

CODE OF CONDUCT
FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT
OF
MILKFOOD LIMITED

1. Introduction:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that:

- (i) The Board of Directors shall lay down a code of conduct for all members of board of directors and senior management of the Company.
- (ii) The code of conduct shall suitably incorporate the duties of independent directors as laid down in the Companies Act, 2013.
- (iii) The code of conduct shall be posted on the website of the Company.
- (iv) All members of board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

The Board of Directors of the Company has therefore considered and laid down formally the "Code of Conduct" for the members of Board of Directors and senior management of the Company (hereinafter referred to as "Code") and have incorporated the duties of independent directors. The purpose of this Code is to:-

- Deter wrongdoing and promote ethical conduct of the Board members and the senior management of the Company.
- Guide and help in recognizing and dealing with the ethical issues.
- Mechanism to report unethical conduct.
- To help foster a culture of honesty and accountability.
- Uphold the standards in day to day activities.
- Compliance of all applicable laws, rules and regulations and other policies and procedures adopted by the Company.
- Maintain the confidentiality of all material non-public information about the Company, its business and affairs and make no use of it other than for Company's interest.

It shall come into force w.e.f. 01st Decmeber, 2015.

2. Persons to whom the Code is applicable:

This code is applicable to the following persons (hereinafter referred to as 'officers' of the Company):

- a. All the Board Members.
- b. The entire Core group Members of the Company and other heads of the department.

3. Compliance with all the existing laws and existing Company policies:

All the officers of the Company shall ensure due compliance with all the existing local, state, national and international laws and also comply with all the existing procedures, rules and regulation of the Company. Should they come across or witness any non compliance by any subject, they are expected to notify the same to the Managing Director / Whole Time Director / Chief Executive Officer and the Board at the earliest.

The Company Secretary of the Company shall be the Compliance officer for the purpose of this code.

4. Conflicts of Interest:

The officers are expected to avoid all situations that might lead to a real or apparent material conflict between the self-interest and the official duties and responsibilities.

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 Compliance Officer who shall put up the matter to the Board of Directors for their approval .

5. Fair treatment of all employees:

The Company is committed to provide cordial work environment where all the employees are treated fairly and they shall not be discriminated on any grounds such as race, caste, creed, colour, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sex, or any other basis.

6. Protection of Confidential information and Company's Property:

All the officers of the Company shall protect the confidential information and also ensure that such confidential information is safeguarded at all levels of the organization. The Company's confidential information includes product processes, sources, codes, product plans & road maps, names and list of the customers, dealers, employees and financial information like quarterly/yearly results not declared, cost sheet, etc. All the confidential information obtained must be used only for the Company's business purposes only. However this obligation also extends to the confidential information obtained by the Company from third parties under the non-disclosure agreements.

All the officers of the Company shall protect the Company's property and shall use the same for the Company's business purposes only.

7. Protection of interests of our stakeholders:

The officers shall protect the interest of all Stakeholders of the Company and shall be accountable to them. The stakeholders will broadly include Shareholders, Financial Institutions, Banks, Customers and Employees.

8. Honest and ethical conduct

The officers of the Company shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at off site locations, where to the Company's business is being conducted, at Company sponsored business and social events, or at any other place where officers are representing the Company. Honest conduct is to be construed as that conduct that is free from any fraud or deception or misrepresentation and Ethical conduct to be that conduct conforming to the accepted professional standards of conduct, and there should not be apparent conflicts of interest between personal and professional relationships.

9. Protection of Environment, Health and Safety:

All the officers of the Company shall take necessary action to protect the environment and also ensure the health and safety of themselves, employees, workers and society at large. They must comply with all environmental, health and safety laws, rules and regulations.

10. Insider Trading:

All the officers of the Company shall in no way deal directly or indirectly with the securities of the Company on the basis of any price sensitive information. Price sensitive information means any information which relates directly or indirectly to a Company and which, if published, is likely to materially affect the price of securities of the Company and shall include periodical financial results of the Company, intended declaration of Dividend (both interim and final), issue of securities, buy-back of securities, any major expansion plans or execution of new projects, amalgamation, mergers or takeovers, disposal of whole or substantial part of undertaking or any significant changes in policies, plans or operations of the Company.

The Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the same is published on the website of the Company.

All the officers of the Company shall also comply with the Company's Code of Conduct for SEBI (Prohibition of Insider Trading) Regulations, 2015.

11. Fair Dealing:

The officer should not take any unfair advantage of anyone through manipulation, concealment, abuse of power & privileged information, misrepresentation of material facts or any other intentional unfair dealing practice.

12. Gifts:

No gift or entertainment should ever be offered, given, provided or accepted by any officer :

- a. is inconsistent with customary practices, whether business, trade or otherwise.
- b. excessive in value.
- c. which can be construed as a bribe or payoff and,
- d. violate any laws or regulations.

13. Duties of Independent Directors

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 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. Non – Compliance:

In case of any non-compliance of any of the provisions of this Code of Conduct the same shall be reported to the Chairman of the Board of Directors (if any) and the Managing Director / Whole Time Director / Chief Executive Officer of the Company. Further the Board or such other committee as constituted by the Board of Directors shall undertake an investigation under the matter for such non-compliance.

15. Any amendments or modification to the Code of Conduct:

This Code of Conduct is subject to modification. The Board of Directors has the requisite powers and the authority to update and amend the Code of Conduct from time to time.

Acknowledgement of Receipt of Code of Conduct:

Each of the officers of the Company shall sign the code and return the same to the Company, in the following format:

"I have received and read the MODEL CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT. I understand the standards and policies contained in the Code and further I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements I shall seek the clarification from the Compliance Officer of the Code of Conduct."