

P. N. GADGIL & SONS LTD

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

{Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}

P. N. Gadgil & Sons Ltd. is committed to maintain sound standards of Business Conduct and Corporate Governance.

The Board of Directors and the Senior Management Personnel of P.N. Gadgil & Sons Ltd. (“Company”) undertake to abide by following Code of Conduct adopted by the Board and affirm compliance with this Code on an Annual basis by acknowledging the same as provided in the end.

The Code is named as Code of Conduct for the Directors and Senior Management Personnel and is framed in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a model Code of Conduct (“the Code”) was designed to maintain the highest standards of Corporate Governance, which was approved by the Board of Directors of P.N.GADGIL & SONS LTD at its meeting held on 30th March, 2018. It will be effective from 1st April, 2018.

APPLICABILITY

The Code is applicable to the following persons of the Company:

- The Board of Directors; and
- The Senior Management Personnel

DEFINITIONS

'**Directors**' means the directors appointed on the Board of the Company for the time being and shall include the directors appointed from time to time including executive, non-executive, independent and nominee directors of the Company.

'**Senior Management Personnel (SMP)**' means all members of management of the Company one level below the executive directors, including all functional heads.

“**Board**” means the Board of Directors of the Company.

“**Company**” means P.N.GADGIL & SONS LTD and includes all its Directors, Senior Management Personnel and employees)

COMPLIANCE WITH THE CODE

Each Director and SMP of the Company shall consciously adhere to and adopt the Code in letter and spirit. The Code shall at all times conform to the requirements of the applicable laws. The Company will modify the Code to reflect the changes required by any applicable law with a written notice of any such change to the Directors and SMP.

CONDUCT OF DIRECTORS AND SMP

Honesty, Integrity, Responsibility & Accountability in Performance of Duties

The Directors and SMP shall act:

1. honestly, fairly, ethically and with integrity;
2. in good faith, with responsibility, due care, competence, diligence and with full accountability for their actions;
3. in a professional, courteous and respectful manner;
4. All Directors and SMP shall discharge their duties in the best interests of the Company and fulfil their fiduciary obligations.

Conflict of Interest

The Directors and SMP shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company. If such a situation arises then the Directors and SMP shall act in the best interest of the Company. Such situations may arise amongst others if any Director or SMP engages in a business activity/employment, which interferes with the performance of his duties towards the Company or otherwise is in conflict with, or adversely affects the business of the Company.

The Directors and SMP are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. When in doubt, disclosure is the best way out.

The Directors and SMP shall not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board and the Board declines to pursue such opportunity for the Company.

Confidentiality

The Directors and SMP shall not use, disclose or divulge to a third party, directly or indirectly, any confidential information, acquired in the course of their service as Director or SMP, for their personal advantage or for the advantage of any other entity.

The Confidential information includes all non-public information (including private, proprietary and other) that might be of use of competitors or disclosure of which might be harmful to the Company or its associates.

Prohibition on Insider Trading

No Director or SMP shall, either on his own behalf or on behalf of any other person, deal in securities of the Company when in possession of any Unpublished Price Sensitive Information and communicate, counsel or procure, directly or indirectly any Unpublished Price Sensitive Information to/from any person, except where the communication required is in the ordinary course of business or profession or employment or under any law.

All Directors and SMP should comply with the Company's Code of Conduct for Prohibition of Insider Trading.

Compliance with Applicable Laws

The Directors and SMP shall comply with all laws, rules and regulations, as may be applicable from time to time. SMP should acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors and SMP shall also comply with the internal policies and procedures of the Company to the extent applicable to them.

Health, Safety & Environment

The Directors and SMP shall strive to provide a safe and healthy working environment and comply, in the conduct of its business affairs with all regulations regarding the preservation of the environment.

Enforcement and Disciplinary Actions

The Code is of paramount importance to the Company, its stakeholders and its business partners. Therefore, all Directors and SMP shall scrupulously adhere to the Code. The Company will take appropriate disciplinary action for wilful or deliberate non-compliance with the Code.

Financial reporting and records

The Company shall prepare and maintain its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs. Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company's business transactions and disposition of assets, and shall have internal controls to provide assurance to the company's board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no wilful omissions of any company transactions from the books and records, no advance-income recognition and no hidden bank account and funds. Any wilful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code, apart from inviting appropriate civil or criminal action under the relevant laws.

Gifts and donations

The Company shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favours for the conduct of its business. The company shall cooperate with governmental authorities in efforts to eliminate all forms of bribery, fraud and corruption.

However, the Company and its employees may, with full disclosure, accept and offer nominal gifts, provided such gifts are customarily given and / or are of a commemorative nature.

Use and protection of Company's Assets

The assets of the Company shall be used for legitimate business purposes and shall not be used for personal gain. Incidental personal use, if reasonable, will not amount to violation of the Code. The Directors and SMP should protect the Company's assets and resources.

Political Independence

Company shall not support any specific political party or candidate for political office. The company's conduct shall preclude any activity that could be interpreted as mutual dependence / favour with any political body or person, and shall not offer or give any company funds or property as donations to any political party, candidate or campaign

Quality of products and services

The Company shall be committed to supply goods and services of world class quality standards, backed by after-sales services consistent with the requirements of its customers, while striving for their total satisfaction. The quality standards of the company's goods and services shall meet applicable national and international standards.

CORPORATE GOVERNANCE

Directors and SMP should sincerely follow and cause the Company to follow the philosophy of good corporate governance by possessing strong business fundamentals and delivering high performance through relentless focus on transparency, accountability and professionalism for enhancing shareholders' value and contributing to the society at large.

DUTIES OF INDEPENDENT DIRECTORS

The Independent Directors shall be required to comply with Schedule IV of the Companies Act, 2013.

ACKNOWLEDGEMENT OF THE CODE

All Directors and SMP shall confirm due compliance with the Code on an annual basis. The Directors and SMP shall sign the affirmation of compliance with the Code and give to the Company Secretary within 7 days of implementation/applicability of the Code and thereafter within 30 days of conclusion of every financial year. The Annual Report of the Company shall contain a declaration to this effect.

Annexure A

To,
The Company Secretary,
P. N. Gadgil & Sons Ltd.
Abhiruchi, 59/ 1-C, Wadgaon BK.,
Sinhagad Road, Pune- 411041

Acknowledgement Form

I, the undersigned have received and read the Code of Conduct for Directors and Senior Management Personnel (SMP) of P. N. GADGIL & SONS LTD. I understand the standards and policies contained in this Code of Conduct and agree to adhere to them and comply with this Code of Conduct at all times.

Signature:

Name:

Designation:

Date:

Place:

Annexure B

To,
The Company Secretary,
P. N. Gadgil & Sons Ltd.
Abhiruchi, 59/ 1-C, Wadgaon BK.,
Sinhagad Road, Pune- 411041

Sub: Annual Compliance Declaration

Dear Ma'am,

I, the undersigned do solemnly affirm and declare to the best of my knowledge and belief that I have complied with the Code of Conduct for Directors and Senior Management Personnel (SMP) of P.N. GADGIL & SONS LTD. during the financial year ending March 31,

Signature:

Name:

Designation:

Date:

Place:.....