

LS INDUSTRIES LIMITED

Code of Ethics and Business Conduct

Company's Code of Conduct governs the actions and working relationships of the Company's employees, officers and Directors with current and potential customers, fellow employees, competitors, government and self regulatory agencies, the media, and anyone else with whom the Company has contact/ dealing.

This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. Each Director, officer and employee is expected to comply with the letter and spirit of this Code.

Conflicts of Interest: A conflict of interest occurs when your private interest in any way interferes or appears to interfere with the interests of the Company. You are expected to avoid all situations that might lead to a real or apparent material conflict between your self-interest and your duties and responsibilities as an employee, officer or Director of the Company.

The Directors, officers and employees should avoid 'conflicts of interest' with the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of Directors and a prior written approval should be obtained.

Ethical Conduct: The Directors, officers and employees shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct not only on Company's premises and off site but also at company sponsored business, social events as well as any places. They shall act and conduct free from fraud and deception. Their conduct shall conform to the best-accepted professional standards of conduct.

Duties of Independent Directors:

The Schedule IV of Companies Act 2013 has prescribed following duties of Independent Directors of the Company under the provisions of section 149 of Companies Act 2013 and rules & regulations made thereunder:

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 the 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 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.

All Independent Directors of the Company are expected to adhere above prescribed duties in compliance of relevant provisions of Companies Act 2013, Rules made thereunder and under SEBI Guidelines and Rules & Regulations.

Confidentiality: The Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or its associates. The Directors, officers and employees are not to share confidential information with any one outside of the Company. One is under obligation to keep all information confidential even if one's employment with the Company ends.

Fair Dealing: Each employee, officer and Director should undertake to deal fairly with the Company's customers, suppliers, competitors, and fellow employees.

Financial Reporting: Each employee, officer and Director is required to report timely to the company's senior management all information in his possession that may be necessary to ensure that the Company's financial reports and disclosures are full, fair and accurate.

Insider Trading: It is both unethical and illegal to buy, sell, trade or otherwise participate in transactions involving the Company's securities, while in possession of material information concerning the Company that has not been released to the general public, but which when released may have an impact on the market price of the Company's securities.

An employee of company shall not use or proliferate information that is not available to the investing public, and which therefore constitutes insider information, for making or giving advice on investment decisions about the securities of the company, Group, client or supplier on which such insider information has been obtained.

Every employee, officer and Director of the Company should adhere to the Code of conduct as framed and accepted by the Board of Directors in compliance with the requirements under SEBI (Prohibition of Insider Trading) Regulations.

Outside Business Relationships: Every employee and officer of the Company before agreeing to act as a Director, officer, consultant or advisor for any other business organization, should notify his immediate superior. Director should also disclose all new Directorships or changes in their already disclosed status.

Protection of Company's Assets: All Directors, officers and employees should ensure that the assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorized. Theft and wastage of the Company's assets and property have a direct impact on the Company's profitability.

Relationships with suppliers and customers : All Directors, officers and employees shall ensure that in their dealings with suppliers and customers, the Company's interests are never compromised, Accepting gifts and presents of more than a nominal value from suppliers or customers will be viewed as a serious breach of discipline as this could lead to compromising company's interest.

Legal Compliances: It is the Company's policy to comply with all applicable laws, rules, and regulations. It is the personal responsibility of each employee, officer and Director to adhere to the standards and restrictions imposed by those laws, rules and regulations. Any one who is unsure of whether a situation violates any applicable laws, rules or regulations should consult the legal department of the Company before taking any action that may jeopardize the Company or that individual.

Promote a Positive Work Environment: All employees want and deserve a work place where they feel respected, satisfied and appreciated. Harassment or discrimination of any kind and especially involving race, color, religion, gender, age, nationality, disability is unacceptable in the work place environment. In dealing with each other, employees shall uphold the values of – trust, teamwork, mutuality, objectivity, self respect and human dignity.

Reporting of Illegal or Unethical Behavior: The Company requires its employees, officers and Directors to talk to supervisors, managers or other appropriate personnel to report and discuss any known or suspected illegal or unethical behavior involving the Company or its employees.

Reporting of Violations: If any Director, officer or employee who knows of or suspects of a violation of applicable laws, rules or regulations of this Code of conduct, he/she must immediately report the same to the Board of Directors. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation. All reports will be treated confidentially and will receive a full enquiry.

Company has also laid down "Whistle Blower Policy" to manage and deal such kind of matters. The company shall ensure protection to the whistle blower and any attempts to intimidate him / her would be treated as a violation of the Code.

Administration, Enforcement And Waiver of Code of Conduct:

Company's code of ethics and business conduct shall be administered and monitored by the Company's Senior Management. Employees, officers and Directors of the Company are expected to follow the code of conduct at all times. In rare circumstances situation may arise in which a waiver may be appropriate. Waiver will be determined strictly on case to case basis by the Company's Senior management and by Board of Directors.

Violations of this Code of Ethics will result in appropriate Disciplinary Action, which may even include termination of services of the employee. The Company's Board shall determine appropriate action in response to violations of this Code of Ethics.
