

Narmada Gelatines Limited

Code of Conduct for Board Members and Senior Management

(Vide Clause 49 of the Listing Agreement)

(A) Introduction:

1. This Code of Conduct ("Code") is approved by the Board of Directors in their meeting dated 28th January, 2006, pursuant to the requirements of Clause 49 sub clause 1 D of listing agreement (SEBI code on corporate governance) to be effective w.e.f. 1st January, 2006.

2. The Code is applicable to:

- Members of the Board
- Senior Management Cadre comprising of CEOs, Vice Presidents, General Managers, Department Heads

both together referred to as "Employees" hereinafter.

3. The Code with the exception of clause D (Certification) is also applicable to all other employees not covered as above.

(B) Corporate Code of Conduct:

1. Conduct of Business

Employees shall conduct the Company's business in an efficient and transparent manner and in meeting their obligations to shareholders and other stakeholders. They shall not be involved in any activity that would have any adverse effect on the objectives of the Company or against national interest.

2. Conflict of Interest

Employees shall not engage in any activity or enter into any pecuniary relationship which might result in conflict of interest, either directly or indirectly. They shall not derive any personal benefit by influencing any decision relating to any transaction or involve in any dealing with the Company's promoters, its management or its subsidiaries, suppliers, shareholders and other stakeholders which, in the judgement of the Board, may affect the independence of judgement of the Director concerned.

3. Legal Compliance

The Company's policy on legal compliance requires every employee to adhere to the legal and regulatory requirements, in all material respects, that affect his or her job.

It is essential that information provided to the regulatory authorities is accurate and not misleading.

3. Environmental Commitment

The Company's business will be conducted in an environmentally friendly and responsible manner.

Employees shall:

- a. ensure compliance with the spirit and intent of environmental laws, regulations and standards;
- b. incorporate environmental protection as an integral part of the design, production, operation and maintenance of Company's facilities.



4. Respect for People

Employees are expected to treat co-employees and business associates fairly and, irrespective of hierarchical level, with dignity and respect. Every employee shall be judged on merits.

6. Protecting Company's Assets

Employee shall not indulge or encourage any activity, which would result in misuse of the Company's assets. This would include both tangible and intangible assets such as equipment, machinery, systems, material resources, intellectual property rights, goodwill, trademarks, patents, etc.

7. Confidential and Proprietary Information

Employees, in the course of their dealings with the Company, may gain access to confidential information and hence he/she must maintain absolute secrecy and should not part with such information except with the Board of Directors or as required by law.

Employees are prohibited from using Company's property or information, or their position within the Company, for personal gain.

8. Records Maintenance and Management

Employees must maintain and manage appropriate records and information pertaining to affairs of the Company under their purview, including records and information in electronic like e-mails, computer files, etc and non-electronic forms.

9. Financial Information

Financial information on Company's operations and performance provided to shareholders, equity analysts, creditors, newspapers and such others, whether statutory or voluntary, must be accurate and reliable.

Disclosure of financial and business information to the public at large or to any interested person shall be governed by the "Code of Corporate Disclosure Practices for Prevention of Insider Trading" prescribed by SEBI.

Communication to the Press or such other media shall be organized by the Corporate Communications Department and Employees should not talk about Company matters with a reporter, either on or off the record.

In order to protect the investing public, employees shall not use the 'unpublished price sensitive information' to buy or sell securities. Employees must not indulge in insider trading and abide by the Company's Code of Conduct for Prevention of Insider Trading.

10. Financial reporting and disclosures to the regulatory authorities, government agencies, shareholders, etc.

The Board of Directors shall ensure that the financial statements and reporting, made on behalf of the Company, do not contain any untrue statement or omit any material fact or content that might be misleading and shall strive to present a true and fair view of the company's affairs in compliance with the prevailing Accounting Standards, applicable laws and regulations.

The Board shall duly and fairly inform the shareholders all relevant aspects about the company's business and disclose such information as may be required, from time to time, in accordance with the applicable rules and regulations.



11. Wealth Creation

The Board Members and the Senior Management team shall be committed to enhance the shareholders' worth / value and shall strictly comply with all regulations and laws that govern shareholders' rights.

12. Gifts & Donations

Employees shall not receive directly/indirectly any illegal payments, gifts, donations or any benefits which are intended for unethical favours save and except nominal gifts which are customary in nature or associated with festivals.

13. Declarations to the Board

(a) Membership: A Board Member shall not take membership of more than such number of committees or act as Chairman of more than such number of committees across all companies as is prescribed under applicable law or provisions of Listing Agreement with Stock Exchanges. Every Board Member shall inform the Board of all such membership at the beginning of each financial year and also of every change as and when they take place.

(b) Share holdings: The Board Members and the Senior Management team shall inform their equity holding in the company and any changes that may take place and shall not indulge in any trading of the securities of the company which would come within the purview of the Company's Insider Trading Regulations.

(c) Disclosure of Interest in any contact / arrangements: In case of any agreement or contract which is or shall be entered into by and between two corporate entities, in which a Director is interested, the Director shall forthwith draw the attention of the Board about the fact and shall not participate in the deliberations nor vote on the resolution relating to the same.

14. Outside Activities

All Board Members as well as the Senior Management team shall be free to pursue any kind of social activities and can become Members or Office Bearers of any social club or organisation so long as it does not adversely affect or is detrimental to the business interests of the Company.

(C) Compliance with the Code:

As a condition of employment / association with the Company, Employees are expected to comply with and strictly adhere to the standards of conduct contained in this Code and underlying policies and procedures. When in doubt, this Code casts the responsibility on the Employee to seek clarification and guidance as to the proper course of conduct from relevant authority.

Employees who are aware of any misconduct under this Code, illegal activity, fraud or abuse of Company assets must report such matters to the Executive Director of the Company.

(D) Certifications:

Employees to whom the Code is applicable shall every year affirm to the Board of Directors their compliance with the Code.

The Managing Director will make a declaration in the Annual Report for each year that the above affirmations have been received from the Employees.

