

PINCON SPIRIT LIMITED
CODE OF BUSINESS CONDUCT AND ETHICS
FOR DIRECTORS AND SENIOR MANAGEMENT EXECUTIVES

1. PREAMBLE

The existing Code of Conduct of Pincon Spirit Limited (PSL/the company) was approved by the Board of Directors (Board) of the Company on 2nd May, 2014 and came into effect from that date. The Code of Conduct which is based on fundamental principle of good Corporate Governance has now been re-drafted to widen its scope as well as to include Code of Ethics.

2. PHILOSOPHY

It has been long pursued policy and commitment of PSL to adhere to highest standards of integrity – professional and financial – and business ethics in the operation of its business. We believe that this organization has been handed to us by the various stakeholders in “trust” and we as professional managers are the “trustees” of those stakeholders. It is therefore our responsibility to ensure that the organization is managed in a manner that protects and furthers the interests of our stakeholders.

This code of Business Conduct and Ethics (“Code of Conduct” or “Code”) helps to ensure compliance with our standards of business conduct & ethics and also with regulatory requirements.

3. APPLICABILITY

The Code of Conduct shall apply to:

- 1) All Directors of the Company, whether executive or non-executive including nominee directors;
- 2) All Senior Management Executives.

Senior Management Executives shall include :

- a) All executives of the Company from the rank of General Manager and above; and
- b) All employees of the Company, reporting directly to the Managing Director/Executive Director(s) irrespective of their grade.

All Directors and Senior Management Executives are expected to comply with the letter and spirit of this Code. The Senior Management Executives shall continue to comply with applicable laws & regulations and the relevant policies, rules and procedures of the Company.

The Code comes into immediate effect.

4) INTERPRETATION OF THE CODE

In this Code the term “Relative” shall have the same meaning as defined in Section 6 of the Companies Act, 1956. In this Code, words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa. Any question or interpretation under this Code of Business Conduct and Ethics will be considered and dealt with by the Board or any person authorized by the Board on their behalf.

5) HONESTY, INTEGRITY & 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 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/Compliance Officer.

6) CONFLICT OF INTEREST

All Directors and Senior Management Executives shall avoid situations in which their personal interest could conflict with that of the Company.

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.

Any Director or Senior Management Executive, 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 in case of a Director and to the Managing Director/Compliance Officer in case of a Senior Management Executive.

7) RELATED PARTY TRANSACTIONS

Any Director or Senior Management Executive or any of their relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company. As a general rule, Senior Management Executives should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required by law and this Code.

8) LEGAL COMPLIANCE

The Company is committed to high standards of corporate governance and believes in compliance with all the laws and regulations both in letter and spirit. The Company is committed to provide in time, accurate and complete information as required, to all concerned including its stakeholders.

All Directors and Senior Management Executives must comply and where applicable, oversee compliance by employees with all the laws, rules and regulations applicable to the Company and its employees. Each Senior Management Executive must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential non compliance issues and to know when to seek advice from the Legal Department on specific Company policies and procedures.

9) INSIDER TRADING

All Directors and Senior Management Executives and their immediate family members shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company, which is not in the public domain and thus constitutes insider information. All Directors and Senior Management Executives are required to comply with the Company's Code of Conduct for Prohibition of Insider Trading.

10) CONFIDENTIALITY

All Directors and Senior Management Executives must maintain the confidentiality of sensitive information (that is not in public domain) relating to the Company which comes to their knowledge in the course of the discharge of their functions and any other confidential information about the Company that comes to them, from whatever source, except when such disclosure is authorized or legally mandated. The confidentiality shall also continue after such person ceases to hold office as Director or serve the organization.

No Senior Management executive shall communicate with any member of press or publicity media or any other outside agency on matters concerning the Company, except through the designated spokespersons or authorized otherwise.

11) TRANSPARENCY AND ACCOUNTABILITY

The Directors and Senior Management Executives shall be transparent in all their dealings except in cases where the needs of business security dictate otherwise and shall hold themselves accountable to the Board or Managing Director/Compliance Officer as the case may be.

12) OPPORTUNITIES AND INFORMATION

The Directors and Senior Management Executives owe a duty to the Company to advance the Company's business. The Directors and Senior Management Executives are prohibited from taking (or directing to a third party) a business opportunity (relevant to the line of business intended to be pursued by the Company) that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. The Directors and Senior Management Executives are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Wherever, it is difficult to differentiate between personal and Company's benefit or there are both personal and Company's benefit in certain activities, the only prudent course of conduct for the Directors and Senior Management Executives is to make sure that any use of Company's property or services or such transactions that it not solely for the benefit of the Company has prior approval of the Board of Directors/Managing Director of the Company.

13) COST CONSCIOUSNESS

The Directors and Senior Management Executives shall exercise their responsibilities with utmost cost consciousness within the organization and shall promote the same. The Directors and Senior Management Executives shall not use any facility or assets of the Company for their personal use except when such facility or asset has been provided for personal use by policy or specific permission.

14) EQUAL OPPORTUNITY

The Company shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to race, caste, colour, gender, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. This policy relates to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs and the use of Company's facilities. The Directors and Senior Management Executives shall encourage employees to report any harassment concerns and be responsive to any complaints of harassment or other unwelcome and offensive conduct. Sexual harassment or exploitation is specifically prohibited.

15) DEALING WITH PEOPLE IN THE ORGANISATION

The Company will focus on meritocracy, equity and upholding of Company values in all people processes including performance management systems, appraisals, remuneration and rewards. The Directors and Senior Management Executives shall uphold the values of trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self respect and human dignity while dealing with the people within the organization. The Directors and Senior Management Executives shall practice and encourage the spirit of productive debate and discussion among the employees and with the Board as the situation may warrant. The Directors and Senior Management Executives shall not show disrespect to their superior officers or to the authority of the Board. The Directors and Senior Management Executives shall not engage in

misinformation, disinformation or personal vilification or victimization of any employee or stakeholder.

16) RELATIONSHIP WITH SUPPLIERS AND CUSTOMERS

The Directors and Senior Management Executives shall never compromise with the interest of the Company in all their dealings with suppliers and customers. The Directors and Senior Management Executive shall not accept gifts and presents of more than nominal value or receive gratuitous or other payments or treatments from suppliers or customers which could lead to compromising the Company's interests.

17) CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to serve the community around its area of operations. The Company believes that no organization can survive in isolation and it has a responsibility towards the public at large. The Company aims to reach out to the neighbouring communities and conserve the environment. The Company shall continuously take requisite community development initiatives around the areas of its operations.

The Directors and Senior Management Executives shall in their decisions respect the necessity of environment protection and pollution control consistently with the need of sustainable development.

18) GENERAL

The Directors and Senior Management Executives:

- a) Shall at all times make an endeavor to attend such meetings/occasions including Board and Committee meetings as are required of the person for the benefit, growth and development of the Company.

- b) Shall dedicate sufficient time, energy and attention to the Company to ensure diligent performance and be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum & Articles of Association and Corporate Governance Guidelines.
- c) Shall not illegally withhold any property or documents of the Company and should ensure protection of the same at all times.
- d) Shall not knowingly suppress a material fact, which can be detrimental to the interest of the Company, from the appropriate authority/body.
- e) Shall not make any statement, verify any return or form, containing any particulars, knowing it to be false.
- f) Shall practice a conduct of giving highest respect to humans and human values and must promote the same.

19) REPORTING

Company Secretary shall be the Compliance Officer for the purpose of this Code. Senior Management Executives are required to report observed violations of the Code and illegal or unethical behavior to the Managing Director/Compliance Officer. All reports will be treated in a confidential manner and it is Company's policy not to allow retaliation for reports made in good faith of misconduct by others. In accordance with an established, documented & approved process, the Company will undertake, review & where appropriate, investigate of alleged violations or misconduct. Senior Management Executives are expected to cooperate in internal investigations of misconduct and violations of this Code.

20) WAIVERS & AMENDMENTS

Any waiver of any provision of this Code for a member of the Company's Board of Directors or a Senior Management Executive must be approved in writing by the Company's Board of Directors/Managing Director and appropriately disclosed. Based on the business requirements and applicable regulations the Code may be amended by the Board of Directors from time to time.

21) COMPLIANCE OF THE CODE

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. The Company expects all the Directors and Senior Management Executives to adhere to these rules in carrying out their duties for the Company. Directors and Senior Management Executives are accountable for full compliance with this Code. Sanctions for breach of this Code shall be determined by the Board of Directors in case of Directors and the Managing Director in the case of Senior Management Executives.

22) ACKNOWLEDGEMENT

The Code shall become applicable to all the existing directors as soon as it is approved by the Board of Directors. In case of a new director the Code shall become applicable from the date of his appointment. All Senior Management Executives shall acknowledge the receipt of this Code in the acknowledgement form appended to this Code indicating that they have received, read and understood, and agreed to comply with the Code and send the same to the Managing Director/Compliance

Officer. A New Senior Management Executive will submit such an acknowledgement at the time when his employment begins/when he assumes a senior management position.

23) ANNUAL COMPLIANCE REPORTING

The Directors and Senior Management Executives shall affirm compliance with this Code of Conduct on an annual basis as at the end of the each financial year of the Company. (Within 60 days of the close of every financial year).

24) This Code of Conduct set forth guidelines for conduct for the Board of Directors and Senior Management Executives. It is neither intended to nor does it create any right in favour of any Director or Senior Management Executive, client, supplier, customer shareholder, or any other person or entity.

Place : Kolkata

By Order of the Board

Date : 2nd May, 2014

Monoranjan Roy
Chairman & Managing Director