

**Code of BUSINESS CONDUCT AND ETHICS**

**for**

**The Board of Directors**

**And**

**Senior Management Personnel**

**Of**

**PICCADILY AGRO INDUSTRIES LIMITED**

## **INTRODUCTION & BACKGROUND**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Piccadily Agro Industries Limited is committed to good governance practices that create long term sustainable shareholder value. The Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, the Government and the lenders. The Company believes in adopting the 'best practices' that are followed in the area of corporate governance across various geographies.

Towards this end, the Company has adopted a Code of Business Conduct and Ethics ("Code of Conduct/Code") that outlines the Company values, principles and guidelines in a variety of areas, and enables the company to publicly state to its suppliers, customers, consumers and stakeholders, the way in which it intends to conduct its business and to comply with the regulatory requirements. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a culture of honesty and accountability. Senior Management Personnel, including Directors & Functional Heads are expected to read and understand this Code of Business Conduct and Ethics, uphold these standards in day-to-day activities and also comply with all applicable standards, policies and procedures of the Company.

## **COMPLIANCE WITH APPLICABLE LAWS & REGULATIONS**

Senior Management Personnel must comply with all the laws, rules and regulations applicable to the Company, both in letter and in spirit. Senior Management Personnel must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential noncompliance issues and to know when to seek advice from the Secretarial & Legal Department on specific Company policies and procedures.

## **HONESTY, INTEGRITY & ETHICAL CONDUCT**

Senior Management Personnel shall act in accordance with the highest standards of personal and professional integrity, honesty, fairness and ethical conduct. Honest conduct means conduct that is free from fraud or deception. Integrity & ethical conduct includes ethical handling of actual or apparent conflicts of interest between personal and professional relationships. Senior Management Personnel should promote ethical behavior and ensure that the Company promotes ethical behavior and encourage employees to freely report violations of laws, rules, regulations or the Company's Code of Conduct to the appropriate personnel

## **DUTIES OF INDEPENDENT DIRECTORS**

The duties of Independent Directors of the Company, as laid down under Schedule IV to the Companies Act, 2013, are incorporated herein pursuant to Clause 49 of the Listing Agreement

with Stock Exchanges. It shall be the duty of Independent Directors to:

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b. seek appropriate clarification/amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c. strive to attend all Board/Committee meetings of which they are a member;
- d. participate constructively and actively in the Board/Committees in which they are chairpersons/members;
- e. strive to attend the general meetings of the Company;
- f. ensure, where they have concerns about the running of the Company or a proposed action, that these are addressed by the Board of Directors and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- g. keep themselves well informed about the Company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board/Committee;
- i. 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;
- j. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k. report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct;
- l. act within their authority and assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans and unpublished price sensitive information, unless such disclosure is expressly approved by the Board/required by law.
- n. act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment;
- o. exercise their duties with due and reasonable care, skill and diligence and exercise independent judgment;
- p. not involve in a situation in which they may have a direct/indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- q. not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates; and
- r. not assign their office.

## CONFLICT OF INTEREST

Senior Management Personnel must avoid and promptly disclose to the Company potential conflicts of interest regarding any matters concerning the Company (including its subsidiaries & joint ventures). A conflict of interest exists where the interests or benefits of Senior Management Personnel conflict with the interests or benefits of the Company and makes it difficult to perform his/her work, objectively and effectively.

## BUSINESS INTEREST

If any Senior Management Personnel is considering investing either by himself or through any of his relative, in any customer, supplier or competitor of the Company, he/she must first take care to ensure that these investments do not compromise on his/her responsibilities to the Company. Several factors are involved in determining whether a conflict exists, including the size and nature of the investment; the Senior Management Personnel's ability to influence the Company's decisions; his access to confidential information of the Company and the nature of the relationship between the Company and the other company or person. Accordingly, it is appropriate that the Senior Management Personnel makes a Disclosure to the Board before making such an investment and obtains a "pre-approval"/"no objection" from the Board in this behalf.

## RELATED PARTY TRANSACTIONS

Senior Management Personnel should avoid conducting Company business with a relative or with a company/Firm in which a relative/related party is associated in any significant role/manner. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to such related party and adequate disclosures are made as required by law and applicable policies of the Company. Senior Management Personnel or any of his relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company.

## GIFTS/BENEFITS

Senior Management Personnel shall not offer, give or receive gifts, services or benefits to or from persons/entities dealing with the Company, where such gift is perceived as intended to influence any business decision, whether directly or indirectly. Senior Management Personnel of the Company shall not accept or permit any of his relatives/person acting on his behalf to accept any gift from any Supplier, Vendor, Dealer or anyone having business dealings with the Company. Senior Management Personnel should also avoid acceptance of any frequent/lavish hospitality from any individual/firms having official dealings with the Company.

- a. not involve in a situation in which they may have a direct/indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- b. not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates; and
- c. not assign their office.

## **DISCIPLINARY ACTIONS**

The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stakeholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our Senior Management Personnel to adhere to these rules in carrying out their duties for the Company.

The Company will take appropriate action against any Senior Management Personnel whose actions are found to violate these policies or any other policy of the Company. Disciplinary actions may include immediate termination of directorship, employment or business relationship at the Company's sole discretion.

## **WAIVERS & AMENDMENTS**

Any waiver of any provision of this Code of Conduct for a director, senior management or employee must be approved in writing by the Company's Board of Directors and appropriately disclosed. Subject to the approval of the Board, the Company may amend this Code to meet the requirements of the statute/business interests of the Company and promptly disclosed on the Company's website.

## **ACKNOWLEDGEMENT**

All Senior Management Personnel shall acknowledge the receipt of this Code in the acknowledgement form appended to this Code indicating that they have received, read and understood, and agreed to comply with the Code and send the same to the Compliance Officer. New Senior Management Personnel will submit such an acknowledgment at the time when their directorship/employment begins/when they assume a senior management position.

## **ANNUAL AFFIRMATION**

All the Senior Management Personnel shall, within 10 days of close of every financial year affirm compliance with the Code (Refer Annexure I). The duly signed Annual Compliance Declaration shall be forwarded to the Compliance Officer of the Company.

## **ACKNOWLEDGMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS**

I have received and read the Company's Code of Business Conduct and Ethics. I understand the standards and policies contained in the Company Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job or role. I further agree to comply with the Company Code of Business Conduct and Ethics.

If I have questions concerning the meaning or application of the Company Code of Business Conduct and Ethics, any Company policies, or the legal and regulatory requirements applicable to my role or job, I know I can consult the Corporate Secretarial Department or the Human Resources Department knowing that my questions or reports to these sources will be maintained in confidence.

**CODE OF BUSINESS CONDUCT AND ETHICS ANNUAL DECLARATION**

To,

The Compliance Officer/Company Secretary,  
**Piccadily Agro Industries Limited**  
Village : Bhadson, Umri-Indri Road,  
Tehsil Indri, Distt. Karnal  
Haryana

**Sub: Compliance Certificate**

I, being a [Senior Management Personnel / Board member] of **Piccadily Agro Industries Limited** (“the **Company**”) hereby acknowledge, confirm and certify that:

- a) I have received, read and understood the Code of Conduct for Board of Directors and Senior Management Personnel of the Company;
- b) I am bound by the said Code to the extent applicable to my functions as a [Senior Management Personnel / Board member] of the Company;

During the financial year ended 31st March \_\_\_\_\_, I have complied with the provisions of the said Code.

Yours faithfully:

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

(Please sign and return this Declaration Form to the Company Secretary/Compliance Officer)