

P. N. GADGIL & SONS LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Preamble:

The Board of Directors of P. N. Gadgil & Sons Limited have adopted this Insider Trading (the "Policy") to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Regulations") effective from the date of listing.

The SEBI Regulations prohibit an insider from Trading in the securities of a company listed on stock exchange on the basis of any unpublished price sensitive information (UPSI).

P. N. Gadgil & Sons Limited ("the Company") shall preserve the Confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information and further maintain transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

The Company shall ensure that every director, officer, designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. Further, the Company framed a policy that director, officer, designated employee may not use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

To achieve these objectives, P. N. Gadgil & Sons Limited hereby notifies that this Code of conduct is to be followed by all Directors, officers, designated employees and connected persons.

I. Definitions

1) Act

"Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992)

2) Audit Committee

"Audit Committee" shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3) Board

"Board" shall means the Board of Directors of P N Gadgil & Sons Limited.

4) Company

"Company" means P N Gadgil & Sons Limited.

5) Compliance Officer

"Compliance Officer" means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the

overall supervision of the board of directors of the listed company or the head of an organization, as the case may be;

6) Connected Person

“Connected Person,” includes –

- i. A director of the Company;
- ii. A Key Managerial Personnel of the Company;
- iii. An Officer of the Company;
- iv. Any person who is or has been in a contractual or fiduciary or employment relationship at any time in the six month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly, (x) allowed access to UPSI or (y) reasonably expected to be allowed access to UPSI;
- v. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, (x) allowed access to UPSI or (y) reasonably expected to be allowed access to UPSI;
- vi. An employee of the Company who has access to UPSI or is reasonably expected to have access to UPSI;
- vii. Any person who has a professional or business relationship and that relationship, directly or indirectly, (x) allows access to UPSI or (y) is reasonably expected to allow access to UPSI;

The persons enumerated below shall be deemed to be Connected Persons if such person has access to UPSI or is reasonably expected to have access to UPSI:

- a. An Immediate Relative of Connected Persons;
- b. A holding company or associate company or subsidiary company;
- c. An intermediary as specified in section 12 of the SEBI Act or an employee or director thereof;
- d. An investment company, trustee company, asset management company or an employee or director thereof;
- e. An official of a stock exchange or of clearing house or corporation;
- f. A member of board of trustees of a mutual fund or a member of the Board of Directors of the asset management company of a mutual fund or is an employee thereof;
- g. A member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013;
- h. An official or an employee of a self SEBI;
- i. A banker of the Company;
- j. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his Immediate Relative or banker of the Company, has more than ten percent of the holding or interest.

7) Designated Person

The term “designated person” shall consist of, Connected Persons who are:

- I. Promoters of the Company;
- II. Directors of the Company and its subsidiaries;
- III. Executive Officers of the Company;
- IV. Executive Vice Presidents of the Company;
- V. Employees named in the Corporate Organization Chart of the Company from time to time;
- VI. All employees in the Finance and Accounts Department, Corporate Planning Department, Legal Department
- VII. Executive Secretaries of Directors and Executive Officers of the Company;

VIII. Any other Connected Person designated by the Company on the basis of their functional role;

IX. Immediate Relatives of I to VIII above;

8) Director

"Director" shall have the meaning assigned to it under the Companies Act, 2013.

9) Generally Available Information

"generally available information" means information that is accessible to the public on a nondiscriminatory basis

10) Immediate Relative

"Immediate Relative" of a person means a spouse, or the parent, sibling or child of that person or his or her spouse, if they are either dependent financially on such person or consult such person in taking decisions relating to Trading in securities. 11) Insider

An insider means any person who is:

- (i) a Connected Person or
- (ii) in possession of or having access to UPSI.

12) Key Managerial Personnel

"Key Managerial Personnel" shall have the meaning assigned to it under the Companies Act, 2013.

13) Officer

"Officer" shall have the meaning assigned to it under the Companies Act, 2013.

14) Promoter & Promoter group

"Promoter" shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.

15) Proposed to be listed

"Proposed to be listed" shall include securities of an unlisted company:

- (i) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
- (ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013;

16) Securities

"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.

17) Trading

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

Words and expressions used and not defined in these Rules but defined in Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under shall have the meanings respectively assigned to them in those legislations.

18) Trading Day

“trading day” means a day on which the recognized stock exchanges are open for trading

19) Unpublished Price Sensitive Information (“UPSI”)

Unpublished Price Sensitive Information (“UPSI”) means any information, which relates directly or indirectly, to the Company or its securities, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities of the Company.

20) Legitimate Purpose

“Legitimate purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations Words and expressions used and not defined in these Rules but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

II. Prohibition on communicating or procuring UPSI

An Insider shall not –

- i. communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- ii. procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured.

- (i) in furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate confidentiality and non disclosure agreements being executed; or
- (ii) in the event the Board of Directors direct or cause the public disclosure of UPSI in the best interest of the Company; or

III. Prohibition on Insider Trading

An Insider shall not, directly or indirectly, -

- i. Trade in securities that are listed or proposed to be listed when in possession of UPSI;

- ii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI.

Provided the restriction in III (i) above shall not apply to:

- (a) a transaction that is an off-market inter-se transfer between Promoters who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and
- (b) Trades pursuant to a Trading Plan set up in accordance with regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015.

IV. Trading Window

- 1) The Compliance Officer shall notify a 'trading window' during which the Designated Persons may Trade in the Company's securities after securing pre-clearance from compliance Officer in accordance with these Rules.
- 2) Designated Persons shall not Trade in the Company's securities when the trading window is closed.
- 3) The trading window shall generally be closed for all Insiders between the sixteenth day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after disclosure of such financial results.
- 4) Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer.
- 5) The trading window may be re-opened after closure, not earlier than 48 hours after UPSI in question becomes generally available.

V. Pre-clearance of Trading

- 1) Designated Persons may Trade in the securities of the Company when the trading window is open, after obtaining approval of the Compliance Officer by submitting an application and an undertaking as per Annexure 1.
- 2) The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
- 3) The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
- 4) The Designated Person shall, within two days of the execution of the trade, submit the details of such Trade to the Compliance Officer as per Part C of Annexure 1. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
- 5) If the pre-cleared Trade is not executed within seven trading days after the approval is given, the designated person must secure pre-clearance of the transaction again
- 6) A Designated Person who Trades in securities without complying with the pre-clearance procedure as envisaged in these Rules or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre clearance procedure shall be subjected to the penalties as envisaged in these Rules.

7) Nothing in this rule shall apply to any Trade involving a value less than which are more than Rs. 10 Lakhs in value or 50,000 shares or 1% of the total shareholding or voting rights, whichever is lower, should pre-clear the transaction as may be specified by the Board of Directors from time to time (a "de minimis Trade") provided the Designated Person is not in possession of UPSI while executing the de minimis Trade.

VI. Additional trading restrictions on Designated Persons

1) No Director or Key Managerial Personnel shall enter into derivative transactions in respect of the securities of the Company.

2) All Designated Persons who Trade in the securities of the company shall not enter into an opposite transaction during the next six months following the prior transaction. In case of any contra trade to be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to Investor Protection and Education Fund administered by SEBI.

VII. Trading Plan

1) A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.

2) The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.

3) The Trading Plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Trading Plan. However, the implementation of the Trading plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

VIII. No Trading Period

- (i) The trading period during which Company's securities can be traded is called trading window. The trading window shall be closed during the time the price sensitive information is un-published.
- (ii) When the trading window is closed, the Designated Persons (including their immediate relatives) shall not trade in Company's securities in such period.
- (iii) The trading window shall be, inter-alia closed at the time of:
 - (a) Declaration of Financial results
 - (b) Declaration of dividends (interim and final)
 - (c) Change in capital structure
 - (d) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business
 - (e) Changes in key managerial personnel
 - (f) Material events in accordance with the listing agreement
 - (g) Such other time as the compliance officer determines that a designated person or class of designated person is reasonably expected to have possession of unpublished price sensitive information.

- (iv) The Compliance Officer shall also close the trading window when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- (v) The trading window shall be opened 48 hours after the unpublished price sensitive information becomes generally available.
- (vi) The trading window shall also be applicable to any person having contractual or fiduciary relation with GIL, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising GIL.

IX. Penalty for Insider Trading

- 1) An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be, terminated.
- 2) Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in the Company's stock option plans or termination.
- 3) The SEBI or any other appropriate regulatory authority would also be informed of the violation of these Rules so that appropriate action may be taken.

X. Disclosure requirements

1) Initial Disclosure:

a. Every Promoter, Key Managerial Personnel, director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days of these Rules taking effect as per Annexure 2

b. Every person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter shall disclose his / her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as per Annexure 2.

2) Continual Disclosure:

a. Every Promoter, employee, director of the Company and each of their Immediate Relatives shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. Ten lakhs. b. The disclosure shall be made within two working days of:

I. the receipt of intimation of allotment of shares, or

II. the acquisition or sale of shares or voting rights, as the case may be

3) Disclosure to the Stock Exchange:

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

4) Disclosures by other Connected Persons.

The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company at such frequency as he may determine.

XI. Code of Fair Disclosure

A code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering each of the principles is set out below:

- i) Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- ii) Uniform and universal dissemination of UPSI to avoid selective disclosure.
- iii) The Company Secretary shall act as Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of UPSI.
- iv) Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- v) Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- vi) Ensuring that information shared with analysts and research personnel is not UPSI.
- vii) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
- viii) Handling of all unpublished price sensitive information on a need-to-know basis.

XII. Miscellaneous

- 1) The Board of Directors shall be empowered to amend, modify, and interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.
- 2) The Compliance Officer shall provide the Audit Committee of the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.
- 3) The Compliance Officer shall maintain (a) an updated list of Designated Persons, (b) records of disclosures and pre-clearance applications and undertakings for a period of five years and (c) a confidential list of any 'restricted securities' to which the Compliance Officer may require Designated Persons to seek pre-clearance before Trading in such 'restricted securities'.
- 4) The Company shall require all Connected Persons to formulate and adhere to a code of conduct to achieve compliance with these Rules. In case such persons observe that there has been a violation of these Rules, then they shall inform the Board of Directors of the Company promptly.
- 5) Any suspected violation of leak of unpublished price sensitive information or violation of this policy can be reported under whistle blower policy.

ANNEXURE 1

APPLICATION - CUM UNDERTAKING FOR PRE CLEARANCE OF TRADES

Date:
From:
Designation:
To,
The Compliance Officer
P. N. Gadgil & Sons Limited
Abhiruchi Mall, S.No.59 /1-C,
Wadgaon (BK), Sinhgad Road
Pune 411041

With reference to the Code of Conduct of the Company for Prevention of Insider Trading, I hereby give notice that I propose to carry out the following transaction in Company's securities for Myself / As Joint Holder / My immediate relative.

Transaction (Sale/Purchase)	Type of Security	Number of Security

I hereby declare that:

(a) I do not have any access nor have I received or possess "Unpublished Price Sensitive Information" upto the time of signing the undertaking.

(b) That in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction. I shall inform the Compliance Officer of the change in my position and that I would completely refrain from trading in the securities of GIL till the time such information becomes public.

(c) That I have not contravened the code of conduct for prevention of insider trading as notified by GIL from time to time.

(d) That I have made a full and true disclosure in the matter.

Signature of the Employee/Director _____

B. Authorization to Trade

The above transaction has been authorised. Your trading must be completed within 7 trading days from _____.

Please confirm this by completing the section below and returning this Form to us within 7 days of completion of transaction.

Date:
Compliance Officer

Compl

C. Confirmation of Trades

To,
The Compliance Officer
P.N. Gadgil & Sons Limited

I confirm the trading in the aforesaid securities was completed on _____.

Date:

Signature of the Employee/Director

ANNEXURE 2

INITIAL REPORTING ON HOLDING OF GIL SECURITIES PURSUANT TO GIL INSIDER TRADING CODE

Date:

To,
The Compliance Officer
P. N. Gadgil & Sons Limited
Abhiruchi Mall, S.No.59 /1-C,
Wadgaon (BK), Sinhgad Road
Pune 411041

Dear Sir/Madam,

Disclosure under Part IX of the Code of Conduct for prevention of insider trading in Company's Securities

With reference to the abovementioned Code of Conduct, I hereby furnish the requisite information relating to my holdings in PNG securities.

Name of the Director/ Employee/ Promoter	
PAN number	
Date of Birth	
Designation of the Director / Employee	
Department, if applicable	
Name of the Dependent & relation with the Director/Employee, in case this declaration is made for dependent	
Type & Number of units of Securities held as first holder	
Folio No. / DP ID No. & Client ID No.	
Type & Number of units of Securities held as second/third holder	
Folio No. / DP ID No. & Client ID No.	

Signature of the Director / Employee

Notes:

1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling, and child of such person or their spouse, any of whom is either dependent financially on them, or consults them in taking decisions relating to trading in securities.

2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.