

PUNEET RESINS LIMITED

CODE OF CONDUCT

INTRODUCTION

As per the revised Clause 49 of the Listing Agreement pertaining to Corporate Governance, the Company has to evolve and implement a 'Code of Conduct' for all members of the Board and Senior Management (hereinafter collectively referred as 'Officers'). All the Board members and Senior Management personnel shall abide and affirm the compliance of the Code of Conduct on an annual basis. The Annual Report of the Company shall contain a declaration to this effect signed by the Executive Director/Chief Executive Officer of the Company.

Contravention of the SEBI Code would lead to serious consequences for the Company and its directors and such Senior Management personnel who would be liable for of fines, penalties and also for prosecution under SEBI Act.

Explanation: For this purpose, the term "senior management" shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads i.e., Company Secretary, Senior Commercial Manager (works) and all the employees having been appointed as General Manager and above.

This Code of Conduct of the Company shall be known as "**PRL - Code of Conduct**" (hereinafter referred as "**The Code**"). This Code has been made pursuant the SEBI directives and Stock Exchange Listing Agreement. Wherever there is any variation between the provisions of the Code and the provisions of Listing Agreement, as amended, the provisions of the listing agreement would prevail over the provisions of the code.

The objective of the Code is to ensure compliance with legal requirements and set standards for business conduct so that concerned officers acts in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working for and on behalf of the Company.

This Code of Conduct helps ensure compliance with legal requirements and sets standards for business conduct. All the concerned are expected to read and understand this Code, to uphold these standards in day-to-day activities and comply with all applicable policies and procedures.

Please sign the acknowledgment form at the end of this Code of Conduct and return the form to the Company Secretary indicating that you have received, read, understood and agreed to comply with the Code.

PRL - CODE OF CONDUCT

DUTIES AND RESPONSIBILITIES

All Directors and officers shall observe and implement following code of conduct in their official day to day activities;

a. **Sincere, Honest and Ethical Conduct**

All Directors and all officers shall observe high standard of personal, professional integrity, honesty and ethical conduct which is free from fraud and deception, while employed with the organization. All concerned are expected to devote full attention and are committed for optimizing the growth of the Organization by adopting best of the corporate governance practices and ethos.

b. **Statutory compliance**

All Directors and Officers should take utmost care and pay attention to comply with all applicable laws, regulations, rules and regulatory orders in letter and in spirit.

c. **Conflicts of Interest**

Directors shall avoid situations where a conflict of interest might occur or appear to occur on account of personal transactions and investments which conflicts with interest of the Company. A Conflict of interest exists when any personal or professional interest is adverse to or may appear adverse to the interest of the Company. Following engagement/activities shall be treated conflicting with interest of the Company;

(i) **Employment/ Outside Employment.** Directors/Officers should avoid engaging themselves in any activity/employment that interferes with performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company.

(ii) **Outside Directorships.** It is a conflict of interest to serve as a director of any company that competes with the Company. Directors should ensure to report such directorship to the Board.

(iii) **Related Party Transactions.** Directors should avoid conducting business with relatives or with firm/company in which a relative/related party is associated in any significant role. If such related party transaction is unavoidable it must be fully disclosed to the Board. Any dealings with a related party must be conducted in such a way that no preferential treatment is given.

d. Corporate Opportunities

Directors and Officers should 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 of Directors and the Board of Directors declines to pursue such opportunity.

e. Protection of Assets

Protecting the Company's assets is a key responsibility of every employee. Care should be taken to ensure that assets are not misused, misappropriated, loaned to others, or sold or donated, without appropriate authorization.

f. Confidential of Information

Any information concerning the Company's business, its customers, suppliers etc, which is not in the public domain and to which the director or officer has access or possesses such information must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law.

g. Insider Trading:

Directors and Officer of the Company shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company not in public domain and therefore constitutes insider information. All concerned shall ensure to comply with the Insider Trading Code of the Company and Insiders Trading Regulations of the SEBI since failure to do so attracts serious consequences in terms of penalties and prosecutions.

h. Gifts and Donations

The Company and its employees shall neither receive nor offer or make directly or indirectly any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of the its business. However, the Company and its employees may accept and offer nominal gifts, which are customarily given and are of a commemorative nature for special events.

i. Quality of Product and services

The Company shall be committed to supply goods and services of the highest quality standards, backed by efficient after sales services consistent with the requirement of customers to ensure their total satisfaction.

DISCIPLINARY ACTIONS

The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. It is expected that all will adhere to these rules in carrying out their duties for the Company. The Board shall determine appropriate actions to be taken in the event of violations of the Code.