



**POLICY ON CODE OF CONDUCT FOR BOARD OF DIRECTORS
AND SENIOR MANAGEMENT PERSONNEL**

of

PARADEEP PARIVAHAN LIMITED

Approved by Board on the Meeting held on Dt.05.06.2024

POLICY ON CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

1. Introduction

Paradeep Parivahan Limited ('the Company') is committed to the highest standards of corporate governance and ethical conduct in all its activities and processes. It regards corporate governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

At the heart of the Company's corporate governance policy is the ideology of transparency and accountability in the effective working of the Management and Board.

In furtherance of this policy, the Board of Directors has adopted this 'Code of Conduct for Board Members and Senior Management ('the Code').

This Code of Conduct has been framed and adopted by the Company in compliance with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Applicability of this Code

The Code is applicable to the following persons, hereinafter referred to as 'Directors and Senior Management Executives':

All Members of the Board of Directors of the Company; and

Officers/personnel of the Company who are members of the core management team excluding the Board of Directors and normally this shall comprise of 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 specifically include the Company Secretary and the Chief Financial Officer ('Senior Management Executives').

Directors and Senior Management Executives are expected to read and understand this Code, uphold these standards in their day-to-day activities, and comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees.

The principles described in this Code are general in nature. Directors and Senior Management Executives should also review the Company's other applicable policies and procedures for more specific instruction. They may contact the HR head or the Company Secretary, if they have any questions.



3. Code of Conduct

It shall be the first and foremost duty of every Directors and Senior Management Executive to uphold interests of the Company and its stakeholders and to endeavour to fulfil all the fiduciary obligations towards them.

The Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Guidelines for conduct:

The Directors and Senior Management Executives shall:

Act within the authority conferred upon or delegated to them.

Exercise independent judgement on issues of strategy, performance and policy matters.

Apply them diligently and objectively in discharging their responsibilities and contribute to the conduct of the business and the progress of the Company.

Bring to the attention of the Board, Chairman or the Managing Director as appropriate, any information or development either within the Company (relating to its employees or other stakeholders) or external, which could impact the Company's operations and which in the normal course, may not have come to the knowledge of the Board/Chairman or Managing Director.

Dedicate sufficient time and attention to the Company's business to ensure diligent performance of their duties.

Endeavour to attend all the meetings of the Board and its Committees of which they are members or invitees.

Read in advance the material distributed for constructive deliberations at the meetings.

Actively participate in the discussion and decision making at the meetings.

Legal compliance:

The Directors and Senior Management Executives are expected to comply with:

The applicable laws, rules and regulations.

All applicable policies, rules and regulations adopted by the Company, with the highest standard of personal and professional integrity, honesty and ethical conduct (For e.g. Insider Trading Code, Guiding Principles, Policy on Prevention of Sexual Harassment at Workplace etc.)



4. CONFLICT OF INTEREST

Business Interest:

The Directors and Senior Management Executives are expected to:

Disclose any direct or indirect personal interest (financial or otherwise) in any matter relating to the business of the Company to the Board of Directors of the Company ('the Board').

Preserve and protect Company's assets and resources (including information and intellectual property rights) and shall use the same only for the Company's business and not for personal gain / advantage.

Not to exploit, for their personal gain, opportunities that are discovered by or through the Company.

Not to divert to their own advantage any business opportunity that the Company is in pursuit.

Outside Directorship:

It is a conflict of interest to serve as a Director of any company that competes with the Company. The Directors and members of Senior Management are expected not to associate himself / herself with any competitor of Paradeep Parivahan Ltd.

However, nominee directors appointed by institutions, which have invested in or lent to the Company, may act / continue to act as directors of other companies where they have been / may be nominated by such institutions.

If the members of the Senior Management are offered any directorship position, the respective member should not accept such directorship without obtaining prior consent of the Compliance Officer of the Company.

Outside Employment:

In consideration of employment with the Company, Whole time Directors and Senior Management Executives are expected to devote their full attention to the business interest of the Company. The Senior Management Executives are prohibited from holding any position or job or be on the Board of any other company outside PPL Group without approval of the Chairman & Managing Director of the Company.

Related Parties:

As a general rule, Directors and Senior Management Executives should avoid conducting Company business with a relative (as defined in the Companies Act, 2013), or with a business in which a relative is associated in any significant role. The Company discourages the employment of relatives of Directors and Senior Management Executives in positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence.



Gifts:

The Company regards the giving and receiving of gifts, complimentaries, favours or entertainment as inherently compromising unless they are of reasonable value (i.e. not extravagant) under the circumstances. This means they must have a valid business purpose; are appropriate as to time, place and kind; are infrequent in occurrence; do not influence or give the appearance of influencing the recipient; and are not likely to be viewed as a bribe, kickback or payoff. However, gifts of money shall never be accepted or given.

Confidentiality:

Any information concerning the Company's business, its customers, suppliers, etc. shall be considered as confidential.

No Directors or Senior Management Executive shall provide any information concerning the Company or its business or its customers, suppliers etc., either formally or informally, to any person Including press or publicity media, unless such information is –

In public domain at the time of disclosure; or

Authorized or required to be disclosed pursuant to a decision of the Board / Committee thereof; or
Required to be disclosed in accordance with applicable laws or requirement of any government authority.

Directors must ensure that the information is not used by them for the benefit of any of the Company's competitors or other parties who, if in possession of the said information, may use it in a manner inconsistent with the Company's interests.

The obligation of confidentiality shall continue even after such person ceases to be Director or Senior Management Executive of the Company.

The Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

Insider Trading

Directors and Senior Management Executives of the Company must ensure that they— and their relatives comply with the SEBI (Prohibition of Insider Trading) Regulations and the Company's Policy on the Insider Trading. In particular, Directors must ensure that they do not, by themselves or through third parties, deal in the Company's shares while in possession of material non-public information relating to the Company. Directors and Senior Management Executives must also ensure that they do not divulge such information to third parties except for a legitimate purpose as defined in the Company's Policy who may use the information to deal in the Company's shares.



5. ENFORCEMENT

Violations of this Code or other Company Policies or Procedures by Senior Management Executives should be promptly reported to the HR Department and violations by Members of the Board of Directors of the Company to the Chairman & Managing Director. The Board has the power to investigate, in such manner as it may deem fit, any breach or violation or alleged breach or violation of the Code.

The Company will take appropriate action against any person whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. The Board also has the absolute power to determine penalty for the same as it may consider appropriate under the circumstances.

Such penalty may be in addition to the penalty levied under any applicable law for the time being in force for such breach or violation.

6. AMENDMENTS

The Board may amend the provisions of this Code from time to time.

Unless otherwise specified, such amendments shall be effective from the date of the Board— meeting at which such amendments are approved.

7. CODE OF CONDUCT FOR SENIOR OFFICIALS

Senior Officials are expected to work to exceed the following code of ethics and principles. They should seek the commitment of their supervisor/manager in implementing the code and should seek to achieve widespread acceptance of the code amongst fellow Senior Officials. Senior Officials should raise any matter of concern of an ethical nature with their immediate supervisor/manager or another senior colleague, irrespective of whether it is explicitly mentioned in the code.

Senior Officials should act professionally by:

- a) Conducting all their dealings/ interactions in a manner that will protect and enhance name of Company and reputation at all times.
- b) Maintaining the highest possible standards of integrity in their internal & external business relationships
- c) Seeking to uphold and enhance the standing of the profession within and outside the organisation.
- d) Rejecting any business practice that may be deemed improper i.e. a practice which is not in line with the Company Code of Ethics or in contravention of any other local policies or laws.
- e) Encouraging/Developing the highest possible professional competence amongst those who they are responsible for.
- f) Enhancing the stature and effectiveness of the organization by acquiring and maintaining high levels of professional skills.
- g) Using the resources, they are responsible for to provide the maximum benefit to Company.
- h) Complying with both the local legal regulations (letter and spirit) of the place where they operate.
- i) Never using their authority for personal gain for themselves or their immediate family or friends.
- j) Complying with contractual obligations.



8. CODE FOR INDEPENDENT DIRECTORS

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.

Guidelines of 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 accordingly;
9. assist the company in implementing the best corporate governance practices.

Role and functions

The independent directors 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. scrutinize 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 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.

Duties:

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 behavior, 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 Senior Officials;
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.



Place: Paradeep

Date: 05.06.2024