



LOTUS CHOCOLATE COMPANY LIMITED

CIN: L15200TG1988PLC009111

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CODE OF CONDUCT AND ETHICS FOR DIRECTORS AND KEY MANAGERIAL PERSONNEL

Introduction;

The code of conduct is called “The code of conduct and ethics for the Board Members and key managerial personnel” of Lotus Chocolate Company Limited herein after referred as committee.

The code is in alignment of company Vision, Mission and Values enhancing ethical and transparent process in managing the affairs of the company.

Applicability:

The code shall be applicable to the following persons;

- a) All executive Directors
- b) All non-executive Directors and
- c) All key Management personnel
- d) Functional heads

The rules and principal set forth in the code are general in nature and the compliance with the code shall be ensured read with other applicable policies and procedures of the company.

Any amendments to the code shall be first approved by the Board of Directors and promptly disclosed in company’s website.

Code of conduct for Board of Directors;

1) Legal, Honest and ethical conduct:

-Act in the best interest of and fulfil their fiduciary duties to the stakeholders of the company.

-Act Honestly, fairly, ethically with integrity and loyalty.

-Conduct themselves in a professional courteous and respectful manner

-Become and remain familiar with the Company’s business and the economic and competitive environment in which the company operates and understand its principal business plan, strategies, objectives, operational results and financial condition.

_Act in a manner to enhance the reputation of the company.

-Abide the rules, laws and regulations of the Lotus Chocolate Company Limited Insider Trading compliance program.

-Scrupulously comply with the spirit and letter of various obligations cast on the director under Companies Act 2013, the listing agreement entered with the stock exchanges and securities legislations including Insider trading regulations.

2) Regulatory in compliance with Laws, rules and regulations

(i) comply with all applicable laws , rules , regulations , approvals ,circulars,

Press notes, orders, issued by the government and ministries department

Etc.

(ii) Keep up-to date their knowledge about compliance required under applicable laws.

3) Conflict of interest;

Avoid “Conflict of Interest” with the company. A conflict of Interest exists where the Interest of director or member of the senior management conflicts with that of a company

The code requires that the directors and the officers of the company shall avoid the activity that creates conflict between the personal interest of such directors and officers and the company business interests or whenever a prospect of direct or indirect personnel gain may influence such directors or officers judgement or actions while discharging business actions for the company.

A possible conflict may arise when a director or officer or their immediate family has any ownership, profit and/or employment interest in a competing firm or with a firm where the company has collaborated as a customer/ supplier /buyer.

Directors shall promptly disclose any conflicts of interest and abstain from voting on any matter in which such director has or may have a conflict of interest and shall make available to share with other directors information as may be appropriate to ensure proper conduct .

4) Disclosure of Interest of directors:

Disclose necessary information to the company and the Board of Directors at regular intervals in respect of declarations required to be made under applicable laws including companies act 2013, and details of related party and also details of any material financial and commercial transactions where conflict of interest is likely to arise.

Acknowledgment;

The directors and senior management shall read and fully understand this code of conduct and ethics and abide the policies, procedures ,principles contained therein.