

Pushpsons Industries Limited

Code of Conduct and Ethics

1. Introduction

This Code of Conduct and Ethics is made pursuant to Clause 49 (Corporate Governance) of the Listing agreement with stock exchange and shall hereinafter be known as: the code". This will become effective from the date it is approved and adopted by the Board of Director of the Company.

The objective of the code is to promote and uphold the high standards of ethics adopted by the Company in conducting its business. The code lays down a Broad policy for one's conduct in dealing with the Company, fellow Directors employees and the external environment in which the Company operates.

All concerned are expected to read and understand the code, uphold the standards prescribed therein in letter and spirit and to act within the bounds of the authority conferred upon them with duty to make and enact informed decisions and policies which result in enhancement of the value of the Company to its shareholders and simultaneously enable the Company to fulfill its obligations to other stake holders such as customers, employees and financiers and to the society in general.

2. Applicability of the code

The Code applies to all the members of the Board of Directors and to senior management personnel of the Company. Senior management personnel shall mean personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise of all the members of management one level below the Executive Director, including all functional heads.

3. Respect for individual

The Company's vision is based on inspiring and unleashing creative potential in human assets of the Company. This is possible in an environment where we all respect the rights of those around us. In this direction, we endeavor:

- a). To treat individuals in all aspects of employment solely on the basis of ability irrespective of race, caste, creed, religion, age, disability, gender, sexual orientation or material status.
- b). Not to tolerate racial, sexual or any other kind of harassment.

4. Honesty and Ethical Conduct

The Director and senior management personnel are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct while working for the Company.

We consider honest conduct to be free from any fraud or deception. The ethical conduct is the conduct conforming to the accepted professional standards of conduct. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

5. Conflicts of Interest

Each of us has a responsibility to the Company, its shareholders and towards each other. Although this duty does not prevent us from engaging in personal transactions and investment, it does demand that we avoid situations where conflict of interest might occur or appear to occur.

A "Conflict of interest" occurs when an individual's private interest interferes or appears to interfere with the interest of the Company. The Directors and senior management personnel must act at all

times in the Company's best interest and avoid putting themselves in a position where their personal conflict or appears to conflict with the interest to the Company. The personal interest will include those of their close relatives. Any Director or senior management personnel, who is aware of a conflict of interest or is concerned that a conflict might develop, is required to disclose the matter promptly to the Board of Directors in case of a Director and to the Chairperson in case of senior management personnel.

The Director and senior management personnel shall not engage in any activity or enter into any relationship, which might result in conflict of interest, either directly or indirectly. An illustration only and not being exhaustive, some of the common instances of conflict of interest, which should be avoided, are given below:

1. None shall receive a personal benefit from a person or any entity, which is seeking to do business or does business with the Company. They shall not participate in any decision-making process of the Board in involving another entity/person in which they have direct or Indirect interest.
2. None shall receive remuneration, in any form, for service rendered for the Company from any source other than the Company.

6. Corporate Opportunities

None shall exploit for their personal gain opportunity that is discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Director declines to pursue such opportunity. The Director and senior management personnel are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Whenever, it is difficult to differentiate between personal and Company benefits or there are both personal and Company benefits in certain activities, the only prudent course of conduct for the Directors and senior management personnel is to make sure that any use of corporate property or services or such transactions that is not solely for the benefit to the Company has prior approval of the Board of Directors.

7. Confidential Information

Confidentiality of information must be maintained by all concerned. Any information concerning the Company's business, its customer, suppliers etc. which has been received or to which one has access during the course of employment or dealing with the Company shall be considered as confidential unless such information is publicly available. Such information must be held in confidence and used only for the purposes of the business of the Company and not disclosed otherwise unless authorized to do so or required to do so under law. This obligation continues for three years even after one leaves or disassociates himself from the Company.

8. Prohibition of Insider Trading

The Company has formulated a Code of Internal Procedure and Conduct for Prevention of Insider Trading and all concerned are required to comply with the requirements of the said Code. The Directors and senior management personnel and their close relatives shall not directly or indirectly derive or attempt to derive and benefit or assist others to derive when in possession of any price sensitive/unpublished information.

9. Fair Dealing

The Company does not seek competitive advantages through illegal or unethical business practices. Each Director and senior management personnel should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. None should take advantage of anyone through manipulation, concealment, abuse of privilege information, misrepresentation of material facts, or any unfair dealing practice. The Director and senior management personnel shall immediately bring to the notice of the Board of any unethical behavior and actual or suspected fraud.

10. Protection and proper use of Company assets

Protecting the assets of the Company is a key responsibility of every employee. The Director and senior management personnel must safeguard and protect the assets of the Company against

misappropriation, loss, damage and ensure their efficient use. They must ensure that assets are not put into use, sold, loaned or dealt, with in any other manner without appropriate authorization. All Company assets should be accounted for and used only for legitimate business purposes of the Company

11. Gifts and Donations

Though business gifts and donations are customary in any parts of the world they need to be viewed with caution. No Director or senior management personnel shall receive or offer, directly or indirectly, any gifts, donation or benefits which are intended or perceived to be intended to obtain unethical favour. Nominal gifts of commemorative nature for special events may be accepted.

12. Safety, Health and Environment

The Company's vision envisages no compromise in its commitment to safety, health and responsible care for environment. Health and safeties of the people in and around its area of operations are of paramount importance to the Company.

The Company is committed to environment protection, pollution control and maintenance of ecological balance. The Company shall maintain high standards of pollution control, environment protection and safety.

Since, there is no woman employee in in the Company, no provision for security and sexual harassment at workplace is being made.

13. Compliance with Laws, Rules and Regulations

The Company is committed to high standards of corporate governance and believes in compliance of all the laws, rules and regulations and other legal requirements directly or indirectly, effecting or concerning the Company and or required to be observed in connection with the business and affairs of the Company. The Company has endeavored in setting standards for itself, which are ahead of time and higher than those stipulated by law. All concerned are required to comply with the applicable laws, rules and regulations both letter and spirit.

14. Financial and Operational Integrity

The Company is committed to disclose in its financial statements all the information required to be disclosed under the relevant accounting standards or under any law or regulation it is essential to record all the transactions fully and properly in the financial statement. The Company shall prepare and maintain accounts of its business affairs truly and fairly in accordance with the accounting and financial reporting standards, which represent the generally accepted guidelines, principles, standards, laws and regulation of the country. There shall be no willful omission of any transaction from the books and records of the Company.

No, record, entry or document shall be false or misleading and no undisclosed or unrecorded account, fund or asset shall be established or maintained. The Auditors shall be provided full access to all information and records of the Company.

15. Annual Review

The Directors and senior management personnel shall affirm in writing compliance with the Code on an annual basis.

16. Disciplinary Action

The matters covered in the Code are of utmost importance to the Company and are essential to the Company's ability to conduct its business in accordance with the stated values. The Directors and senior management personnel are expected to adhere to the Code in carrying out duties for the Company. Appropriate actions will be taken by the Board of Directors and by the Chairperson in case of senior management personnel for breach of the Code. Actions may include serious disciplinary action, removal from office as well as other remedies to the extent permitted by law and as considered appropriate in the circumstances.

17. Compliance Officer

The Company has appointed the Company Secretary as Compliance Officer for the purpose of the Code. The Compliance Officer will be available to the Director and senior management personnel to resolve their queries and assist them in complying with the Code. Any question relating to how this Code should be interpreted or complied should be addressed to the Compliance Officer.

18. Implementation/ Modification

The decision of the Board of Directors with regard to all matters relating to the Code will be final and binding on all concerned.

The Board of Directors of the Company shall have power to modify or replace the Code in part or in full, as they may deem fit from time to time in their absolute discretion.

19. Duties of Independent Directors:

In terms of the requirements of revised Clause 49 (II)(E)(3) of the Listing Agreement, the Independent Directors of the Company are required to discharge the following duties as enumerated in Schedule IV of the Companies Act, 2013: The Independent Directors 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 of Directors and of the Board committees of which he 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. acting within his 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.

20. Disclosures Standards

As a public listed Company, the company is committed to make full, fair, accurate, timely and understandable disclosure in reports and documents that its files with or submits to the regulatory authorities and in other public communications of the Company. In support of this commitment, the Directors and Senior Management personnel shall be responsible for compliance of the disclosure and reporting requirements and internal controls for the financial reporting.

21. Competition and Fair Dealing

All Directors and Senior Management Personnel are obligated to deal fairly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice.

Relationships with Customers:

The Company's business success depends upon its ability to foster lasting customer relationships. The Company is committed to deal with customers fairly, honestly and with integrity. Specifically, the following guidelines should be kept in mind when dealing with customers:

- ❖ Information supplied to customers should be accurate and complete to the best of knowledge. Directors and Senior Management personnel should not deliberately misrepresent information to customers.
- ❖ Customer entertainment should not exceed reasonable and customary business practice. Directors and Senior Management personnel should not provide entertainment or other benefits that could be viewed as an inducement to or a reward for, customer purchase decisions.

Relationships with Suppliers:

The Company deals fairly and honestly with its suppliers. This means that our relationships with suppliers are based on price, quality service and reputation. Directors and Senior Management personnel dealing with suppliers should carefully guard their objectivity. Specifically, no Directors and Senior Management personnel should accept or solicit any personal benefit from a supplier or potential supplier that might compromise or appear to compromise, their objective assessment of the supplier's products and prices. Directors and Senior Management personnel may give or accept promotional items of nominal value or moderately scaled entertainment within the limits of responsible and customary business practice.

Relationships with Competitors:

The Company is committed to free and open competition in the marketplace. Directors and Senior Management personnel should avoid actions that could reasonably be construed as being anticompetitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and / or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

22. Policy against Retaliation

The company strictly prohibits retaliation against any Directors and Senior Management personnel who, in good faith, seeks help or reports known or suspected violation. Any reprisal or retaliation against them will be subject to disciplinary action.

23. Compliance with Code

This code of Conduct will be circulated to all designated persons.

The Directors and the Senior Management Personnel shall affirm compliance with this code on an annual basis and submit the declaration in the format as per Annexure I.

A declaration confirming the above duly signed by the Director of the Company shall be disclosed in the Annual Report of the Company as per Annexure II, every year.

24. Violation

It shall be the responsibility of the Directors and Senior Management Personnel to help enforce this Code. They shall bring to the notice of the Managing Director or Compliance Officer, observed material violation of this Code or any other policies or laws as applicable to the business of the Company or any probability of occurrence of such violations.

The Directors and Senior Management Personnel shall fully co-operate during any internal or external investigations relating to any violation of the provisions of this Code. A violation may result in such disciplinary action as may be deemed appropriate by the Managing Director or Compliance Officer of the Company, in their sole and absolute discretion and shall be binding on the concerned Directors and Senior Management Personnel.

25. Acknowledgement

The Directors and Senior Management Personnel shall read and fully understand this Code of Conduct and abide by the policies, procedures and principles contained herein.

DECLARATION

To,
The Company Secretary & Compliance Officer
Pushpsons Industries Limited
B-40, Okhla Industrial Area,
Phase-I
New Delhi – 110020

Dear Sir/ Madam

Sub: Declaration confirming compliance with the Code of Conduct

I, _____, _____ (designation) do hereby acknowledge and confirm that during the financial year _____, to the best of my knowledge and belief, I have not violated any of the provisions of the Code of Conduct as applicable to all the Directors, and Senior Management Personnel of the Company or any policies or legal / regulatory requirement of the Company, directly or indirectly applicable to my job or responsibility.

Signature:

Name:

Designation:

Place:

Date:

Note: This code shall be applicable and binding on all the Directors and Senior Management Personnel, from the date of their appointment and this affirmation shall be valid for the said financial year.

Annexure II

DECLARATION ON CODE OF CONDUCT

This is to confirm that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March _____ (Year) as envisaged in Clause 49 of the Listing Agreement with Stock Exchanges.

Place:

Date:

Director

