

PITTI ENGINEERING LIMITED
[Formerly Pitti Laminations Limited]

**CODE OF CONDUCT & ETHICS FOR DIRECTORS &
SENIOR MANAGEMENT**

I. Preface:

Over the years, the company has conducted its business with very high ethical and moral standards. This has resulted in gaining reputation as a professionally managed company by all its stakeholders. As the company is growing and expanding its wings globally, it is extremely important to continue to exhibit high levels of ethical standards and professional behaviour in everything that the company does.

This Model Code of Conduct for Directors & Senior Management personnel is a guide to help Senior Management team & Directors on the Board of the company to live up to company's high ethical standards and their own. Though it states that Pitti Laminations Limited shall conduct its business operations within the frame work of applicable laws whether domestic or international, it also goes beyond the legal stipulations by describing the ethical values we share at our company.

The rules and principles set forth in this Code are general in nature and the compliance with the Code shall be read with other applicable policies and procedures and ensured in the company. The Directors and Senior Management personnel may contact Compliance Officer Shri Satyabrata Padhi, Company Secretary for assistance in interpreting the requirements of this Code.

The Board of Directors of the company adopted this Code of Conduct and Ethics as a testimony of its commitment to adhere to the standards of Truth, Trust, Loyalty, Honesty, Integrity, transparency and the avoidance of conflicts of interest.

This Model code shall be reviewed by the Board from time to time to keep in pace with the regulatory environment and any amendments to this Code, shall be approved by the Board of Directors.

II. Applicability :

The Directors both executive and non executive, are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies and procedures. The Board of Directors of the company is entrusted with the fiduciary responsibility of oversight of the affairs of the company. As Directors of the company, they have a duty to make decisions and implement policies in the best interests of the company and its stakeholders.

This code of conduct is applicable to :

The Directors, both executive and non-executive Directors.

Senior Management team comprising of members of Management one level below the Executive Directors, including all functional heads.

III. Duties of Independent Directors :

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, update knowledge, professionalism 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.

IV. Honest & Ethical Conduct:

The Directors & Senior Management personnel are required to act in accordance with the highest standards of personal and professional integrity, honesty, ethical and legal conduct, when acting on behalf of the company or in connection with the company's business or operations and at social events.

An honest conduct is considered as such when a conduct is free from fraud or deception. We consider ethical conduct to be conduct conforming to the accepted professional standards of conduct and include ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

The Directors and the Senior Management personnel shall

- Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional, courteous and respectful manner;
- Act in the best interests of the company and in a manner to enhance and maintain the reputation of the company, and fulfill their fiduciary duties to the stakeholders of the company;
- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Treat their colleagues and other associates of the company with dignity and shall not harass any of them in any manner.

V. Conflict of Interest:

General Guidance

The Directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interest and the company's business interests. A Conflict of interest exists where the interests or benefits of one person or entity conflict with the interest or benefits of the company.

Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below. Directors & the Senior management personnel are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. When in doubt, please disclose the matter to the Compliance Officer who will ensure that the same is placed before the Board for their noting and record.

a. Outside Employment

Executives Directors and Senior Management personnel shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the company without approval of the Board. Any outside activity must be strictly separated from the company's employment and should not harm job performance at the company. The Executive Directors and the Senior Management personnel shall devote themselves exclusively to the business of the company and shall not accept any other work or assignment (part-time or otherwise).

b. Board Memberships

Serving on the Board of Directors or a similar body for an outside company or government agency requires the advance intimation and approval of the Board. Acceptance of Directorship on the Boards of other companies, which compete with the company, amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations is encouraged and does not require prior approval.

c. Family Members and Close Personal Relationships

Directors and Senior Management personnel shall not use personal influence to make the company do business with a company / institution in which his or her relatives are interested. As a general rule, Directors and Senior Management personnel shall avoid conducting company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained.

d. Gifts

The Directors and Senior Management personnel shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending widely held gatherings as panelist/speaker and other customary gifts are allowed.

Gifts on behalf of the company – Some business situations call for giving gifts. These gifts shall be legal, reasonable. Directors and Senior Management personnel shall not pay bribes. It is understood that gift-giving practices vary among cultures and countries. Directors and Senior Management personnel shall not provide any gift if

law or the policy of the recipient's organization prohibits it. For example, the associates of many government entities around the world are prohibited from accepting gifts.

e. Investments

Directors and Senior Management personnel may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director or Senior Manager has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party. The Directors and Senior Management personnel shall seek prior consent of the Board before making any investments more than 10% of the paid up capital of the other entity.

f. Diversion of Business:

Directors and Senior Management personnel shall not divert business opportunities of the company, by exploiting for their own personal gain, business opportunities that are discovered through the use of corporate property, information or position. However the Directors and Senior Management personnel can pursue such business opportunities once they are fully disclosed to the company and the company declined to pursue such opportunities.

g. Use of company's assets:

The assets of the company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use in course of business and, if reasonable does not amount to violation of the code.

h. Others :

It would be impractical to attempt to list all possible situations where conflict of interests will arise and it is possible that other such situations which are not enumerated above may arise. All such situations which raise any questions or doubts, may please be brought to the notice of the Board so that an appropriate decision can be taken by the Board through the Compliance officer.

VI. Legal Compliance:

It is the general obligation of the Directors to conduct the business and operations of the company in accordance with the laws, rules regulations, agreements, guidelines, policies, principles & standards including accounting standards governing its operations in the geographies the company operates. The Directors and Senior Management personnel shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors and Senior

Management personnel shall also comply with the internal policies and procedures of the company to the extent applicable to them including but not limited to compliance with Prohibition of Insider Trading policy of the company.

VII. Corporate Disclosure Policy:

It is the company's policy to ensure continuous, timely and adequate disclosure of company's information. The company is committed to full, fair, accurate, timely and understandable disclosure in reports and documents it files with or submits to the regulatory authorities and in other public communications. The Directors and Senior Management personnel shall provide only public information to the analyst / research person / large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest. The Directors and Senior Management personnel must maintain the confidentiality of information relating to the affairs of the company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

VIII. Competition and Fair Dealing:

The Directors and Senior Management personnel are obligated to deal fairly and honestly with each other, the company's associates and with the customers, suppliers, competitors and other third parties. Directors and Senior Management personnel shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The company is committed to free and open competition in the market place. Directors and Senior Management personnel shall avoid actions that could reasonably be construed as being anti-competitive, 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.

IX. Compliance of Code of Conduct :

It is the duty and obligation of every Director and Senior Management person to comply with this code of conduct and he / she shall acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the company. This code of conduct shall be posted on the website of the company.

X. Acknowledgement:

The Directors and Senior Management personnel shall read and fully understand this model code of conduct and comply with the policies procedures and principles contained therein.
