

# **LUX INDUSTRIES LIMITED**

## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT EMPLOYEES**

### **INTRODUCTION**

This code of conduct is made for Senior Employees and Board members to maintain the standard in the business and to ensure the compliances with the legal requirement.

This code is applicable to following

- All Board members (including Independent Director)
- All functional departments head

The concerned persons are expected to read and adhere to these conducts in performing their duties.

Nothing contained in this Code, in any company policy and procedures or in other related communication shall constitute or implies an employment or contract of employment for a definite term or a guarantee of confirmed employment.

### **GENERAL STANDARDS**

The company expects professional integrity, honesty and ethical conduct while conducting the business of the company.

The Company expects all to exercise good judgment to ensure safety and welfare of employees. The company is committed to provide a good working environment and expect to be reported of any unlawful harassment, unsocial or unethical conduct at work place.

### **COMPLIANCES**

The company expect its officers to comply with the all Statutory Laws, Rules , Regulations and to be alert with possible violations. The officer must acquire appropriate knowledge of the requirement of compliances relating to their duties.

### **CONFLICT OF INTEREST**

If an Whole- Time Director/Officer is considering investment in any customer, supplier, developer or competitor , he/she must ensure that the investment made do not compromise with his/her responsibilities with the company. The Company expects the full time attention from its Whole- Time Directors/Officers. The company prohibits its Directors/Officers to engage in any business, profession, part-time jobs, that interface with the performance or responsibility or otherwise prejudicial to the interest of the company

The Whole- Time Director/Officer should avoid conducting the Company business with their relatives, or with the business associates in which they have a significant role. In case of any such transaction the nature of the related party transaction should be disclosed to the head of the Board/ Accounts and Finance department.

Under no circumstances any Officer should accept any offer, payment , promise to pay or authorization to pay any money, gift or anything of value from customers, vendors, consultants that is perceived as intended , directly or indirectly , to influence any business decision, any act or failure to act , any commitment of fraud of opportunity for the commission of any fraud.

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Gifts by company to suppliers or customer or received from suppliers or customers should be appropriate to the circumstances.

### **CORPORATE OPPORTUNITY**

The officer should not use for their personal gain, any opportunity that are discovered through the use of company resources unless the facts are fully disclosed to the Company.

### **CONFIDENTIAL INFORMATION**

The confidential information are the valuable assets of the Company. The company information which includes process, list of customers, transaction details, vendor database, employees list must be protected and must be used for the company business purpose only.

### **USE OF THE COMPANY ASSETS**

Protecting Assets of the company is the major key responsibility of all employees. Care should be taken to ensure that the assets are not misappropriated, loaned to others or sold or donated without proper authorization. The Assets of the company should be used only for the business of the company. The officers shall not use the assets of the company for their personal purpose and they shall not allow any other person to do so.

Every officer who has the control over the fund of the company shall not allow any outsider to exercise control over the fund of the company and the officer having control over the fund shall be personally responsible for the safeguard of the funds. Reasonable steps should be taken to ensure that the company receives good value for the fund spent and accurate and timely recording of expenditure is made.

### **SEXUAL HARASSMENT**

The Directors and each Employee shall maintain a work environment free from sexual harassment, whether physical, verbal or psychological. Disciplinary action shall be taken against any Director / Employee found in breach of this Code, which may include civil or criminal prosecution before competent Court of Law.

### **DUTIES OF INDEPENDENT DIRECTOR**

The Independent Director 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 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;

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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 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 behavior, 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. Hold at least one meeting in a year without the attendance of non- independent Directors and members of the Management wherein you are requested to:
  - 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.

### **VOILATION AND ACTION**

The violation of the Code of Conduct should be promptly reported to the appropriate authority. The company will take appropriate action in case of violation. Disciplinary action includes immediate termination which shall be at the sole discretion of the company. Where the company has suffered losses ,it may pursue its remedies against the individual or entities responsible. Where laws have been violated, the company will cooperate fully with the appropriate authority.

### **REVIEW AND MODIFICATION**

This code is subject to continuous review and updation in the line with the changes in the law , company vision , business plans or otherwise as may be deemed necessary by the board.

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### **WAIVER**

Any waiver of any provision of this code of conduct must be approved in writing by the company's Board of Directors and promptly disclosed.

### **OUTSIDER'S RECOURSE**

No Outsider will have any right or recourse to action or claim of whatsoever nature against any of the Director's or Employee(s) of the company for the non-compliance of this code.