



CODE OF CONDUCT

FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I. CORE VALUES AT RADICO

- *To conduct its business with integrity*
- *To support mutually beneficial and enduring relationships with its stakeholders*
- *To seek to be open and accurate in its dealings and communication*
- *To respect the rights and dignity of individuals*
- *To optimize the creation of wealth to provide fair reward and recognition for stakeholders*
- *To meet the changing needs of its customers and consumers by providing consistently high quality brands and services*
- *To be a responsible corporate citizen*

II. OBJECTIVE

This Code of Conduct for the Board of Directors and Senior Management Personnel of the Company will help maintain the standards of business conduct of Radico Khaitan Limited (the “Company”), guide the Company’s conduct as a responsible corporate citizen, help in adhering to the above values and ensure compliance with legal requirements, specifically to conduct the business through highest standards of Corporate Governance. The purpose of this is to deter wrongdoing and promote ethical conduct. The matters covered under the code are of utmost importance to the Company, its stakeholders and Business Partners.

III. APPLICABILITY

The Code is applicable to the following persons:

- *The Board of Directors of the Company; and*
- *The Senior Management Personnel including -*
 - *The President (Finance) of the Company*
 - *The President (Marketing) of the Company*
 - *The President (Operations) of the Company*
 - *Executive Vice President (Manufacturing Operations)*
 - *Executive Vice President*
 - *General Manager & Company Secretary*

hereinafter collectively called “the Managerial Personnel”

A code of conduct is essential to conduct the business with integrity. Accordingly, the Managerial Personnel are expected to understand this Code, uphold these standards in daily activities and comply with all applicable laws; rules and regulations, the Company's Code of Conduct; and all applicable policies and procedures adopted by the Company that govern their conduct.

The Senior Management Personnel shall ensure that this Code of Conduct percolates to all the employees of the Company and is adhered to by them.

IV. HONEST AND ETHICAL CONDUCT

Honest conduct is a conduct that is free from fraud or deception.

Ethical Conduct is a conduct adhering to the accepted professional standards of conduct.

The Managerial Personnel shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct.

They shall not discriminate on the grounds of a person's race, religion, gender, marital status or physical disability.

They shall adhere to the truth, shall not mislead directly or indirectly nor make false statements, nor mislead by omission.

V. PERSONAL TRANSACTIONS

The Managerial Personnel shall conduct their personal business dealings in such a manner so as to avoid any conflict of interest in their dealings as a Director / Senior Management Personnel of the Company.

They shall not use the name of the Company to further any personal business transaction.

They shall use goods, services and facilities provided to them by the Company strictly in accordance with the terms on which they are provided.

They shall not use their status in the Company to seek personal gain from those doing business or seeking to do business with the Company.

VI CONFIDENTIALITY OF INFORMATION

The Managerial Personnel shall ensure that confidential information relating to the Company's operations is not given either inadvertently or deliberately to third parties.

They shall not use company information obtained by them for personal financial gain, nor shall that information be used to obtain financial benefit for any other person or business.

They shall respect the rights, dignity and privacy of others.

VII. DISCLOSURE OF INTERESTS

The Managerial Personnel shall fully and promptly disclose private business interests and any other matters which may lead to potential or actual conflicts of interest in accordance with such policies that the Company may adopt from time to time.

They shall conduct their dealings at arms length to avoid the possibility of actual or potential conflict of interest.

VIII. COMPLIANCE WITH LAW

The Managerial Personnel shall comply with existing local, State, National and International Laws. They shall also obey the policies, procedures, rules and regulations of the Company.

IX. SPECIFIC ADDITIONAL PROVISIONS FOR BOARD MEMBERS

The Members of the Board of Directors shall actively participate in meetings of the Board and of the Committees thereof in which they serve.

They shall inform the Board of any changes in their other board positions, relationship with other businesses and other events / circumstances / conditions that in their opinion may interfere with their ability to perform their Board / Board Committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of Listing Agreement with Stock Exchanges.

They shall promptly disclose their interest in any matter transacted at the meetings of the Board or Committees thereof and ensure that their interest therein is not in conflict with that of the Company.

Illustrative cases can be:

- ***Related Party Transactions***

The Members of the Board shall not enter into any transaction or relationship with Radico or its subsidiaries in which they have either directly or indirectly a material financial or other personal interest.

- ***Consultancy / Business / Employment***

Members of the Board shall not engage in any activity of material nature (be it in the nature of providing consultancy service, carrying on business, accepting employment) which in their opinion is likely to interfere or conflict with their duties / responsibilities towards Radico.

- ***Use of official position for their personal gains***

The members of the Board shall not use their official position for their personal gains.

X. OBLIGATIONS UNDER INSIDER TRADING REGULATIONS

The Managerial Personnel shall:

- *at all times abide by the Company's Code of Conduct for Prevention of Insider Trading as approved by the Board and prevent misuse of any unpublished price sensitive information of the Company.*

XI COMMUNICATION

- *The Managerial Personnel shall not make announcements and / or disclose any news / information about the Company's policies / business plans / any other sensitive issue directly to the public or through the media unless the same has been made public by informing the Stock Exchanges about the same through the office of the Company Secretary.*
- *All the Corporate Communication to press / media / investor shall be only through the Chairman & Managing Director and / or his nominee or through the Corporate PR Department, after the same has been approved by the Chairman.*

XII THIS CODE IS DYNAMIC

This is a dynamic Code of Conduct. It has to keep pace with the fast changing Corporate Environment. The Company is committed to continuously review and update the policies and procedures. Hence, this code is subject to modification.

XIII. AFFIRMATION

I hereby affirm compliance of this code and return herewith the copy duly signed.

I confirm having retained a copy for my record.

Date: _____, 2005

Directors

Signatures

Directors

Signatures

Dr. Lalit Khaitan

Mr. Abhishek Khaitan

Mr. K.P. Singh

Mr. Raghupati Singhania

Mr. Karna Singh Mehta

Mr. Ashutosh Patra

Mr. Sanjay Jalan

Mr. Amit Burman

Senior Management Personnel

Signatures

Senior Management Personnel

Signatures

*Mr. R.K. Mehrotra
President (Finance)*

*Mr. Raju Vaziraney
President (Sales & Marketing)*

*Mr. K.S. Raju
Executive Vice President
(Manufacturing Operations)*

*Mr. Sanjay Lamba
Executive Vice President*

*Mr. Anil Chawla
General Manager & Company Secretary*

