



**GONTERMANN-PEIPERS (INDIA) LIMITED
CODE OF CONDUCT AND BUSINESS ETHICS
FOR
BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL**

1. PREAMBLE

1.1 This Code of Conduct ("this Code") shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of Gontermann-Peipers (India) Limited (hereinafter referred to as "the Company").

1.2 This code is in alignment with Company's Vision and Values, Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

1.3 The Board first adopted the Code of Conduct for Board Members and Senior Management in its meeting held on 28th January 2005. The said Code is being modified for better governance and to keep conformity with the regulatory requirements. This amended Code as approved by the Board of Directors of the Company at its meeting held on 29th May 2014 shall come into force with immediate effect.

1.4 The Board of Directors adopts this Code of Conduct and a Testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflict of interest. This Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct.

1.5 This model code of conduct shall be reviewed by the Board from time to time in conformity with the regulatory environment and any amendments to this Code shall be approved by the Board of Directors.

2. DEFINITION AND INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning given to them below:

2.1 The term "Board/Board of Directors" shall mean the Board of Directors of the Company.

2.2 The term "Board Members" shall mean the Members on the Board of Directors of the Company.

2.3 The term "Whole-time Directors" shall mean the Board Members who are in whole-time employment of the Company.

2.4 The term "Senior Management Personnel" shall mean personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

The term 'one level below the executive directors, including functional heads' shall include:

- i. Head of Operations not below the level of President (Operations)
- ii. Head of Marketing not below the level of General Manager (Marketing)
- iii. Head of Finance & Accounts not below the level of Chief Financial Officer
- iv. Head of Legal & Secretarial not below the level of Company Secretary

2.5 The term "Relative" shall mean 'relative' as defined in Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of Definition Details) Rules 2014, which is as under:

"Relative" with reference to any person, means any one who is related to another if-

- (a) they are members of a Hindu undivided family;
- (b) they are husband and wife; or
- (c) one person is related to the other in the manner indicated in Rule 4.

LIST OF RELATIVES

1. Spouse
2. Father
3. Mother
4. Son
5. Son's wife
6. Daughter
7. Daughter's Husband
8. Brother (including step- brother)
9. Sister (including step-sister)

2.6 The term "Conflict of Interest" means where the interests or benefits of one person or entity conflict with the interests or benefits of the company. In this Code words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

3. APPLICABILITY OF THE CODE

This is a comprehensive code and applies to all Directors /Senior Management Personnel. However, the provisions shall apply to Executive and Non- Executive Directors including Independent Directors only to such extent as may be applicable depending on their respective roles and responsibilities.

This Code of Conduct also applies to any other employee or officer of the company who has a direct functional reporting to the Board and also to any employee or officer of the Company, who has the opportunity to materially influence the strategy and operation of the business and financial performance of the company.

Gontermann-Peipers (India) Limited is committed to observe all applicable Laws and Regulations and all other above mentioned officials are expected to uphold this commitment.

4. COMMITMENTS

The Board Members and the Senior Management Personnel shall, in all matters related to the Company, act within the authority conferred upon them, keeping the best interests of the Company in view and observe the following:

- i) Shall act with utmost care, skill, diligence and integrity.
- ii) Shall act in utmost good faith and fulfill the fiduciary obligations without allowing their independence of judgement to be compromised.
- iii) Shall act in accordance with the highest standards of personal and professional integrity, honesty, good faith, with diligence and responsiveness, excellence in quality, with academic responsibility and freedom and ethical conduct shall not involve in taking any decision prejudicial to the interest of the Company on a subject matter in which a conflict of interest arises or which in his opinion is likely to arise. Shall make disclosures to the Board relating to all material financial and commercial transactions, if any, where

they have personal interest that may have a potential conflict with the interest of the company at large.

iv) Shall not, in his official capacity, enter into business with (a) a relative or (b) a Private Limited Company in which he or his relative is a Member or a Director (c) a Public-Limited Company in which he or his relative holds 2% or more paid-up share capital and (d) with a firm in which the relative is a partner, except with the prior approval of the Board unless otherwise permitted by law.

v) Shall avoid having any personal and/or financial interest in any business dealings concerning the Company.

vi) Shall avoid any dealing with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or that may influence discretionary decision to be made by the Board Members/Senior Management Personnel/ Company.

vii) Shall not hold any position or job or engage in outside business or other interest that is prejudicial to the interests of the Company.

viii) Shall not exploit for their own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board of Directors of the Company and the Board declines to pursue such opportunity and allow him to avail such opportunity.

ix) Shall not make any public statement which has the effect of adverse criticism of any policy or action of the Govt. or of the Company or which is capable of embarrassing the relations between the Company and the public including all the stakeholders.

x) Shall not commit any offence involving moral turpitude.

5. DUTIES OF INDEPENDENT DIRECTOR

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) participates 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.

6. COMPLIANCE OF LAW

The Board Members, Senior Management Personnel and employees shall comply with all laws, rules and regulations relating to the business of the Company.

7. CORPORATE DISCLOSURE PRACTICES

The Code on Corporate Disclosure Practices regulates disclosure of "Unpublished Price Sensitive Information". The Company Secretary is responsible for overseeing and coordinating disclosure of "Unpublished Price Sensitive Information" to stock exchanges, analysts, shareholders and media including drafting of the press release or the text of the information to be posted on the Company's web-site/released to the press with the approval of the Managing Director/Whole-Time Director.

8. RELATED PARTY DISCLOSURES

The Board Members and Senior Management Personnel shall make disclosure of related party transactions to the Board of Directors in the format provided under Accounting Standard 18 (AS-18) issued by the Institute of Chartered Accountants of India (ICAI) and/or any modification or re-codification thereof .

9. PRIVACY & CONFIDENTIALITY

"Confidential information" includes all information of the Company not authorized by the management for public dissemination. This includes information on trade, trade secrets, confidential and privileged information regarding customers, employees, information relating to mergers and acquisitions, stock splits and divestitures; non-public information about discussions and deliberations relating to business issues and decisions, between and among employees, officers and Directors in formal meetings or otherwise, and will include all such information which is not available in the public domain at that point of time.

The Company believes that protection of all confidential information is essential and is committed to protecting business and personal information of confidential nature obtained from clients, associates and employees. Directors / Senior Management Personnel shall ensure that no confidential information is disclosed inadvertently or otherwise.

Confidential information shall be disclosed to persons, both internal and external, only on a 'need to know' basis and public disclosure shall be made with appropriate approval or as legally mandated.

Directors / Senior Management Personnel shall ensure that all confidential information available to them by virtue of the office they hold is never directly or indirectly released to any person or entity, or made public, otherwise than as stated above.

10. GIFTS, DONATIONS & ENTERTAINMENT

The Board Members and Senior Management Personnel 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 its business. However, the Board Members and Senior Management may accept and offer nominal gifts, which are customarily given and are of a commemorative nature, for special events.

11. CONFLICT OF INTEREST

A conflict of interest situation would be deemed to have arisen, when an individual's interest is perceived to be inconsistent with or is in conflict with the business interest of the Company. One should avoid such conflict of interest with the Company. However, in case such a situation arises, he shall, on becoming aware of the same, make full and true disclosure of all facts and circumstances thereof to the Company. Some of the situations wherein a conflict of interest may be deemed to have arisen are elucidated below:

a) Pecuniary benefit

Where one's conduct is likely to confer a pecuniary benefit to oneself or in favour of any relative(s) or in favour of any company, body corporate or firm where one or one's relative is an employee, member, director or partner.

b) Related Party Transactions

Where one enters into transaction(s)/arrangement(s) (directly or indirectly through relatives) with companies, bodies corporate or firms, for personal gain, which may conflict with the business interest of the Company.

c) Corporate Opportunities

Except as may be approved by the Board of Directors or a Committee thereof, Directors / Management Personnel are precluded from:

- taking for themselves personally, opportunities that belong to either the Company or are discovered through the use of Company's property, information or position;
- using the Company's property, information, or position for personal gain; and
- competing with the Company

d) Outside directorships

It is a conflict of interest to serve as a director of any company that competes with the Company. Directors/ Senior Management Personnel must first obtain approval from the Company's Board before accepting a directorship.

12. PROTECTION & PROPER USE OF COMPANY'S ASSETS & RESOURCES

Directors / Senior Management Personnel shall as far as practicable, protect the Company's assets from loss, damage, misuse or theft and ensure that the assets are only used for business purposes and other purposes specifically approved by Management and must never be used for unauthorized purposes.

Directors / Senior Management Personnel shall not apply the Company's assets / resources and/or proprietary information for personal benefit and/or for the benefit of any other related party.

13. FRAUDULENT AND UNFAIR PRACTICES IN THE SECURITIES MARKET

The Company's securities are listed with the Stock Exchanges. The Company is committed to comply with securities laws in all jurisdictions in which its securities are listed.

The Company prohibits its Directors / Senior Management Personnel from any fraudulent and unfair trade practices in the securities market, with regard to the securities of the Company or of any other company with whom the Company has business dealings to the best of their knowledge.

14. FAIR DEALING

Director / Senior Management Personnel shall not take a discriminatory stance towards or give unfair advantage to the Company's employees, customers, suppliers, or

competitors through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

No discrimination shall be done on the basis of caste, religion, sex, nationality or disability of any kind towards any employees, customers, suppliers, or any business partner.

15. PREVENTION OF INSIDER TRADING

The Board Members and the Senior Management team shall comply with the Code of conduct for prevention of Insider Trading in dealing with securities of the Company.

16. HEALTH, SAFETY & ENVIRONMENT

The Company believes in sustainable development and is committed to be a responsible corporate citizen.

To uphold the Company's interest and preserve the quality of life of all concerned, the business and operations of the Company shall be conducted in an environmentally friendly manner and provide a safe and healthy working environment to its employees.

Directors / Senior Management Personnel shall ensure compliance with all applicable environmental, safety and health laws and regulations and internal policies.

17. REPORTING OF ILLEGAL OR UNETHICAL BEHAVIOUR

The Company shall promote ethical behaviour in all its business activities. Employees are free to report existing/probable violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the Management to the workgroups. Such reports received from any employee will be reviewed from time to time.

In accordance with the Company's Whistleblower Policy the Directors / Senior Management Personnel shall not attempt to suppress/conceal any such view or reporting.

The confidentiality of those reporting violations shall be protected and they shall not be subjected to any discriminatory practices.

18. NO RIGHTS CREATED

This Code sets forth guidelines for conduct for the Board of Directors and Senior Management Personnel. It is not intended to and does not create any rights in any Director or Senior Management Personnel, client, supplier, customer, shareholder, or any other person or entity.

19. PLACEMENTS OF THE CODE ON WEBSITE

Pursuant to Clause 49 of the Listing Agreement, this Code and any amendment thereto shall be posted on the website of the Company.

20. ANNUAL COMPLIANCE REPORTING

In terms of Clause 49 of the Listing Agreement, all Board Members and Senior Management Personnel shall affirm compliance of this Code within 30 days of close of every financial year. Such certification shall be in the form provided in the format as follows:

To,
The Compliance Officer,
Gontermann-Peipers (India) Limited.

Sub: Compliance Certificate

I , being a member of the Board of Directors / Senior Management Personnel of Gontermann-Peipers (India) Limited ("the Company") hereby acknowledge, confirm and certify that:

I have received, read and understood the Code of Conduct and Business Ethics for Board Members and Senior Management Personnel of the Company;

I am bound by the said Code to the extent applicable to my functions as a member of the Board of Directors / Senior Management Personnel of the Company;

During the financial year _____, I have complied with the provisions of the said Code.

I am not aware of nor am I a party to any non-compliance with the said Code.

Signed:
Name:
Designation:
Date:

The Annual Report of the company shall contain a declaration to this effect signed by the Chief Executive Officer (CEO) of the Company.

21. DIRECTORS' AND OFFICERS' LIABILITY INSURANCE (D&O INSURANCE)

D&O Insurance policy is an insurance policy bought by companies for the benefit of their directors and officers insuring them in respect of their potential liabilities as directors and officers. The policy may also reimburse the companies themselves to the extent they have lawfully indemnified the directors and officers and may provide separate cover to the company in respect of the costs of their attending investigations by regulators.

22. LIABILITY OF INDEPENDENT DIRECTOR

Independent Directors to be held liable only in respect of such acts of omission or commission by a company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the Listing Agreement.

23. ENFORCEMENT OF CODE OF CONDUCT

Each Board Member and Senior Management Personnel shall be accountable for fully complying with this Code.

24. CONSEQUENCES OF NON-COMPLIANCE OF THIS CODE

24.1 In case of breach of this Code by the Non Whole-time Directors, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary.

24.2 In case of breach of this Code by the Whole-time Directors and Senior Management Personnel, the same will not be tolerated and will result in disciplinary action, including termination of employment where appropriate.

25. AMENDMENTS TO THE CODE

This Code may be amended, modified, or varied by the Board of Directors subject to appropriate applicable provisions of law, rules, regulations and guidelines.

As a general policy, the Board will not grant waivers to this Code. However, in extraordinary situations and for reasons to be recorded in writing, the Board may waive or grant exemption from any one or more of the provisions of this Code.

For Gontermann-Peipers (India) Ltd



Susanta Ghosh
Managing Director & CEO

Date: 29.05.2014
Place: Kolkata