

# CODE OF BUSINESS CONDUCT AND ETHICS



**RAJ OIL MILLS LTD.**

— Purity. Since 1943. —



## Disclaimer:

The Code is a charter to conduct the Business of the Company in an ethical manner and establish fundamentals to govern procedures and policies that create and maintain transparent business values, within the organization. The Code does not create any rights in any Government Authority, stakeholder in the Company, customer, supplier, Competitor and public at large. Any person who has the knowledge of this code is required to inform himself or herself about, and to observe, this restriction

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## **PURPOSE**

In 2001, RAJ BRAND, a seventy-year-old thespian in the Edible Oil Industry, was molded into a corporate entity under the name of RAJ OIL MILLS LIMITED. Through this Brand, and the chartered vision of its founders, the Company has inherited legacy of social responsibility, good citizenship, spriteness, integrity and Trust. This legacy forms the basis for constructing this code.

This Code tries to establish / define:

- (1) Two way relationship between the stakeholders and the Company
- (2) Awareness of a positive policy towards environmental consideration
- (3) Ethical, Illegal and Unethical behaviour

The Code does not define all non – ethical modes of conduct, but establishes general policy for construing a good business model in an ethical manner. In case of any dispute for judgment of non – compliance, the soundness and the verdict of the Board of Directors of the Company shall prevail. Every person governed by this code is expected to espouse the principles of the Code in its True Spirit.

By this Charter, Raj Oil Mills Limited and its employees pledge themselves to adhere to legal, regulatory and professional standards and abide to the principles of equality, integrity and self - esteem.

Any instance of non-compliance of any of the provisions mentioned herein shall be considered as a breach of ethical conduct and shall be viewed seriously by the Company.

*The Board of Directors of the Company has adopted this Code.*



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## **DEFINITIONS**

### **COMPANY**

Company refers to RAJ OIL MILLS LIMITED, a Company incorporated under the Companies Act, 1956.

### **CODE**

Code refers to the "CODE OF BUSINESS CONDUCT AND ETHICS" of RAJ OIL MILLS LIMITED as established by this Charter and modified from time to time by the Board of Directors of the Company

### **KEY MANAGERIAL PERSON**

Key Managerial Person shall include the following personnel of the Company:

- (1) Executive Directors
- (2) Vice – President – Marketing & Sales
- (3) Company Secretary & Compliance Officer
- (4) Production Manager
- (5) Manager - Finance
- (6) Manager - Administration
- (7) Manager - Human Resource Department
- (8) Manager - Research & Development
- (9) Manager - Marketing & Sales

### **EMPLOYEES**

Employees means any person employed for wages or salary in connection with the work of the Factories and Offices of the Company and includes any person:

- employed by or through a contractor
- engaged as an Apprentice engaged under the Apprentices Act, 1961 or under any other law for the time being in force.

### **EXECUTIVE DIRECTORS**

Executive Directors means Directors who are in Whole – time employment of the Company and includes any person appointed as Managing Director of the Company within the meaning of Section 269 of the Companies Act, 1956.

### **INDEPENDENT DIRECTORS**

Independent Director means an Independent Director as defined in Sub - Clause iii of Clause 49 1A of the Listing Agreement of the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited



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## **APPLICABILITY**

The Code is applicable to:

- (1) All the Employees of the Company
- (2) All the Executive Directors of the Company
- (3) All the Independent Directors of the Company
- (4) Any person who represents the Company, whilst having professional or business relationship with the Company.

## **INTERNAL RELATIONSHIPS**

Every Employee shall endeavor a relationship of Trust, Co- Operation and respect while dealing with his subordinates, peers and supervisors. Every Employee shall observe a mutual objective of achieving prosperity for the Company through Ethical means and shall adhere to his duty of endorsing belief and commitment in the cohesive effort required to attain the Company's objectives. Reliable leadership shall ensure the maintenance of high profile standards in performance and creating ambience that promotes good teamwork. Any incidence of differences shall be communicated in time to the appropriate person, who shall than present the same to the concerned Key Managerial Person.

## **IDENTICAL OPPURTUNNITIES**

The Company does not discriminate a person on the basis of gender, colour, religion, disability and any other characteristic as may be prescribed by the law. The Company refutes the use of Child Labour. The Company is a strong propagandist of equal opportunity and pledges to provide growth prospects on the basis of performance alone. Any person exercising favoritism shall incur the liability of disobeying this code. Every person shall be given the opportunity to work in an environment free of any sexual harassment- whether in the form of physical, verbal or psychological. Any offence of sexual harassment shall be severely dealt with by the appropriate Authority

## **CONCURRENT EMPLOYMENT**

Any Employee of the Company shall not accept employment in any other Organization, whilst in the service of the Company. Any Employee providing Professional or Consultancy Services to any other person shall be assumed to have breached this code. Any Employee, having knowledge of any such instance, shall have the moral responsibility of informing the same to any of the Executive Director. A person, who fails to do so, shall be assumed to have breached the code.



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## **INSIDER TRADING**

An Employee of the Company, who is in possession of “Price Sensitive Information”, is not allowed to deal in the securities of the Company, whilst in possession of such Price Sensitive Information. An Employee of the Company shall not derive any benefit or assist others to derive any benefit from access to and possession of information about the company or the Group, which is not in the public domain and thus constitutes insider 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 the securities of the Company. The following information shall be deemed to be Price Sensitive Information:

- (1) Periodical Financial Results of the Company
- (2) Intended Declaration of Dividends (both Interim and Final)
- (3) Issue of Securities or Buy- Back of Securities
- (4) Any Major Expansion Plans or Execution of New Projects
- (5) Amalgamation, Mergers or Takeovers
- (6) Disposal of Whole or Substantial part of Undertaking
- (7) Significant changes in policies, plans or Operations of the Company
- (8) Asset revaluations;
- (9) Investment decisions/plans;
- (10) Restructuring plans;

## **CONFLICT OF INTEREST**

All Employees of the Company shall ensure that they do not engage themselves in any transaction, which may be inconsistent with the interest of this Company. A Conflict of Interest can be established when Employee of the Company has personal or private interest in any activity or transaction to be initiated by or for the Company.

Conflict of Interest may arise in the following situations:

### **Personal Benefit**

Any Employee shall not be involved in any transaction for the Company through which he is able to gain any material or non-material benefit. Any benefit extended directly or indirectly to the relatives of the Employees shall come under the purview of this Code.



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#### Working for Personal Rewards, Public Recognition, etc.

Employees are expected to work with the motive of maximizing the Economic Welfare of the Company. The greed of earning public rewards and recognition shall not super cede this objective and influence any Employee while performing his duty. The Company believes that Good Work done in the interest of the Company will earn the Employee the Faith of this Company, leave alone Public rewards and recognition.

#### Acceptance of Gift, Donations, etc.

An Employee of the Company is restrained from taking any personal gifts, donations, favour, etc. from anyone for performing his duty for the Company.

#### Related Party Transactions

As per the Legal Norms any Director, whether Executive or Independent, is required to make full disclosure of his interest, if any, in the transactions to be entered into by the Company. The Company shall abide by the provisions of the Companies Act, 1956 in situation that invoke similar transactions.

All the Employees are requested to make complete disclosure regarding the aforesaid transactions to the Key Managerial Persons. The Key Managerial Persons are responsible for bringing such disclosures to the Board of Directors of the Company. This Code gives complete authority to the Board of Directors of the Company to exercise their judgment in the said matters.

### **NOT TO MAKE POLITICAL CONTRIBUTIONS**

The Company refrains itself from making any direct or indirect contributions to any political parties or political leaders of the country. Indirect contribution implies to provision of volunteers and space to carry out party work. The Employees of the Company are free to make political contributions in their individual names. However such contributions should not be binding on the Company.

### **SECRECY ABOUT COMPANY INFORMATION**

The Company believes that it was able to achieve profitable growth due maintenance of certain trade secrets and refrains its employees from leaking out such information. Each





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and every Employee of the Company is abstained from leaking out sensitive information to competitors. Each and every Employee of the Company shoulders the conscious responsibility to maintain and monitor the flow of data in the organization. The occurrence of any offence of leaking information to competitors shall be informed immediately to any of the Executive Directors of the Company. Once a person leaves the company, then it is his moral responsibility not to disperse of the information, unless such information is made publicly available.

## **MAINTENANCE OF COMPANY RECORDS**

The Employees are required to observe veracity while maintaining the Company Records. All the persons involved with the preparation, storage and utilization of data are required to adopt the requisite policies established by the Company in this regard. The Records shall give factual description of the Corporate Transactions. Accounting Transaction shall be recorded as per the Standards established by the Institute of Chartered Accountants of India and any deviation from usage should be disclosed with proper explanation. The Company Records shall not be altered in any way so as to deceive anyone who is interested.

## **COMPANY'S ASSET**

Every Employee shall use the Company's Asset diligently. Any person shall not be involved in any activity that causes damage or obliteration to the property. An Employee of the Company shall not use any of the Company's Assets for any personal use, unless he receives proper authorization from the Appropriate Authority. All the Assets of the Company should be used for lawful purposes and unnecessary ostentation in maintenance expenditure shall be avoided. Any incidence, which devalues the use of the Asset, shall be informed immediately to the Department Head.

## **COMPLIANCE WITH LAW OF THE LAND**

The Employees and the Company pledge themselves to adhere to various applicable laws of the Land as amended from time to time. The Company also pledges to form policies, which are in tune with the applicable laws. The Company confirms to adopt the best of practices to obey the various procedures laid down by the Law.



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## **HIGHEST STANDARD OF PRODUCTS**

The Punch Line of the Company reads “Purity since 1943.” The Company believes that, its ability to produce top quality range of products has made it one of the most trusted Brands of the country. The Company pledges to maintain this tradition of dealing in products that epitomize integrity. The Company commits itself in making products, which are qualified for safe consumption by the Laws of the Land. The Company has a policy of attending all Customers complaints regarding the quality of its products. The Employees of the Company should observe these standards at all cost.

## **SAFEGUARDING AND PROTECTING**

The Company's production facilities are in tune with the Pollution – Control Norms established by the Pollution Control Board of the country. The wastage emission mechanism is cordial to protect the surrounding environment. The Company follows the principle of “Nature First” and believes that progressive industrialization has the responsibility to maintain healthy environment. The Company is committed in reducing environmental degradation. The Company encourages its Employees to participate in social programmes that promote environment safety norms. The Employees of the Company shall garner support to the local authorities in implementation of the environmental safety standards in the Company.

## **NATIONAL INTEGRITY**

The Company has the responsibility to play a pivotal role in making India a self sufficient and developed country. The Company has adopted policies that are synonymous with the Constitution of the country. The Company or any of its Employees shall not indulge in activities that are harmful to the image of the country. The Company supports all the Government policies that endorse economic growth, social harmony and equality. The Employees of the Company are refrained from practicing any activity that promotes cartelism based on religion, caste, etc. The Company believes that each and every person is free to practice his own religion.

## **VIOLATION OF THE CODE**

*ANY PERSON, WHO IS GOVERNED BY THIS CODE, IS BOUND TO OBEY AND RESPECT THE CIPHERS ESTABLISHED BY THE CODE. ANY PERSON WHO BREACHES THE CODE, COMMITS A DEFAULT IN OBSERVING THE NORMAL EMPLOYMENT NORMS AND MAKES HIMSELF / HERSELF LIABLE FOR PUNISHMENT SPECIFIED BY THE BOARD OF DIRECTORS OF THE COMPANY. IF ANY MEMBER OF THE BOARD COMMITS THE ACT OF NON – COMPLIANCE, THAN IT IS THE DUTY OF OTHER DIRECTORS TO SEE THAT PROPER ACTION IS INSTIGATED.*