cases, go beyond the regulatory requirements.

Any deviations from these principles, or any threats, large or small, to the safety of our products, must be reported to the responsible quality assurance person. Product tampering is illegal and a violation of our Code of Conduct.

We rely on product innovation in order to set our products apart, to continue to improve their quality, and to enhance food safety. We believe in protecting our brands through appropriate patent, trademarks and copyright registrations. Agro Tech Foods employees will also respect the patented processes or designs belonging to others.

## ADVERTISING AND PACKAGING

Agro Tech Foods prides itself on its portfolio of well-known brands. We are committed to promoting our brands in ways that enhance our reputation and educate consumers. Advertising, packaging and promotions must not misrepresent facts or provide misleading impressions.

Claims that favorably compare Agro Tech Foods products with those of competitors shall be factual and based on prior adequate substantiation.

## *Dealing With Our Suppliers and Customers*

Agro Tech Foods has invested substantial time, effort and resources in developing strong relationships with our suppliers and customers. Our business practices must preserve those relationships.

### SELLING OUR PRODUCTS

Agro Tech Foods sells its products aggressively and honestly. The marketing of our products is based on quality, brand recognition, fair pricing, promotional programs, and honest advertising practices.

Employees should not make false or misleading claims about a competitor's products. Offering or accepting bribes or kickbacks to secure business is unacceptable and, in many cases, illegal. Offering gifts or gratuities that are not reasonable complements to a business relationship is prohibited. Offering reasonable gifts and gratuities may be acceptable when dealing with non-government customers and must be approved by the Managing Director of the Company

### PURCHASING FROM OUR SUPPLIERS

We receive fair and competitive prices and quality services from our suppliers, including suppliers of manufacturing and distribution services, by maintaining our objectivity and building supplier relationships based upon integrity and trust. Employees should select suppliers that are best able to meet Agro Tech Foods needs. Suppliers should be selected on the basis of objective information concerning factors such as quality, safety, value, best or lowest price, technical excellence, service reputation, production capacity and distribution infrastructure.

Employees should be certain that personal or family relationships do not influence or appear to influence objective purchasing decisions. Employees should not accept any consideration or incentives or participate in any activity, such as a sponsored conference, social event or sporting activity, if doing so may improperly influence or appear to influence our business judgment. Acceptance of cash gifts is prohibited.

Certain Agro Tech Foods employees are subject to annual reporting under our Conflicts of Interest Policy. Employees with purchasing responsibilities should pay particular attention to the conflict of interest provisions dealing with acceptance of gifts or gratuities.

### COMPETITIVE INFORMATION

Information about competitors, customers and suppliers is a valuable asset in the highly competitive markets in which Agro Tech Foods operates. While it is entirely proper for Agro Tech Foods to gather competitive information, we must do so properly. We can collect competitive information from public sources, published surveys, sources available to the general public and appropriate dealings with customers.

Agro Tech Foods prohibits the misappropriation of a competitor's proprietary information, the inducing of disclosures by a competitor's past or present employees in violation of contractual commitments, and any improper agreements with competitors to exchange competitive information.

## COMPETITION

Agro Tech Foods' policy is to comply with the Competition laws of India. The MRTP Act and the Competition Law seek to preserve a free competitive economy in India. Agro Tech Foods believes that the preservation of a competitive economy is essential to the public interest, to the interest of the business community in general, and to Agro Tech Foods specifically.

The objective of promoting competition coincides with Agro Tech Foods' belief in competing vigorously and legally in all areas of its operations. Agro Tech Foods provides quality products and services and can, therefore, sell its products and services at competitive prices in compliance with the Competition laws. Consequently, for both legal and business reasons, it is the obligation and responsibility of all Agro Tech Foods employees to comply with the Competition laws

All employees must carry out the policy of Agro Tech Foods to compete vigorously and legally in all areas of its business operations. All employees shall comply with the competition laws. For example, Agro Tech Foods employees:

- Must not agree on or even discuss with competitors any matter involved in competition between Agro Tech Foods and the competitor (such as sales price, credit terms, marketing strategies, market shares or sales policies) except in those instances where there is a bona fide purchase from or sale to a competitor or bona fide credit checks for commercially reasonable purposes

- Must not agree with a competitor to restrict competition by fixing prices, allocating customers or territories or any other means.

- Must not agree with a supplier or customer on the minimum price at which a product will be resold.

- Must not sell a product below cost with the intent to harm a competitor. Must not form a Cartel

No employee of Agro Tech Foods has authority to engage in any conduct inconsistent with the competition laws, or to authorize, direct or condone such conduct by any other person.

## *Dealing with the Marketplace*

Our reputation in the public marketplace is an important asset. We must use our assets and business information in a responsible manner and in the best interests of our stakeholders.

### ACCOUNTING FOR BUSINESS TRANSACTIONS

#### BUSINESS RECORDS

The accurate recording of financial information is important to investors and to our managers. Our business practices must be conducted with the highest standard of ethical behavior, and our transactions must be accurately and properly documented and accounted for.

Certain employees have job responsibility for accounting for business transactions and the preparation of accurate financial statements. The overall responsibility, however, extends to each and every employee. All of us must ensure that our business transactions are properly reflected on our books and records and that all transactions are documented in a manner consistent with their economic substance. Our commitment to the long-term success of Agro Tech Foods is too important to sacrifice our reputation by resorting to unacceptable accounting practices.

Our policy applies to all records. You cannot make false claims on expense reports, falsify quality or safety results, record false sales or improperly record them early, understate or overstate assets or liabilities, or defer recording items that should be expensed. No entry may be made on the books and records of Agro Tech Foods that intentionally hides or disguises the true nature of any transaction.

Our financial records must conform to the Accounting Standards prescribed by the Institute of Chartered Accountants of India.

Questions concerning the propriety of an entry or process can be directed to your department's senior financial officer or:

Managing Director and Chief Financial Officer  
Agro Tech Foods Limited  
15<sup>th</sup> Floor, Tower C, Building No.10,  
Phase – II, DLF Cyber City,  
Gurgaon – 122002  
Ph: 0124-4593700

## PROPER USE OF COMPANY ASSETS

Every employee has a responsibility to protect our assets against loss, theft and misuse. Our assets include cash, equipment, inventory and computer software, systems and other intellectual property. Our funds and property should only be used for the benefit of Agro Tech Foods.

Theft, embezzlement or misappropriation of Agro Tech Foods property by any employee is prohibited.

## PROPER USE OF CONFIDENTIAL INFORMATION

Agro Tech Foods has developed and continues to develop and use commercially valuable confidential and/or proprietary technical and nontechnical information. Our confidential information includes current marketing plans, our commodity market positions, oil and grain trades and strategies, budgets, long-range strategic plans, product development, sales and price data, and certain customer, supplier and personnel information. Similarly, we respect the proprietary information of our competitors; any such information in your possession should not be disclosed or used in the course of your employment with Agro Tech Foods.

You may not, directly or indirectly, disclose, or use for the benefit of any person, firm, corporation or other business organization or yourself, any of our confidential information.

Employees coming to know of any misuse of electronic communication systems or violations of this policy, should notify their applicable Department Manager, Information Service representative, or Human Resources representative immediately. Disciplinary action up to and including termination of employment may be taken for violation of Agro Tech Foods Electronic Communication Systems Policy.

**For more information read ATFL Information Security Policy which is attached**

## CONFLICTS OF INTEREST

Agro Tech Foods policy on conflicts of interest is straightforward: You should not compete with Agro Tech Foods and your business dealings on behalf of Agro Tech Foods should not be influenced, or even appear to be influenced, by personal or family interests. Our policy on conflicts of interest identifies several situations where potential conflicts may exist:

- All transactions by an employee of Agro Tech Foods with Agro Tech Foods or any of its affiliates must be at arm's length and at fair market prices. All exceptions must be fully disclosed and approved by the Managing Director of the Company prior to its consummation.

- Gifts, gratuities or favors received from or offered by outsiders other than those of a nominal amount, that could be, in any way, construed to be related to your employment with Agro Tech Foods, must be fully disclosed and approved by the Managing Director of the Company. Employees, whose responsibilities include selling, marketing, transportation, purchasing or leasing of any type for the account of Agro Tech Foods, need to exercise particular discretion to avoid a possible conflict of interest.
- Employees will not actively or passively participate in any way with competitors, suppliers, or customers businesses, or use confidential Agro Tech Foods information for personal gain. Any participation by an employee, whether as owner, shareholder, partner, employee, director or consultant with any competitor, supplier or customer's business, must be approved by the Managing Director of the Company
- All employees who have access to information concerning oils, grain, grain products or any other commodity markets should not be involved in trading in these markets – either cash or futures – for their personal accounts either directly or indirectly through partners or associates. Employees of the businesses engaged in such commodities are presumed to have access to such information.
- You should report to the Managing Director of the Company any transaction (or series of transactions) with Agro Tech Foods (or any of its subsidiaries), or with any supplier or customer of Agro Tech Foods (or any of its subsidiaries) with whom you have dealings, involving you (or any relative or affiliated entity of yours) which involved Rs.1000 or more, other than normal purchases of products or services for personal or family use.

We require many of our employees to provide an annual report on potential conflict of interest matters. Falsifying a conflict of interest report is grounds for discipline, including termination.

**For more information read Policy on Conflicts of Interest which is attached**

#### INSIDE INFORMATION

SEBI prohibits insiders from trading securities while in possession of material nonpublic information. Any employee who is aware of material nonpublic information related to Agro Tech Foods, or to firms with which Agro Tech Foods is in confidential discussions, may not buy or sell common stock of Agro Tech Foods or such other company. You may not disclose such information to any person outside Agro Tech Foods until it has been made public. You should understand that you cannot 'tip' others and that securities traded by your family members, household members or those with whom you have a close, personal relationship can, under some circumstances, result in legal liability to you.

Material information is any information that a reasonable investor would consider important in deciding whether to buy or sell common stock. This includes information about acquisitions and divestitures, new products or processes, earnings figures and trends, and important contracts or ventures. You should contact the Company Secretary's office if you have any questions concerning your buying or selling of Agro Tech Foods common stock.

Many senior-level Agro Tech Foods employees are subject to special rules on insider trading. These employees can only buy or sell Agro Tech Foods common stock during limited periods following the release of quarterly or annual financial results. We advise such employees when the 'window' periods are open on a quarterly basis.

#### RESPONDING TO INQUIRIES

SEBI and Stock Exchange laws also restricts the manner by which Agro Tech Foods releases material information to the media, security analysts and stockholders. Agro Tech Foods has an obligation to accurately and completely convey all material facts when speaking publicly. In order to ensure that Agro Tech Foods complies with its obligations, employees receiving inquiries regarding material company information on Agro Tech Foods' position on public issues should refer the request to the Managing Director or the Chief Financial Officer or any other appropriate person deputed by the Company

**For more information read Policy on Prohibition of Insider Trading which is attached**

#### OUTSIDE EMPLOYMENT AND ACTIVITIES

As an Agro Tech Foods employee, your primary obligation is to Agro Tech Foods and its shareholders. You should avoid any activity or personal financial interest that could adversely affect the independence or objectivity of your judgment, interfere with the timely and effective performance of your duties and responsibilities, or that could discredit, embarrass or conflict with the best interests of Agro Tech Foods

You must obtain approval of the Managing Director of the Company, who may consult Senior Vice President - Human Resources and Corporate Communication, before involving yourself in outside directorships or honorary employment

No outside activity should involve the use of Agro Tech Foods' name, trademarks, influence, assets, facilities or employees, unless expressly authorized or sponsored by Agro Tech Foods.

#### Dealing With Our Communities and Governments

Agro Tech Foods conducts business in many communities. We must be responsible citizens wherever we do business.

## COMPLIANCE WITH LAWS

Agro Tech Foods has a long-standing policy of compliance with all applicable laws and regulations. Agro Tech Foods also emphasizes the moral and ethical conduct of business in all of our operations.

Agro Tech Foods employees must comply with the laws applicable in the jurisdictions in which they operate. There may be uncertainty with respect to the scope and application of all of the laws in every jurisdiction. Compliance with our policy requires a good faith effort to satisfy the intent and purpose of the applicable laws, consistent with our policy of ethical and honest business dealings. Any employee who acquires knowledge of a violation of law, or who requires guidance on a matter of law, should consult with and be guided by the Manager Legal and Company Secretary.

## ENVIRONMENTAL COMPLIANCE

Agro Tech Foods is committed to minimizing the impact of our operations on the environment and incorporating proactive environmental initiatives into our daily business. Our employees must abide by all laws, regulations and company policies relating to the protection of the environment.

Our operations are subject to many Central, state and local environmental requirements. Some of our facilities have specific air, water and waste permits. Some facilities are required to periodically identify and report certain information such as chemical use and/or storage, air emissions and water discharges. The appropriate officer of your department/business must be notified of all spills and any actual or unresolved, unsafe or hazardous condition that poses a threat to the environment.

## FOREIGN CORRUPT PRACTICES ACT

Agro Tech Foods requires compliance with the Foreign Corrupt Practices Act of USA, even though the Company is incorporated in India. The Foreign Corrupt Practices Act of USA prohibits ConAgra Foods and all its associates from directly or indirectly offering, promising to pay or authorizing the payment of money or anything of value to government officials, parties or candidates for the purpose of influencing the acts or decisions of government officials.

The Foreign Corrupt Practices Act also requires ConAgra Foods and its associates to maintain accurate books, records and accounts, and to devise a system of internal accounting controls sufficient to provide reasonable assurance that, among other things, our books and records fairly reflect, in reasonable detail, our transactions and dispositions of our assets.

ConAgra Foods' policies are fully consistent with this law and require even our policies to be

consistent with this law. Any questions concerning compliance should be directed to the Company Secretary of our Company.

#### GOVERNMENT INFORMATION REQUESTS

Agro Tech Foods' policy is to cooperate with all reasonable requests concerning company operations from all government agencies. However, you must consult with the Managing Director of the Company who may consult Senior Vice President, Human Resources and Corporate Communication before responding to these requests, submitting to an interview, or allowing government officials access to company facilities, documents or personnel. You are entitled to know the authorization of the person seeking access or documents. You are also entitled to have counsel assist you in responding to government requests.

All information provided to government agencies should be truthful and accurate. You should never lie to any investigator and never alter or destroy documents or records in response to a government investigation.

## 'WHISTLE BLOWER POLICY' OF AGRO TECH FOODS LIMITED

1. **APPLICABILITY** This policy applies to all employees of the Company

### 2. POLICY

This policy is formulated in line with the requirement of Regulation 22 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, to provide opportunities to employees to access in good faith, to the management concerns (in exceptional cases, to the Audit Committee) in case they observe unethical or improper practices (not necessarily a violation of law) in the Company and to secure those employees from unfair termination and unfair prejudicial employment practices.

### 3. DEFINITIONS:

- 3.1 **Annual report:** 'Annual report' includes all reports which are required to be placed before the members of the Company annually i.e. Balance Sheet, Profit and Loss Account, Directors' Report, Auditor's Report and every other document which is required to be annexed or attached or forming part thereof.
- 3.2 **Audit committee:** 'Audit committee' is the committee which is constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (**Listing Obligations And Disclosure Requirements**) Regulations, 2015
- 3.3 **Board report:** 'Board report' has the same meaning as defined under Section 134 of the Companies Act, 2013.
- 3.4 **Employee:** a person who performs a full time service for wages, salary, or other remuneration.
- 3.5 **The Company or this Company:** The Company or this Company means 'Agro Tech Foods Limited'
- 3.6 **Good faith:** An employee communicates in 'good faith', if there is a reasonable basis for the communication of the existence of waste or of a violation or has observed about unethical or improper practices. 'Good faith' is lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical or improper practices is malicious, false or frivolous.
- 3.7 **Internal circulars:** 'Internal circular' is a communication made on behalf of the Company by an authorised person which is addressed to the employees of the Company through any mode including but not restricted to email, fax, phone, notice board, inter office memo, etc.
- 3.8 **Right to access or right of Approach:** The right of an employee to give a written report to the Audit Committee for alleged misconduct or unethical or improper practice, which an employee has observed or found in the Company.
- 3.9 **Supervisor:** 'Supervisor' means the seniors of the employee to whom he is supposed to report in the course of his official duties.

- 3.10 Unfair termination and unfair prejudicial employment practices:** ‘Unfair termination’ and ‘Unfair prejudicial employment practices’ means to threaten, or otherwise discriminate or retaliate against an employee in any manner that affects the employee’s employment, including compensation, job location rights, immunities, promotions or privileges
- 3.11 Unethical or improper practices**
- 3.11.1 Unethical:** ‘Unethical’ act is the act not conforming to approved standards of social or professional behavior which leads to ‘unethical business practices’ or an action not adhering to ethical, moral and honorable principles
- 3.11.2 Improper:** ‘Improper’ refers to unethical conduct, breach of etiquette or morally offensive behaviour.
- 3.12 Violation:** An infraction or a breach which is not necessarily a violation of law, of the Company’s policies, Memorandum and Articles of Association, code of conduct designed to protect the interest of employees without jeopardizing interest and growth of the Company.
- 3.13 Waste:** Employer’s conduct or omission, which results in substantial abuse, misuse, destruction, or loss of funds, property or manpower belonging to the Company
- 3.14 Whistle blower:** An employee who reveals wrongdoings about any unethical or improper practices carried on by the Company and communicates it in Good Faith to the Audit Committee in writing

#### 4. GUIDELINES

- 4.1 Internal policy:** The Whistle Blower Policy (hereinafter referred as ‘WBP’) is an internal policy on access to the management concerns (in exceptional cases, to Audit Committee, which comprises of qualified and independent directors)
- 4.2 Prohibition:** The ‘WBP’ prohibits the Company from taking any action which may lead to unfair termination or unfair prejudicial employment practices (i.e., threaten, demote, relocate etc.) against its employees for Whistle Blowing in Good Faith
- However, this policy does not protect an employee from an adverse action which occurs before a violation or waste report is communicated or from misconduct, poor job performance, or subjection to a reduction in workforce unrelated to a communication made pursuant to the Whistle Blower Policy.
- a. Reporting authority:** Audit Committee shall be the reporting authority under this policy
- b. Supervisor’s duties & responsibilities:**
- b.1. familiarise themselves with this policy
  - b.2. notify supervised employees of their protections and obligations under the ‘Whistle Blower Policy’ of the Company
  - b.3. forward whistle blower report to the Audit Committee immediately on receipt of the same from his subordinate

### **c. Rights of complainants**

c.1. When reporting in good faith any violation or unethical or improper practices as defined in this policy, communicate in writing along with all necessary evidence. The reporting may relate to the following:

**c.1.1** Waste of Company's funds, property or manpower

**c.1.2** A deliberate violation of any accounting principles, policies, and regulations, reporting of fraudulent financial information to the shareholders, the government or the financial markets or any conduct that results in violation of law, legal duties, code of conduct or code of ethics designed to protect the interest of employees of Agro Tech Foods Limited. However, this should not be merely of technical or minimal nature.

c.2. The employee shall be free to submit violation report to supervisor, if deemed fit, or otherwise, can directly approach the Audit Committee, without informing the supervisor.

c.3. the employee may lodge the violation report directly to Lt. Gen. D B Singh, the current Chairman of the Audit Committee at 48-P, Sector 4, Mansadevi, Punchakula, Haryana – 134 107, Tel: 0172 2555 348 or any other address which may be notified from time to time. The complaints may be lodged through e-mail to [dbsingh41@yahoo.com](mailto:dbsingh41@yahoo.com) which shall be protected by password and can only be accessible by the member of the Audit Committee or any person authorized by the Committee

Any change in the Chairman of the Audit Committee shall be duly notified from time to time

### **d. Audit committee's responsibilities**

d.1. Maintenance of Register of Complaints: Audit Committee shall maintain a register for registration of Whistle Blower's Reports. Each registration shall bear a unique number. The Audit Committee may ask for significant evidence while registering the complaints.

d.2. Determination of nature of complaints: The Audit Committee shall determine the nature of complaints keeping in view the requirements of SEBI's circular dated 26<sup>th</sup> August, 2003 and for determining the appropriate course of action.

The complaints may be determined in two broad categories:

- a. reporting an unethical or improper practices
- b. any wrongful action taken by the management against the employee who has approached the Audit Committee under point (a) above

The Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received internally, investigating the merits of the assertion and determining necessary course of action

Further, the Chairman and /or the Committee, as the case may be, shall have the authority to call for any information/documents and such examination of any employee etc. for determining the correctness of the complaints.

d.3. essential factors: while determining the alleged assertion, the following factors may be considered:

d.3.1. accuracy of the information furnished

- d.3.2. nature and quality of evidence
- d.3.3. existence of relevant laws and rules
- d.3.4. whether the action appears to be isolated or systematic
- d.3.5. history of previous assertions regarding the same subject or subject matter
- d.3.6. what are the avenues available for addressing the matter
- d.3.7. seriousness or significance of the asserted action
- d.3.8. cost and benefit of potential investigation

d.4. Objectivity and independence: to be objective, thorough and independent of influence in conducting interviews and/or review of relevant documents associated with whistle blower reports

d.5. Maintenance of confidentiality: maintain confidentiality of the whistle blower and witnesses who provide information, as appropriate

d.6. Clarity in proceedings: document investigation activities and conclusions in a clear and understandable fashion.

d.7. Referral to committee or officials: make referrals to appropriate committee or officials on discovery of reasonable cause to believe that the Company's policy, regulation etc. have been violated, and follow up until appropriate corrective action has been taken

d.8. Time frame for redressal of complaints: Audit Committee shall complete all the formalities and shall resolve the matter within 6 months from the date of filing of the complaints. Any extension in respect thereof shall be in writing along with necessary justification

d.9. Reporting to Board of Directors of the Company: Audit Committee shall submit a report before the Board Meeting to be held immediately after the completion of the WB complaint.

#### **e. Actions prohibited by the Whistle Blower Policy**

The Company shall not

**e.1.** Threaten, discriminate or retaliate against an employee in any manner that affects the employee's employment (i.e., compensation, job location, rights, immunities, promotions, or privileges) when an employee engages in an activity protected by the policy.

e.2. Adverse action against an employee who participates or gives information in an investigation, or hearing or in any form of inquiry initiated by the Audit Committee

#### **f. Course of action available to the employees**

f.1. An employee who alleges adverse action (whistle blower) under the WBP may approach the Audit Committee or Board of Directors for appropriate relief within 6 months, if any action is taken against the employee in violation of the Clause e of the policy

f.1.1 The employee has the burden of proof in establishing that he or she has suffered an adverse action for an activity protected under the WBP

f.1.2. the management of the Company shall have an affirmative defense if it can establish by a preponderance of evidence that the adverse action taken against the employee was due to the employee's misconduct, poor job performance, or a reduction of workforce unrelated to a communication made pursuant to the WBP

f.2. remedies: the Audit Committee or Board of Directors rendering judgement under the WBP may order any or all of the following remedies:

f.2.1. order an injunction to restrain continued violation of the provisions of the WBP f.2.2. reinstate the employee to the same position or to an equivalent position

f.2.3. reinstate full fringe benefits and retirement service credit

f.2.4. order compensation for lost wages, benefits and any other remuneration

#### **g. Employee notification**

All employees shall be notified of the existence and contents of this policy through the respective department heads and every department head shall submit a certificate duly signed by him to the Secretarial Department that the WBP was notified to each employee belonging to his department. In case of new employees, will be informed by the Personnel department and statement in this regard shall be submitted to the Secretarial Department

The secretarial department will furnish a certificate, based on the certificate received from the respective department of the Company regarding the notification of the WBP, before the Board of Directors and the Board shall take on record the same

The intimation in this regard be forwarded to the Stock Exchanges where the securities of the Company are listed

#### **h. WBP shall be available at the web site of the Company**

The 'Whistle Blower Policy' as adopted by the Board and amended from time to time, shall be made available at the website of the Company [www.atfoods.com](http://www.atfoods.com).

**i. Annual affirmation of the compliance of WBP**

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to 'whistle blowers' from unfair termination and other unfair prejudicial employment practices.

**j. Disclosure in corporate governance report**

The affirmation as referred to in point (i) above shall form part of the Board Report on Corporate Governance that is required to be prepared and submitted together with the Annual Report

k. The Board of Directors shall alter, amend or modify the clauses of the above Whistle Blower Policy from time to time in line with the requirement of the SEBI Guidelines or any other rules, regulations etc., which may be applicable from time to time.

## POLICY ON WORK PLACE HARASSMENT

### 1. Policy

Agro Tech Foods Limited (ATFL) seeks to maintain high standards of business by creating and maintaining a work environment that is free from harassment. It is the Company's policy that harassment on the basis of any legally protected category is prohibited. Therefore, any harassment based on race, creed or religion, national origin, ancestry, age, sex, sexual orientation, or a physical or mental disability is a violation of Company policy. Managers and supervisors are responsible for enforcing this policy and for maintaining a workplace free from harassment.

### 2. Procedure

- 2.1. All employees are prohibited from engaging in harassment and shall respect the rights of their fellow employees to work in an environment free from harassment. Such behaviour may result in disciplinary action up to and including discharge.
- 2.2. Any supervisor or manager who becomes aware of unlawful harassment or inappropriate behaviour must take corrective action. In addition, managers should consult with the Human Resources Department when investigating harassment claims of any kind.
- 2.3. Prohibited harassment is conduct relating to an individual's race, religion, colour, age, sex, sexual orientation, national origin, ancestry, veteran status or status as an individual with a disability, that has the purpose or effect of:
  - Creating an intimidating, hostile, or offensive work environment.
  - Unreasonably interfering with an individual in work performance.  
Adversely affecting an individual's employment opportunity.
- 2.4. In addition to the above, it includes sexual harassment which is defined as unwelcome sexual advances, requests for sexual favours and conduct of a sexual nature when:
  - Submission to such conduct is made either explicitly or implicitly in a term or condition of employment.  
Submission to or rejection of such conduct is the basis for or a factor in any employment decision affecting the individual.  
Sexual Harassment includes, whether directly or by implication:
    - a. Physical contact and advances.
    - b. A demand or request for sexual favours.
    - c. Sexually coloured remarks.
    - d. Showing pornography.
    - e. Any other unwelcome physical, Verbal or non-verbal conduct of sexual nature.

2.5. Examples of inappropriate conduct/harassment include:

Verbal Harassment - such as epithets, derogatory comments, demeaning jokes, slurs, threats, etc.

Physical Harassment - such as assault, unnecessary touching, impeding or blocking movement, physical interference with normal work or movement, etc.

Visual Harassment - such as derogatory or demeaning posters, cards, cartoons, graffiti, gestures, etc.

2.6. Complaint Committee

A Complaints Committee has been set up to address any complaints of workplace harassment at ATFL. The Complaints Committee will comprise employees as designated by the Leadership Team from time to time. The details of committee members are with the HR Department.

The Complaints Committee shall review and examine all complaints referred to them in a timely manner. In this regard it shall have all the rights and powers of any ordinary disciplinary committee to carry out enquiry as it may deem fit, in the interest of a fair and independent investigation.

Every effort will be made to conduct the investigation on a confidential basis, with disclosure made only where there is need to know.

On completion of enquiry the Complaints Committee shall submit a detailed report to the Leadership Team for initiation of appropriate action. If the Complaints Committee is of the view that the conduct amounts to a specific offence under the Indian Penal Code or any other law, it shall intimate the Leadership Team for initiating appropriate action in accordance with law.

2.7. Any employee who has a question or concern regarding any type of discrimination or harassment is encouraged to bring it to the attention of their immediate supervisor, Senior Vice President – Human Resources and Corporate Communication or the Complaints Committee.

Retaliation or reprisal against persons who initiate complaints or assist in the investigation of a complaint is prohibited by this policy.

## ATFL Information Security Policy

### Introduction

Computer information systems and networks are an integral part of business at Agro Tech Foods Limited. The company has made a substantial investment in human and financial resources to create and maintain these systems.

The following policies have been established in order to:

- Protect this investment.
- Safeguard the information contained within these systems.
- Reduce business risk and legal risk.
- Maintain continuity of operations and product production.
- Protect the good name of Agro Tech Foods Limited.

### General Responsibilities

As a user of Agro Tech Foods Limited local and wide area network computer systems, you are expected to review and comply with the following terms.

### General Terms of Confidentiality and Conduct

No user of Agro Tech Food Limited computer systems shall:

Make unauthorized use of any information in files maintained, stored, or processed by ATFL IT, or permit anyone else to make unauthorized use of such information.

Seek personal benefit or permit others to benefit personally from any confidential computer data that have come to them by virtue of their work assignment.

Exhibit or divulge the contents of any computer record or report to any person except in the conduct of their work assignment and in accordance with ATFL and departmental policies.

Attempt unauthorized entry or access into computer systems or network resources belonging, but not limited to, ATFL; Agro Tech Foods Limited customers, vendors or competitors; or any other corporation, institution, organization or private home system to which implicit access has not been granted.

Operate or request others to operate any Agro Tech Foods Limited computer system for

personal business.

### **Violations**

Violations may result in disciplinary action in accordance with company policy. Failure to observe these guidelines may result in disciplinary action by the company depending upon the type and severity of the violation, whether it causes any liability or loss to the company, and/or the presence of any repeated violation(s).

### **Passwords**

Here are the guidelines for selecting a password:

1. The password must contain a minimum of 7 characters
2. The password must contain characters from each of the 3 classes below:

Upper case: (A, B, C ... Z) Lower

Case (a, b, c ... z) Numbers

(1,2,3...9)

3. Keep your password secret. Do not share it with others.
4. Refrain from writing your password on a note attached to your monitor or storing it in other easily accessible places.
5. Choose a password that is easy for you to remember, but difficult for others to guess.
6. Password history is validated, and maintained for twelve periods.
7. Passwords are to be changed by the user every forty-five days, or less.

### **Desktop and Work Area Security**

The security of the data accessible from your desktop computer and your personal work area is your responsibility. Here are some important guidelines:

1. You are required to use a password-protected screensaver. To choose a screensaver, right-click on any open area of your desktop and select properties. Click on the screensaver tab and select a screensaver that you like. Make sure the password-protected box is checked, and make sure the wait time is set at 15 minutes or less. The purpose of this is twofold: first, to protect your monitor from screen burn; second, to safeguard your pc from unauthorized access when you step away.
2. At the end of your shift shut down your workstation. To shut down click on start and select shutdown. From the options box choose shutdown. Once you get the message 'It is safe to turn off your computer' switch off the PC and monitor OR if your monitor goes blank when PC switches off automatically during this process, switch off your monitor alone.



3. Take care with the types of items you leave at your workstation. Be sure to keep any floppy diskettes with sensitive or confidential data in a secure place. If you are a laptop user, consider the nature of the data you keep stored on the laptop or any diskettes you keep in the carrying case and consider the potential consequences if it is stolen.
4. Never copy sensitive or confidential information to Public areas on the file server. Make sure that it is stored in an area that has access for only those who should view it. If you have a question or concern of this type, contact the ATFL Helpdesk or a member of the ATFL IT support staff.
5. Verify the printer location PRIOR to printing any potentially sensitive files. Promptly retrieve your jobs from network printers.

### **Virus Prevention**

Nearly 50,000 computer viruses are known to be in existence today, with about 250 new ones discovered each month. These viruses fall into many different categories, with differing means of delivery and differing payloads. Some are relatively harmless, such as ones that display an irksome message, while others are capable of destroying data or even rendering your machine incapable of functioning.

While we employ state-of-the art antivirus software on both our servers and workstations, it is still vital that our computer users employ safe practices with regard to virus prevention. Here are your responsibilities:

1. Do not install any software on your pc that you brought from home, downloaded from the Internet or received via email. The Internet and email attachments are particularly rich sources of viruses. The only software installed on your pc should be company-issued; any 3rd party screensavers, games or non-company issued software is subject to removal at the discretion of ATFL IT, no questions asked.
2. Refrain from double-clicking on any files sent to you via email with the following extensions: exe, com, bat, shs, vbs and scr. While they may have come from a friend or look cute or intriguing, they often serve as a vehicle for the transmission of a virus.
3. As a rule, do not bring floppy disks from home. If you must take a disk home to work, make sure to scan it with Trend Office Scan when you return. If you do not know how to do this, or if Trend reports that one or more files are infected, contact a member of your ATFL IT staff.
4. Users are responsible for assuring that their virus protection is kept up-to-date. A full PC virus scan should be completed once a month on any ATFL-supplied equipment. Any questions regarding this procedure should be directed to a member of your ATFL IT staff.

## **ATFL Remote Access Policy**

Participation in a remote access program may not be possible for every employee. It is the goal of ATFL to limit remote access. Remote access is meant to be an alternative method for employees to complete work outside of business hours. ATFL may refuse to extend remote access privileges to any employee or terminate a remote access arrangement at any time.

### **Acceptable Use**

Hardware devices, software programs, and network systems purchased and provided by the company for remote access are to be used only for creating, researching, and processing company-related materials. By using the company's hardware, software and network systems you assume personal responsibility for their appropriate use and agree to comply with this policy and other applicable company policies, as well as City, State and Federal laws and regulations.

Your eligibility to remotely access the Agro Tech Foods Limited computer network will be determined by both IT and Executive Management.

### **Equipment & Tools**

The company may provide tools and equipment for remotely accessing the corporate computer network. This may include computer hardware, software, phone lines, frame circuits, e-mail, voicemail, connectivity to host applications, and other applicable equipment as deemed necessary.

The employee may not configure this equipment to connect to the Internet independently of Agro Tech's connection to the Internet, nor may the employee maintain any separate Internet email accounts on this equipment other than those provided by Agro Tech Foods Limited.

The use of equipment and software provided by the company for remotely accessing the company's computer network is limited to authorized persons only for purposes relating only to company business. The company will provide for repairs to company equipment only.

### **Use of Personally-Owned Computers and Equipment**

The use of personally owned and/or non-ATFL maintained computers or equipment by employees to connect to the Agro Tech Foods Limited network is prohibited.

## ATFL Software & Hardware Policy

### Acceptable use

This document defines the boundaries for the 'acceptable use' of Agro Tech Food Limited electronic resources, including software, hardware devices, and network systems. Hardware devices, software programs, and network systems purchased and provided by the company are to be used only for creating, researching, and processing company related materials. By using the company's hardware, software, and network systems you assume personal responsibility for their appropriate use and agree to comply with this policy and other applicable company policies, as well as city, state, and federal laws and regulations.

### Software

All software acquired for or on behalf of the company or developed by company employees or contract personnel on behalf of the company is and shall be deemed company property. All such software must be used in compliance with applicable licenses, notices, contracts, and agreements.

### Purchasing

All purchasing of ATFL software shall be centralized with the IT department to ensure that all applications conform to corporate software standards and are purchased at the best possible price. All requests for software must be submitted to the Department Manager who will submit the request to the ATFL Helpdesk. This request will be reviewed for approval by Executive and IT Management.

### Licensing

Each employee is individually responsible for reading, understanding, and following all applicable licenses, notices, contracts, and agreements for software that he or she uses or seeks to use on company computers. Unless otherwise provided in the applicable license, notice, contract, or agreement, any duplication of copyrighted software, except for backup and archival purposes, may be a violation of federal and state law. In addition to violating such laws, unauthorized duplication of software is a violation of the company's Software/Hardware Policy.

### Installation

It is strongly suggested that all software will be installed by an IT staff member. Software may not be installed for users or on machines for which it is not designated. Under no circumstances should software be brought from home for installation on ATFL machines.

### **Removal of Software**

Software media may not be removed from the premises for any purpose without the consent of the ATFL IT Department.

### **Software Standards**

A list of the current standard suite of software, which is fully supported by the IT department, can be obtained from the ATFL Helpdesk. Some variances will exist across OCs.

### **Hardware**

All hardware devices acquired for or on behalf of the company or developed by company employees or contract personnel on behalf of the company is and shall be deemed company property. All such hardware devices must be used in compliance with applicable licenses, notices, contracts, and agreements.

### **Purchasing**

All purchasing of company computer hardware devices shall be centralized with the information technology department to ensure that all equipment conforms to corporate hardware standards and is purchased at the best possible price. All requests for corporate computing hardware devices must be submitted to the budget administrator for that department for approval. The request must then be sent to the information technology department, which will then determine standard hardware that best accommodates the desired request.

### **Removal of Hardware or Release of Surplus Equipment**

Under no circumstances may ATFL hardware be removed from the premises without the consent of the ATFL IT Department. Surplus equipment cannot be disposed of until all Agro Tech Foods Limited data has been removed.

### **Hardware Standards**

Hardware standards for company desktops and laptops vary widely according to user need.

Employees needing computer hardware must request it from their manager. Each request will be considered on a case-by-case basis in conjunction with the hardware-purchasing section of this policy.

### *Outside Equipment*

Absolutely no outside equipment may be plugged into Agro Tech Foods Limited network without the express permission of IT.

### *Use of Agro Tech Foods Equipment on Foreign Networks*

Under no circumstances should Agro Tech Foods Limited equipment be connected to an outside network without express permission of IT. This is to insure proper personal firewall protection and virus protection.

## **Agro Tech Foods Electronic Communications Systems Policy**

The Agro Tech Foods Electronic Communication Systems Policy applies to personnel, employees, contract labor, consultants, contractors, temporary employees, and any other persons (hereinafter called User) who use Agro Tech Foods provided systems or systems contracted through a service provider. This policy applies to any and all electronic communications systems provided to Users by Agro Tech Foods (hereinafter called Company); to include, but not limited to, telephone, cellular phone, voice mail, electronic mail, text paging, Internet, Intranet, Electronic Data Interchange, facsimile, computer file systems, wireless devices, and any other electronic systems for the purpose of transmitting information between parties.

### **General Policy Statement on Electronic Communications**

Agro Tech Food's electronic resources are to be used to conduct Company business. Subject to your supervisor's discretion, occasional, limited, and appropriate personal use of the company's resources are permitted when the use does not (1) interfere with the User's work performance; (2) interfere with any other User's work performance; (3) have an adverse impact on the operation of the network resources; or (4) violate any other provision of this policy or any other policy, guideline, or standard of Agro Tech Foods. The following standards apply at all times:

Electronic communications must be conducted in a professional and courteous manner. Users should exercise good judgment when creating, distributing, or forwarding messages electronically. Messages must not contain content or information that may reasonably be considered offensive. Offensive content includes any intimidating, hostile or offensive material on the basis of age, sex, race, color, religion, national origin, sexual orientation or disability; and any other protected group under federal or state law is a violation of this policy.

All other Company policies apply to all Company provided electronic communications systems. Such policies include, among others, policies against discrimination and harassment, and policies regarding document retention, copyright infringement, business conduct, sexual harassment, and software licensing.

Users should not communicate confidential information electronically, except on Company approved internal secure e-mail systems. The Internet does not provide secure e-mail capability for the transmission of confidential information. Encryption of trade secret or employee confidential data for safe transport across the Internet is required.

Users should not communicate anything over Company Electronic Communications Systems that would result in negative or inaccurate perceptions

of the Company, its products, or its employees. Users should be aware that communications created or sent by e-mail or the Internet potentially may be used and are discoverable in litigation. As a result, Users should use the same standards and precautions in creating electronic messages as would be utilized for other Company correspondence or memoranda.

### **Standard Practices - E-Mail Usage and Etiquette**

Agro Tech Foods e-mail systems, including the equipment and the data stored in the systems, are the property of the Company. As such, any messages created, sent, received or stored in the systems are the property of the Company. The following standards apply at all times:

The Company reserves the right to monitor, access, retrieve, read, and disclose all information and material - whether business related or personal - that is created, sent, received, accessed, or stored on its electronic resources. The Company may access such information and material for any legitimate business purpose. Users, through the Internet, or other computer networks, expressly waive any right of privacy in anything they create, store, send, or receive on any/all Company issued workstation equipment (including but not limited to: desktop computers, laptops, terminals, palm tops, etc).

Users should be aware that absolute privacy as to the content of any message can not be assured.

With the exception of the Company's right to retrieve, review and disclose messages, as described above, all messages created, sent, received or stored are considered to be confidential and as such are to be read only by the recipient or at the direction of the addressed recipient.

Users are responsible for managing messages within specified time frames. The User should delete messages before the message has aged thirty days. To reinforce standards on message retention, E-mail systems will be configured to automatically delete messages meeting the following criteria:

- o Messages in an INBOX, OUTBOX, DRAFTS, and SENT ITEMS folder will be deleted after thirty (30) days.
- o Messages in a DELETED ITEMS folder will be deleted after five (5) days
- o Messages in 'all other folders' will be deleted after one year (365 days).
- o Messages in the NOTES folder will be deleted after one year (365 days).
- o Entries in the CALENDAR folder will be deleted after 540 days.
- o Entries in the CONTACT LIST and PUBLIC folders will be permanent.
- o Entries in the JOURNAL folder will not be retained; delete after 0 days.

Backup strategies for E-mail content will not exceed a five-day retention or rotation period

## Standard Practices - Internet Usage

Users using Company-provided computers and Internet access are representing the Company. Therefore, Users are expected to conduct all business on the Internet in a professional, courteous manner. The Company electronic resources provide access to a worldwide network of computers containing millions of pages of information and many diverse points of view. While the Company filters access to unwanted sites by categories, users of the Internet may still encounter material that is inappropriate, offensive, and often illegal. Users are responsible for the material they access, review and download from the Internet. The following standards apply at all times:

Internet access provided by the Company is primarily for business purposes only. Users should not use personal Internet access accounts or personal e-mail access for Company business.

The Internet is not secure. Any information sent or received has the potential to be intercepted or seen by others. Users should not send, discuss, or otherwise disseminate Company proprietary data, trade secrets, or confidential information over the Internet without approved forms of encryption.

Setting up a Company E-mail account for automatic forwarding of E-mail from a Company E-mail system to an Internet E-mail address is prohibited. This practice gives the sender a false sense that the message is protected by internal E-mail systems.

To protect the integrity of Company systems, these policies are in effect:

- o Any file or document to be downloaded must be of a business nature and must be scanned for viruses. All inbound and outbound messages by Internet e-mail that contain attachments must be virus scanned.
- o Users should not download software or executable programs from the Internet. No modem, network, or PC configuration may be modified by the User. (Only designated Information Services personnel are authorized to do any of the foregoing.)

The following are prohibited uses of the Internet:

- o Copying, downloading, printing, or otherwise disseminating copyrighted materials (including articles and software) in violation of copyright laws.
- o Viewing, copying, downloading, or otherwise accessing on the Internet any material for entertainment purposes or sexually oriented material.

- o Operating a business, usurping business opportunities, searching for jobs outside the Company; solicitation for money, 'causes' or organizations; promoting events; and other activities not directly related to the Company's business.
  
- o Sending or forwarding chain letters, jokes, gambling, or engaging in any activity in violation of local, state, or federal law.
  
- o Accessing third party Electronic Mail services or sites.

### **Standard Practices - Cellular, Portable Phones, Hand Held Devices (wireless)**

Users should recognize that cellular phones, portable phones, and hand held devices are not secure. Conversations or messages can be easily intercepted. Sensitive Company information may be intercepted and confidentiality may be compromised if a cellular phones, portable phones, or hand held device communication is intercepted. Therefore, Users should be highly cautious of communicating confidential material or sensitive Company information by cellular phones, portable phones, or hand held devices.

### **Security and Compliance**

Security of electronic systems is a high priority. Each User is required to have a unique account (user-id) and use a password to access Company electronic systems. Each User will be held responsible for the actions taken by his or her assigned user-id(s) on a Company electronic system(s). Passwords are confidential and are not to be shared with others. The reliability of passwords for the purpose of maintaining confidentiality cannot be guaranteed. Users should assume that any message could be accessed and read by persons other than those for whom the message was intended. Users should, therefore, exercise good judgment in creating and distributing messages.

### **Reporting of Violations; Disciplinary Action**

Users learning of any misuse of electronic communication systems or violations of this policy should notify their applicable Department Manager, Information Service representative, or Human Resources representative immediately. Disciplinary action up to and including termination of employment may be taken for violation of Agro Tech Foods Electronic Communication Systems Policy.

### **Technology Support**

If you require assistance with any point of this policy or related standard practices, please contact either the Information Systems Help Desk at 333444, Extn.380, your Information Services representative, or your Human Resources representative.

### *User Acknowledgement*

As a User of Agro Tech Foods electronic systems, I have read and agree to comply with the terms of this policy governing the use of Agro Tech Foods electronic systems. I understand that a violation of this policy may result in disciplinary action, including possible termination, as well as civil and criminal liability.

## AGRO TECH FOODS LTD.

### POLICY ON CONFLICTS OF INTEREST FOR MANAGEMENT AND EMPLOYEES

In order to ensure that we are in compliance with the following policy, the Company will periodically obtain signed statements from Employees who are in Grade C14 and above, and from such other employees as the Company may determine. The policy is as follows:

It is the policy of the Company that employees will avoid conflict of interest situations. The Company will establish procedures to ensure that all situations be reported where there is either the appearance of or the potential for a conflict of interest.

The underlying principle to be used in determining if a conflict of interest situation should be reported is solely whether there would be the appearance or the potential for a conflict of interest. It is not a question of whether the individual will use confidential information for personal benefit, or would allow a conflict to adversely affect Company decisions. Several areas of potential conflict exist:

- All transactions by an employee of Agro Tech Foods with the Company or any of its affiliates will be at arms length and at fair market prices. All exceptions must be fully disclosed and approved by the Managing Director prior to consummation. All transactions involving the Managing Director will require the approval of the Chairman of Agro Tech Foods prior to consummation.
- Gifts, gratuities or favors received from or offered by outsiders other than those of a nominal amount, that could be in any way construed to be related to one's employment with Agro Tech Foods, must be fully disclosed and approved either by a member of the Leadership Team or by the Managing Director. If a member of the Leadership Team is the recipient, approval must be obtained from the Managing Director, and in the case of the Managing Director, from the Chairman of Agro Tech Foods.
- Employees whose responsibilities include selling, marketing, transportation, purchasing or leasing of any type for the account of the Company need to exercise particular discretion to avoid a possible conflict of interest.

- Employees will not actively or passively participate in any way with competitors, suppliers, or customers' businesses, or use confidential Company information for personal gain. Any participation by an employee, whether as owner, shareholder, partner, employee, director or consultant with any competitor, supplier or customer's business shall be disclosed.
- All employees who have access to information concerning oils, grain, grain products, meats, meat by-products, or any other commodity markets should not be involved in trading in these markets either cash or futures for their personal accounts either directly or indirectly through partners or associates. Employees of the businesses engaged in such commodities are presumed to have access to such information. Employees who are involved in businesses noncompetitive with Agro Tech Foods may engage in normal hedging practices.
- You should disclose any transaction (or series of transactions) with Agro Tech Foods (or any of its affiliates), or with any supplier or customer of Agro Tech Foods (or any of its affiliates) with whom you have dealings, involving you (or any relative or affiliated entity of yours) which involves Rs.1,000 or more.

The appearance of a potential conflict of interest may exist if any of the transactions described in the preceding paragraphs involve a relative of yours or an affiliated entity of yours. Transactions by such persons should be reported on this form. A 'relative' is your spouse, child, parent, brother and sister. An 'affiliated entity' is a corporation, partnership, joint venture or other entity in which you or one of your 'relatives' is a partner, director, officer or owner of 10% or more of the equity interest in the entity.

At least once a year, each salaried employee from Grade C14 and above, and such other employees as may be designated by the Managing Director of the Company, shall provide a disclosure to the Company on all potential conflict of interest matters referred to in this statement of policy. The employee shall also acknowledge that the employee has received and read ConAgra Foods Code of Conduct. Agro Tech Foods will follow the same Code of Conduct. However, its overall administration in India will rest with the Managing Director. If the employee becomes aware of a potential conflict of interest after signing this form, the employee will immediately sign a new form and transmit it to a member of with Leadership Team or the Managing Director if the person reporting is a member of the Leadership Team. Employees who report a conflict of interest may be required to furnish a copy of the appropriate documentation to the Managing Director. **Failure on the part of any such individual to timely sign and return a conflict of interest response, or otherwise comply with this Policy, may result in termination of employment or forfeiture of company benefits.** Only the Managing Director has the authority to

approve any interpretations or deviations of this policy.

- I **do not** have a Conflict of Interest.
- I have received and read ConAgra Foods Code of Conduct.

I have a Conflict of Interest as described below or on the attached exhibits:

PRINTED NAME

[Please Type or Print Clearly]

---

SIGNATURE

---

COMPANY N A M E : AGRO TECH FOODS LTD.

.

DATE:

## CODE OF CONDUCT OF AGRO TECH FOODS LIMITED - INSIDER TRADING

(Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015)

### A. PREAMBLE:

The Securities and Exchange Board of India (**SEBI**) issued the SEBI (Prohibition of Insider Trading) Regulation, 1992, and the said regulations are being repealed by SEBI and new SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “**Insider Trading Regulations**”) have been formulated vide notification dated January 15, 2015.

The Insider Trading Regulations, *inter-alia*, prohibits Insiders from communicating, providing, or allowing access to any Unpublished Price Sensitive Information, relating to the Company or Securities listed or Trading in Securities, to any person including other Insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and to prevent misuse of such Unpublished Price Sensitive Information and further to monitor Trading done by such persons/entities.

In pursuance of the 1992 Regulations, the Statement of Policies and Procedures for Prevention of Insider Trading was notified by the Company (“**subsisting code**”) which is currently applicable.

In light of the new Insider Trading Regulations, the subsisting code has been revised by the Board in their meeting held on 17<sup>th</sup> April, 2015 by approving this Code (“**Code**”).

### B. EFFECTIVE DATE:

This Code shall become effective from May 15, 2015 being the 120<sup>th</sup> day from January 15, 2015 i.e. the date of notification of the new Insider Trading Regulations. This Code shall be valid until further revised or cancelled or replaced.

The subsisting code shall remain operative till May 14, 2015.

This Code is being formulated to align the Company's subsisting code with the Insider Trading Regulations. Accordingly, declarations/undertakings/reports etc. already made under the subsisting code shall continue to apply and remain valid under this Code and shall continue to be operative in accordance with the terms of this Code to the extent not inconsistent with this Code.

## **C. SALIENT DEFINITIONS:**

Any terms used herein which are not defined in this Code shall have the meaning ascribed to them in the Insider Trading Regulations / Companies Act, 2013/SEBI Act, 1992, as amended from time to time.

The salient terms/definitions used in this Code are provided below:

### **1.1 Unpublished Price Sensitive Information**

Under the Insider Trading Regulations, "Unpublished Price Sensitive Information" means any information, relating to a company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily including but not restricted to, information relating to the following:

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. material events in accordance with the listing agreement.

### **1.2 Insider**

'Insider' means any person who is:

- i. a Connected Person; or
- ii. in possession of or having access to Unpublished Price Sensitive Information.

For the purposes of this Code it is clarified that the term Insider includes directors/employees of the Company and anyone else who is a Connected Person or in possession of or having access to Unpublished Price Sensitive Information in respect of Securities of the Company.

### 1.3 Connected Person

Connected Person means:

- (i) any person who is or has during the 6 months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons unless the contrary is established, -
  - (a). an Immediate Relative of Connected Persons ; or
  - (b). a holding company or associate company or subsidiary company; or
  - (c). an intermediary as specified in Section 12 of the SEBI Act, 1992 or an employee or director thereof; or
  - (d). an investment company, trustee company, asset management company or an employee or director thereof; or
  - (e). an official of a stock exchange or of clearing house or corporation; or
  - (f). a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g). a member of the Board or an employee, of a public financial institution as defined in Section 2 (72) of the Companies Act, 2013; or
  - (h). an official or an employee of a self-regulatory organization recognised or authorized by SEBI; or
  - (i). a banker of the company; or
  - (j). a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest.

#### 1.4 Immediate Relative

Immediate Relative means a spouse of a person and includes parents, siblings and child of such persons or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to Trading in Securities.

#### 1.5 Trading

Trading means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in Securities, and “trade” shall be construed accordingly.

#### 1.6 Securities

The term securities shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.

### D. DETAILS:

Keeping in view Schedules A and B of the Insider Trading Regulations, the following two parts (enclosed) shall apply:

PART I: Code of conduct to regulate, monitor and report Trading by Insiders - formulated to align with Schedule B of Insider Trading Regulations.

PART II: Code of practices and procedures for fair disclosure of unpublished price sensitive information- formulated to align with Schedule A of Insider Trading Regulations.

### E. PENALTIES FOR CONTRAVENTION OF THE CODE:

- a. Any employee/Designated Person, who trades either himself or through his Connected Persons, trades in Securities or communicates any information for Trading in Securities, in

contravention of the Code or who violates the provisions of the Code may be penalized and appropriate action may be taken by the Company. Further, for violation of the Code, they shall also be subject to disciplinary action by the Board which may include wage freeze, suspension, ineligibility for future participation in employees stock option plans, etc.

- b. If any person violates provisions of this Code/Insider Trading Regulations, he/she shall be liable for appropriate action under sections 11, 11B, 11D, chapter VIA and section 24 of the SEBI Act, 1992.
- c. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015, as amended from time to time.
- d. In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI shall be promptly informed by the Company.

#### **F. OVERRIDING EFFECT:**

Any amendment in the Insider Trading Regulations shall become automatically applicable to this Code and shall have an overriding effect to the extent the same may be applicable to a particular provision in the Code. Pursuant to such amendment, the Compliance Officer shall carry out the necessary changes to this Code, as may be required.



## PART I

### CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

(Pursuant to Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015)

#### 1. Compliance Officer

1.1 The Secretary of the Company has been designated as the Compliance Officer to the Stock Exchanges and SEBI and he shall report to the Board of the Company and in particular, shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the Board.

1.2 The Compliance Officer shall be responsible for administering the Code and for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified in the Insider Trading Regulations under the overall supervision of the Board.

1.3 The following employees and any Connected Persons designated on the basis of their functional role ("**Designated Persons**") in the organisation and shall be governed by this Code which governs dealing in Securities. In addition to the Connected Persons, the Board has, in consultation with the Compliance Officer, specified the following persons to be considered as Designated Persons:

- a) All directors on the board of directors of the Company;
- b) President/Chief Executive Officer and Officer(s) of the Company;
- c) All employees of the Company in the level B17 and above; and
- d) Any employee in Finance, Information Systems, Legal or Secretarial Department of the Company.

1.4 The Compliance Officer shall confidentially maintain the following:

- a) a record of the Designated Persons and any changes made in the list of Designated Persons; and
- b) a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for pre-clearance of trades;

1.5 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Insider Trading Regulations and the Code.

1.6 Notwithstanding the duties of the Compliance Officer under this Code, all the employees and Designated Persons are advised to familiarize themselves with any changes to Insider Trading Regulations from time to time. The Compliance Officer shall endeavor to communicate the changes in the Insider Trading Regulations to the employees and directors at the earliest.

## **2. Preservation of Unpublished Price Sensitive Information:**

2.1 All employees/Designated Persons shall maintain the confidentiality of all Unpublished Price Sensitive Information. No employee/Designated Person shall directly or indirectly tip Unpublished Price Sensitive Information to anyone while in possession of such information and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities of the Company. In all internal procedures and processes strict chinese walls shall be observed by all concerned in internal dealings or otherwise, and in the event any employee/Designated Person needs to cross the chinese wall, prior permission of the Compliance Officer shall be obtained in writing for the specific purpose by approaching the Compliance Officer directly.

2.2 Insiders have independent fiduciary duties to the Company and its stockholders not to trade on Unpublished Price Sensitive Information relating to the Company's Securities. All employees/Designated Persons of the Company should consider themselves Insiders with respect to Unpublished Price Sensitive Information about the business, activities and Securities of the Company. The employees/Designated Persons should not trade in the Securities of the Company while in possession of Unpublished Price Sensitive Information relating to the Company nor tip such information to others.

2.3 It should be noted that Trading by the Immediate Relative(s) of the employees/Designated Persons can be the responsibility of such employees/Designated Persons under certain circumstances and could give rise to legal and Company-imposed sanctions.

Insiders may be liable for communicating or tipping Unpublished Price Sensitive Information to a third party ("**Tippee**"), and insider trading violations are not limited to Trading or tipping by Insiders. Persons other than Insiders also can be liable for insider trading, including Tippees who trade on Unpublished Price Sensitive Information tipped to them or individuals who trade on Unpublished Price Sensitive Information which has been misappropriated.

Tippees inherit an Insider's duties and are liable for Trading on Unpublished Price Sensitive Information illegally tipped to them by an Insider. Similarly, just as Insiders are liable for the insider trading of their Tippees, so are Tippees who pass the information along to others who trade. In other words, a Tippee's liability for insider trading is no different from that of an Insider. Tippees can obtain Unpublished Price Sensitive Information by receiving overt tips from others or through, among other things, conversations at social, business or other gatherings.

2.4 The Insider may prove his innocence by demonstrating the circumstances including the following : –

- (i) the transaction is an off-market inter-se transfer between promoters who were in possession of the same Unpublished Price Sensitive Information without being in breach of Insider Trading Regulations and both parties had made a conscious and informed trade decision;
- (ii) in the case of non-individual Insiders: –
  - (a) the individuals who were in possession of such Unpublished Price Sensitive Information were different from the individuals taking Trading decisions and such decision-making individuals were not in possession of such Unpublished Price Sensitive Information when they took the decision to trade; and
  - (b) appropriate and adequate arrangements were in place to ensure that the Insider Trading Regulations are not violated and no Unpublished Price Sensitive Information was communicated by the individuals possessing the information to the individual staking Trading decisions and there is no evidence of such arrangements having been breached.
- (iii) the trades were pursuant to a Trading plan set up in accordance with the Insider Trading Regulations/ this Code.

In the case of Connected Persons the onus of establishing, that they were not in possession of Unpublished Price Sensitive Information, shall be on such Connected Persons.

2.5 In addition to the above:

- (i) No Insider shall communicate, provide or allow access to any Unpublished Price Sensitive Information, relating to the Company or its Securities listed or proposed to be listed, to any

person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- (ii) No person shall procure from or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to the Company or its Securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.6 The Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:

- (i) entail an obligation to make an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI Takeover Regulations**"), as amended from time to time, where the Board is of informed opinion that the proposed transaction is in the best interests of the Company.
- (ii) not attract the obligation to make an open offer under the SEBI Takeover Regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute Unpublished Price Sensitive Information is disseminated to be made generally available at least 2 trading days prior to the proposed transaction being effected in such form as the Board may determine.

For the above purpose, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of this clause and shall not otherwise trade in Securities of the Company when in possession of Unpublished Price Sensitive Information.

2.7 All Files containing confidential information shall be kept secure and in custody of officer responsible for maintaining such files. Computer files must have adequate security of login and password etc., and the same should be kept under the custody of such officer.

### 3. Trading Plan

3.1 An Insider shall formulate a Trading plan and submit it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

3.2 Such Trading plan shall:

- (i) not entail commencement of Trading on behalf of the Insider earlier than 6 months from the public disclosure of such plan;
- (ii) not entail Trading for the period between the 20<sup>th</sup> trading day prior to the last day of any financial period for which results are required to be announced by the Company and the 2<sup>nd</sup> trading day after the disclosure of such financial results;
- (iii) entail Trading for a period of not less than 12 months;
- (iv) not entail overlap of any period for which another Trading plan is already in existence;
- (v) set out either the value of trades to be effected or the number of Securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail Trading in Securities for market abuse.

3.3 The Compliance Officer shall review the Trading plan to assess whether the plan would have any potential for violation of this Code and/or Insider Trading Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of such plan.

3.4 The Trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the Securities outside the scope of the Trading plan. The implementation of the Trading plan shall not be commenced if any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of such plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes generally available information so as to avoid a violation of clause 2.4.

3.5 Upon approval of the Trading plan, the Compliance Officer shall notify such plan to the stock exchanges on which the Securities are listed.

#### **4. Trading Window**

4.1 All employees/Designated Persons shall be subject to Trading restrictions enumerated below.

Employees/Designated Persons may execute trades subject to compliance with this Code. The Company shall specify a Trading period, to be called “**Trading Window**”, for Trading in the Company’s Securities. The Trading Window shall be closed during the time the Unpublished Price Sensitive Information is unpublished. The time for commencement of closing and re-opening of Trading Window shall be decided by the Compliance Officer of the Company.

4.2 Additionally, employees/ Designated Persons and their Immediate Relatives shall purchase or sell any security of the Company during a valid Trading Window period and shall not deal in any transaction involving the purchase or sale of the Company’s Securities during the period when the Trading Window is closed or during any other period as may be specified by the Company from time to time.

4.3 The Trading Window shall be, *inter alia*, closed at the time of:-

- a. Declaration of financial results;
- b. Declaration of dividends;
- c. Change in capital structure;
- d. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- e. Changes in key managerial personnel; and
- f. Material events in accordance with the listing agreement.

4.4 No employee/Designated Persons shall purchase or sell any type of Security of the Company while in possession of Unpublished Price Sensitive Information relating to the Securities of the Company.

4.5 The Compliance Officer shall by advance notice to the employees/ directors prohibit Trading in the Company’s Securities until 48 hours after any of the above Unpublished Price Sensitive Information relating to the Company becomes public.

4.6 The Trading Window restrictions shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

4.7 In the case of ESOPs, exercise of option may be allowed in the period when the Trading

Window is closed, under a trading plan. However, sale of Securities allotted on exercise of ESOPs in the market shall not be allowed when Trading window is closed.

4.8 The Trading Window shall open on the 3<sup>rd</sup> (third) working day following the Company's public announcement of financial results (quarterly, half-yearly and annually) and earnings data prepared in accordance with Listing Agreements with the Indian Stock Exchanges or the declaration of dividend (whether interim or final) or such other instances of public disclosure of Unpublished Price Sensitive Information.

4.9 The Trading Window will remain open till the following periods:

- a. till 30<sup>th</sup> June or ;
- b. till 30<sup>th</sup> September or ;
- c. till 31<sup>st</sup> December or ;
- d. till 31<sup>st</sup> March

whichever is applicable or such other period(s) which the Compliance Officer shall notify in advance during which Unpublished Price Sensitive Information is not public. This is subject to change as per changes to the Listing Agreement by SEBI and/or stock exchanges.

## 5. Disclosure of Interest or holding by certain persons

The disclosures to be made by any person under this Code shall include those relating to Trading by such person's Immediate Relatives, and by any other person for whom such person takes Trading decisions.

### 5.1 Initial Disclosures

5.1.1 Any person who is a promoter, key managerial personnel and director in the Company shall in addition to any disclosures made under the subsisting code, additionally disclose to the Compliance Officer in **Attachment-A (or such other form as may be specified)** his holding of Securities of the Company as on the date of this Code becoming effective (i.e. May 15, 2015), to the Company within 30 days (i.e. by June 15, 2015).

5.1.2 Any person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose to the Compliance Officer in **Attachment-B** his holding of Securities of the Company as on the date of such appointment or upon becoming a promoter, to the company within 7 days of such appointment or becoming a promoter.

## 5.2 Continual Disclosures

5.2.1 Any promoter, employee and director of the Company shall disclose to the to the Compliance Officer in **Attachment-C**, the number of such Securities acquired or disposed of within 2 trading days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lakh or such other value as may be specified.

5.2.2 The disclosure of the incremental transactions after any disclosure under clause 5.2 shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause 5.2.1.

## 5.3 Disclosure by other Connected Persons:

The Company may, at its discretion require any other connected person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in **Annexure-Don** monthly basis or at such frequency as may be determined by the Company in order to monitor compliance with the Insider Trading Regulations.

## 5.4 Disclosure by Company to Stock Exchanges

The Compliance Officer, within 2 working days of receipt of the information under clause 5.2(Continual Disclosures), shall disclose the information so received to all stock exchanges on which the Company's Securities are listed, in the formats specified therein. The disclosures required under this clause may also be made through electronic filing in accordance with the system devised by the stock exchanges.

## 6. Pre Clearance of Trades

6.1 All Designated Persons and their Immediate Relatives who intend to deal in the Securities of the Company during the valid Trading Window, if the value of the Securities traded whether in one transaction or a series of transactions over any calendar quarter aggregates to a trade values in excess of Rs. 10 lakhs or such other value as may be specified or such thresholds as the Board may stipulate, should get pre-clearance of the transactions by the Compliance Officer as per the pre-dealing procedure described hereunder.

6.2 An application as per **Attachment-E** shall be made to the Compliance Officer indicating the estimated number of Securities that the Designated Person intends to deal in, for pre-

clearance of the deals.

- 6.3 An undertaking as per **Attachment-F** shall be executed in favor of the Company by such Designated Persons.
- 6.4 No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person is in possession of Unpublished Price Sensitive Information even if the Trading Window is not closed.
- 6.5 All Designated Persons shall execute their order in respect of Securities of the Company within seven trading days after the approval for pre-clearance is given by the Compliance Officer. If the order is not executed within the notified time, after the approval is given, Designated Persons must get a fresh pre-clearance of the transaction again.
- 6.6 All Designated Persons who buy or sell any number of Securities of the Company shall not enter into an opposite/contra transaction i.e., sell or buy any number of Securities during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the Securities of the Company at any time. Should a opposite/contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the SEBI Act, 1992.
- 6.7 In case of subscription in the primary market (follow-on public offer), the Designated Persons shall hold their investments for a minimum period of 30 (thirty) days. The holding period commences when the Securities are actually allotted.
- 6.8 The Compliance Officer may grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Insider Trading Regulations. In case of sale of Securities under clause 6 is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.

## **7. Reporting Requirements**

- 7.1 All Designated Persons of the Company shall be required to forward following details of their Securities transactions including the statement of Connected Persons, Immediate Relatives to the Compliance Officer:
- a) all holdings in Securities of that Company by Designated Persons at the time of joining the

Company;

- b) quarterly statement of any transactions in Securities of the Company and reporting the completion of trades where pre-clearance is required within 15 days of the transaction; and
- c) annual statement of all holdings in Securities.

7.2 The Compliance Officer shall preserve all the records being maintained under this Code, for a minimum period of 5 (five) years in such form as may be specified.

7.3 The Compliance Officer shall place before the Board, on a monthly basis all the details of the dealing in the Securities by Designated Persons of the Company and the accompanying documents that such persons had executed under the pre-clearance procedure as envisaged under this Code.

## **8. Execution and Return of Certification of Compliance**

All Designated Persons and all employees identified by the Company from time to time should execute and return to the Compliance Officer, the Certification of Compliance to the Code as per **Attachment-G**, whenever required.

## PART II

### CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015)

The Company has the following obligations under the Insider Trading Regulations:

#### A. Prompt disclosure of Unpublished Price Sensitive Information

- The Company shall make prompt public disclosures of Unpublished Price Sensitive Information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
- The Company shall handle all Unpublished Price Sensitive Information on a need-to-know basis.
- Any amendment to this Code shall be promptly intimated to the Stock exchanges by the Compliance Officer.

#### B. Responding to market rumours:

- The Company shall appropriately and fairly respond to queries on news reports and requests for verification of market rumours by regulatory authorities.
- The official designated for corporate disclosure shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

#### C. Medium of disclosure/dissemination:

- The Company has designated a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- The Company shall promptly disseminate Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- The Company shall uniformly and universally disseminate Unpublished Price Sensitive Information to avoid selective disclosure.
- The Company shall ensure that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.

#### **D. Prevention of misuse of the Unpublished Price Sensitive Information**

In order to inter alia comply with the above the following procedures have been established, and will be maintained and enforced, by the Company to prevent insider trading. Every Designated Person and all employees of the Company are required to follow these procedures.

- **Identifying Unpublished Price Sensitive Information**

Prior to directly or indirectly Trading in any security of the Company, every Designated Person in particular director and all employees are required to determine whether they are in possession of Unpublished Price Sensitive Information relating to such security. In making such assessment, the explanations of “Unpublished Price Sensitive Information” should be of assistance and the Company’s Compliance Officer should be consulted in the event of any uncertainty. If after consulting the Compliance Officer, it is determined that such director or employee is in possession of Unpublished Price Sensitive Information, there shall be no Trading in such security.

- **Information Relating to the Company**

- a. **Access to Information**

Access to Unpublished Price Sensitive Information about the Company, including information with respect to its business, earnings or prospects, should be limited to

directors and employees of the Company on a need-to-know basis. In addition, such information should not be communicated to anyone outside the Company under any circumstances or to anyone within the Company on another than need to know basis.

In communicating Unpublished Price Sensitive Information to Employees of the Company, all directors and employees must take care to emphasize the need for confidential treatment of such information and adherence to the Company's policies with regard to confidential information.

b. Inquiries From Third Parties

- i. Inquiries from third parties, such as industry analysts or members of the media, about the Company should be directed to the Chief Executive Officer or Chief Financial Officer or another appropriate person designated by them.
- ii. The Company shall provide only public information to the analyst/research persons/large investors like institutions. Alternatively, the information given to the analysts etc. will be simultaneously made public at the earliest.
- iii. In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives are present at meetings with analysts, brokers or institutional investors and discussion should preferably be recorded.
- iv. The Company will be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes Unpublished Price Sensitive Information, a public announcement should be made before responding.
- v. When the Company organizes meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meet. The Company may also consider live webcasting of analyst meets.
- vi. During the period notified by the Compliance Officer when Trading is prohibited on account of Unpublished Price Sensitive Information not having become public, responding to inquiries from such third parties should be avoided.

• Limitation on Access to the Company Information

The following procedures are designed to maintain confidentiality with respect to the Company's business operations and activities.

- a. All directors and employees should take all steps and precautions necessary to restrict access to, and secure, Unpublished Price Sensitive Information by, among other things:
  - Maintaining the confidentiality of Company related transactions;
  - Conducting their business and social activities so as not to risk inadvertent disclosure of confidential information. Review of confidential documents in public places should be conducted in a manner which prevents access by unauthorized persons;
  - Restricting access to documents and files (including computer files) containing Unpublished Price Sensitive Information to individuals on a need-to-know basis (including maintaining control over the distribution of documents and drafts of documents);
  - Promptly removing and cleaning up all confidential documents and other materials from conference rooms following the conclusion of any meetings;
  - Properly disposing of all confidential documents and other papers, after there is no longer any business or other legally required need;
  - Restricting access to areas likely to contain confidential documents or Unpublished Price Sensitive Information; and
  - Avoiding the discussion of Unpublished Price Sensitive Information in places where the information could be overheard by others such as in elevators, restrooms, hallways, restaurants, airplanes or taxicabs.
- b. Personnel involved with Unpublished Price Sensitive Information, to the extent feasible, should conduct their business and activities in areas separate from other Company activities.

Form A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (a) read with Regulation 6 (2)]

Name of the company:

ISIN of the company:

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

**Attachment -B**

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP Directors/mediate /imm	Date of appointment of Director /KMP OR	Securities held at the time of becoming Promoter/appointment of Director/KMP	% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP	Open Interest of the Option Contracts held at the time of becoming Promoter/appointme nt of Director/KMP
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	relatives/other s etc.)	Date of becoming Promoter	Type of security (For eg. – Shares, Warrants, Convertible Debentures	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	5	6		7	

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature :

Designation:

Date:

Place:



		(For eg. – Shares, Warrants, Convertible Debentur e s etc.)		(For eg. – Shares, Warrants , Converti ble Debentur es etc.)		ction	ction					Value	Number of units (contracts * lot size)	Value	Num ber of units (contra cts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place

## Form D

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

## Regulation 7(3) – Transactions by Other connected persons as identified by the company

Name, PAN No., CIN/DIN & address of connecte d persons, as identified by the company with contact no.	Connecti on with company)	Securities held prior to acquisition/dis posal		Securities acquired/Dispos ed		% of shareholding		Date of allotment advice/ acquisition of shares/ From To		Date of intimation to company	Mode of acquisition (market purchase/pu blic/ rights/ preferentia l offer / off market/ Inter-se transfer etc.)	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of securit y (For eg. – Shares, Warran ts, Conver tible	No.	Type of security (For eg. – Shares, Warrant s, Conver tible	No.	Pre transa ction	Post transa ction	Buy	Sell			Value	Number of units (contrac ts * lot size)	Valu e	Num ber of units (contr acts * lot	
		3	4	5	6	7	8	9	10			11	12	13	14	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Name:

Signature: Date:

Place:

**Attachment-E**

**APPLICATION FOR PRE-CLEARANCE**

(As required under Clause 6.2 of the Code of Conduct of the Company – Insider Trading)

The Company  
Secretary,

Agro Tech Foods  
Limited 31,Sarojini  
Devi Road

Secunderabad – 500 003.

Dear Sir,

Sub: Request for pre-clearance for Trading in Securities of the Company.

In pursuance of the procedure laid down for the dealing in Securities of the Company, I hereby submit the following for your clearance.

1)	Name of the Employee	
2)	Employee No.	
3)	Designation and Location	
4)	Reason for sale/purchase	

5)	No. of Securities proposed to be sold/purchased in one transaction or a series of transaction over any calendar quarter	
6)	Class of Securities	Equity
7)	Depository Participant ID	
8)	Client ID	

Further, I enclose (have already executed) the Undertaking cum Indemnity Bond as envisaged in the Insider Trading Policy for your records. I confirm that I have read the Company's Insider Trading Code and am not in possession of Unpublished Price Sensitive Information relating to the Company when I am purchasing or selling the above Securities. The above is full and true disclosure in the matter. In the light of the above, please communicate your clearance to enable me to sell/purchase the Securities.

## APPROVAL FOR PRE-CLEARANCE

Approval is hereby accorded for you to sell/purchase the Securities covered in your application above based on the declaration furnished therein by you and subject to the condition that the sale/purchase of the Securities would be completed on or before, failing which a fresh pre-clearance would need to be obtained by you, in accordance with the Policy of the Company.

Date:

Compliance Officer:

**Attachment-F**

**UNDERTAKING CUM INDEMNITY BOND**

*(On a stamp paper of appropriate value)*

(As required under Clause 6.3 of the Code of Conduct of the Company – Insider Trading)

This UNDERTAKING CUM INDEMNITY BOND is executed for Trading in Securities of Agro Tech Foods Limited during the valid Trading window.

By \_\_\_\_\_ S/o / W/o / D/o residing at (hereinafter referred to as employee/Director)

In favor of

Agro Tech Foods Limited, a Company incorporated under the Companies Act,1956 and having its registered office at 31, Sarojini Devi Road, Secunderabad – 500 003. (hereinafter referred to as the “**Company**”).

WHEREAS the Company has, in terms of regulatory requirements, put in place a Code prohibiting insider trading (hereinafter referred to as the “**Code**”),

AND WHEREAS, the Policy provides that the Designated Person / Director of the Company must comply with the pre-clearance procedure before dealing in any Securities of the Company.

NOW THIS UNDERTAKING CUM INDEMNITY BOND WITNESSETH AS UNDER:

1. I, \_\_\_\_\_ Employee No.(Employee/Director) of Agro Tech Foods Limited, do hereby undertake to adhere to the terms, conditions and restrictions contained in the Policy, as are currently in force.
2. I understand that any misrepresentation and/or false undertaking given herein may attract penalties as laid down under the Policy.
3. That, I do not have access to, or have not had access to UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI) by virtue of my position or connection in the

Company or otherwise, up to the time of signing this Undertaking cum Indemnity Bond.

4. That, I shall obtain the pre-clearance of the Compliance Officer, before dealing in the Securities of the Company.
5. That, I will only sell/purchase the Securities of the Company for the reasons as mentioned in the application and will not buy/sell the Securities of the Company during the period Trading is prohibited.
6. That, in case I have access to or receive or am in possession of UPSI after the signing of the Undertaking cum Indemnity Bond but before the execution of the transaction, I shall inform the Compliance Officer and that I would completely refrain from dealing in the Securities of the Company until 24 hours after such information becomes public.
7. That, I have not contravened the rules and other provisions contained in the Policy currently in force.
8. That, I have made full and true disclosure in the matter.
9. That, I hereby indemnify the Company as below.
  - a) To hold the Company faultless in the event of any investigation against me for insider trading by any regulatory authority.
  - b) To make good to the Company all economic losses, fines or penalty if any, imposed on the Company as a result of any investigation by any regulatory authority / authorities into any of the transactions entered into by me in dealing with the Securities of the Company.
  - c) To compensate the Company for and towards all legal expenses incurred in defending itself in such investigations, including advocates' fees.
10. That, I shall be liable for punitive action and/or Company imposed sanctions for contravention of the Policy apart from any action that may be taken against me by any regulatory authorities if it is proved that I have violated the amended SEBI (Prohibition of Insider Trading) Regulations, 1992.
11. That, I shall be bound by the laws of India, in respect of this Undertaking cum Indemnity Bond and shall be subject to the jurisdiction of the Courts at Secunderabad only.

IN WITNESS WHEREOF THIS UNDERTAKING CUM INDEMNITY BOND HAS BEEN EXECUTED ON  
THIS DATE OF \_\_\_\_\_ AND AT \_\_\_\_\_

**Attachment-G**

CERTIFICATION OF COMPLIANCE

(As required under Clause 8 of the Code of Conduct of the Company – Insider Trading)

The Company Secretary,  
Agro Tech Foods Limited,  
31, Sarojini Devi Road  
Secunderabad – 500 003.

RE: STATEMENT OF POLICIES AND PROCEDURES OF AGRO TECH FOODS LIMITED GOVERNING  
PRICE SENSITIVE, NONPUBLIC INFORMATION AND PROHIBITING INSIDER TRADING

I have received, read, and understood the above-referenced Statement of Policies and Procedures and hereby undertake, as a condition to my present and continued affiliation with Agro Tech Foods Limited to comply fully with the policies and procedures contained therein.

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SIGNATURE

NAME: EMPLOYEE

---

DATE



## CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

### I. Guidelines of professional conduct:

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

### II. Role and functions:

The independent directors shall:

- (1) 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;
- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;

- (7) 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) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties:**

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 on account 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.
- (14) not take up any role or position, whether directorial or advisory or otherwise in other Food Companies which may give rise to conflicts of interest.

#### **IV. Manner of appointment:**

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :
  - (a) the term of appointment;
  - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - (d) provision for Directors and Officers (D and O) insurance, if any;
  - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
  - (f) the list of actions that a director should not do while functioning as such in the company; and
  - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

**IV. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

**VI. Resignation or removal:**

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

**VII. Separate meetings:**

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
  - (a) review the performance of non-independent directors and the Board as a whole;
  - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**VIII. Evaluation mechanism:**

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.