

PICCADILY AGRO INDUSTRIES LIMITED
CODE OF CONDUCT FOR THE
MEMBERS OF THE BOARD AND SENIOR MANAGEMENT PERSONNELS

1. INTRODUCTION

This code of conduct for Directors and senior management (the “Code”) helps maintain the standards of business conduct for Piccadily Agro Industries Limited (the “Company”). The purpose of this Code is to deter wrongdoing and promote ethical conduct. Ethical business conduct is critical to our business. Accordingly, the following persons (the “Management Team”) are expected to read and understand this Code, uphold these standards in day-to-day activities, comply with all applicable laws, and all applicable policies adopted by the Company:

- i. All Directors of the Company and its subsidiaries.
- ii. “Senior Management” of the Company, being all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall include company secretary and chief financial officer.

All professionals, serving in the roles of finance, tax, accounting, purchase, treasury, internal audit, financial analyst and investor relations.

2. HONEST AND ETHICAL CONDUCT

All Directors and Senior Management Executives shall act in accordance with the highest standards of integrity, honesty, fairness and ethical conduct while working for the Company as well as when representing the Company.

Honest conduct means conduct that is free from fraud, suppression of facts or deception. Integrity & ethical conduct includes ethical handling of actual or apparent conflicts of interest between personal and professional relationships. All Directors and Senior Management Executives should promote ethical behavior and take steps to ensure that the Company promotes ethical behavior and also encourages employees to freely report violations of laws, rules, regulations or the Company's Code of Conduct to the Managing Director or Chief Financial Officer or Compliance Officer.

The Directors and Senior Managerial Personnel should possess highest personal and professional Ethics, Integrity and Values along with accountability. They should be able to balance the legitimate interests and concerns of all Company’s stakeholders in arriving at a decision, rather than advancing the interest of a particular constituency.

3. CONFLICT OF INTEREST

A “conflict of interest” occurs when an individual’s private interest directly or indirectly interferes or appears to interfere with the interests of the Company. The Directors and Senior Management Executives must act at all times in the Company’s best interests and avoid putting themselves in a position where their

personal interests conflict or appear to conflict with the interests of the Company. Their personal interests will include those of their relatives.

While performing their duties, the Officers will carry out their responsibilities to the exclusion of any personal advantage, benefit or interest. The Officers acknowledge their obligations under the provisions of Companies Act, 2013, the Disclosure and Investor Protection Guidelines issued by the Securities and Exchange Board of India and shall strictly comply with such applicable Indian and foreign laws, regulations and shall not act by themselves nor aid or abet any person acting contrary to any such provisions, judgments, orders – judicial, quasijudicial, administrative or otherwise issued by a competent authority.

The Officers shall avoid any situation involving a conflict, or the appearance of a conflict, between their personal interests and the performance of their official duties.

In case there is likely to be a conflict of interest by any Director then, he/she should make full disclosure of all facts and circumstances, thereof, to the Board of Directors and in case of conflict of interest by any other officer, he/she should make full disclosure of all facts and circumstances thereof to the Managing Director or any other designated authority appointed by the Managing Director.

4. CORPORATE OPPORTUNITIES

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

5. INSIDER TRADING

Company has already framed a detailed Code of Conduct against Insider Trading. The same shall be applicable to all the officers. Officers are expected to be well conversant with this code and are required to strictly adhere to this code.

6. VIOLATIONS OF THE CODE

Part of the job of a member of Management Team is to help enforce this Code. Member of Management Team must report all possible violations of this Code to the Human Resources department or the Secretarial department. Members of Management Team must cooperate in case of any internal or external investigation of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation of law, this Code or other Company policies or against any person who is assisting in any investigation or process with respect to such a violation is prohibited.

Disciplinary action by the Company may include termination of employment or of business relationship at the sole discretion of the Company. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated the Company will cooperate fully with the appropriate authorities.

7. WAIVERS AND AMENDMENT OF THE CODE

The Company is committed to continuously reviewing and updating the policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board's Director.

8. CONFIDENTIALITY OF CRITICAL INFORMATION

Officers have fiduciary duty to maintain confidentiality of all the critical information, the disclosure of which might adversely affect the interest of the Company unless the disclosure is required under any law for the time being in force or pursuant to any direction or order of any statutory authority.

The Disclosure in other cases can be made only with the prior consent of the Board of Directors.

In case of any questions or doubts as to confidentiality or criticality of the information the subjects are expected to consult the Company Secretary.

9. FAIR DEALING

Company seeks to gain competitive advantages through superior performance and not through unethical or illegal business practices. Each officer should endeavor to respect the rights of and deal fairly with other officers and other employees of the Company. No one shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

10. DISCRIMINATION AND HARASSMENT

Company believes in providing equal opportunity to all the employees in every aspect of employment. Any discrimination against any employee whether based on gender, region, community or religion or harassment or derogatory comments against any employees will be seriously viewed and will be subject to disciplinary action and might entail termination of employment.

Harassment shall also include violent or threatening behavior against any employee.

11. COMPLIANCES/ DUTY TO REVIEW CERTAIN REPORTS

All persons who are subjects to this Code of Conduct are required to comply with every applicable laws for the time being in force and rules and regulations made there under. They are also expected to encourage and promote statutory compliance in its true letter and spirit.

The officers are required to review certain reports / compliance statements about the affairs of the Company at such intervals as may be prescribed from time to time. The officers may add or modify the reports as they may feel appropriate to ensure statutory compliance and smooth & transparent operations of the Company.

CODE OF CONDUCT FOR INDEPENDENT DIRECTOR

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

1. GUIDELINES FOR PROFESSIONAL CONDUCT

An independent director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the Company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the board of directors of the Company (the "Company") accordingly;
9. assist the company in implementing the best corporate governance practices.

2. ROLE AND FUNCTIONS

An independent director shall:

1. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that of financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and Senior Management and have a prime role in

- appointing and where necessary, recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

3. DUTIES

An independent director shall:

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board and of the Board committees of which he / she is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. 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;
10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

4. MANNER OF APPOINTMENT

- (i). Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

- (ii). The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (iii). The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (iv). The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
 - a. the term of appointment;
 - b. the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c. the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d. the Code of Business Ethics that the company expects its directors and employees to follow;
 - e. the list of actions that a director should not do while functioning as such in the company; and
 - f. the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (v). The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (vi). The terms and conditions of appointment of independent directors shall also be posted on the company's website.

5. RE-APPOINTMENT

The re-appointment of independent director shall be on the basis of report of performance evaluation.

6. RESIGNATION OR REMOVAL

- (i). The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (ii). An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later
- (iii) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

7. SEPARATE MEETINGS

- (i) The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- (ii) All the independent directors of the company shall strive to be present at such meeting;
- (iii) The meeting shall:
 - a) review the performance of non-independent directors and the Board as a whole;
 - b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. EVALUATION MECHANISM

- (i) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (ii) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

9. INSIDER TRADING

- (i) In the normal course of business, independent directors of the Company are in possession of unpublished price sensitive information, which is the property of the Company. The independent director shall not profit from the buying or selling of securities for him/herself.
- (ii) The independent director is not to tip others to enable them to profit or for them to profit on his/ her behalf.
- (iii) The purpose of this Code is (i) to inform the independent directors of their legal responsibilities and (ii) to inform them that the misuse of sensitive information is contrary to Company policy and applicable Indian securities laws.
- (iv) As per the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the "Insider Trading Regulations"), it is prohibited to deal in the securities of the Company during the period that trading window of the Company is closed.
- (v) Further, no insider shall trade in the securities of the Company, when in possession of unpublished price sensitive information.

You should read the Insider Trading Regulations carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/or disciplinary action for insider trading violations. Every independent director should comply with the Insider Trading Regulations.

10. WAIVERS AND AMENDMENT TO THE CODE

The Company is committed to continuously reviewing and updating the policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board.