



## **MYSORE PETRO CHEMICALS LIMITED CODE OF CONDUCT FOR DIRECTOR'S & SENIOR MANAGEMENT**

---

### **Introduction**

The Code of Conduct for Directors and Senior Management Personnel (“the Code”) has been devised to ensure certain minimum standards of conduct for Mysore Petro Chemicals Limited in compliance with the provisions Regulation 17(5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Code of Conduct may be called as Mysore Petro Chemicals Limited - Code of Conduct (hereinafter referred to as “the Code”).

The purpose of this Code is to enhance further scope of good Corporate Governance with an ethical and transparent process in managing the affairs of the Company.

### **Applicability**

This Code is applicable to the Directors and Senior Management Personnel i.e. in the category of General Managers and above and including Chief Financial Officer, Company Secretary and functional heads.

### **Key Requirements**

The Directors and the Senior Management Personnel shall act within the authority conferred upon them in the best interest of the Company and observe the following Code of Conduct:

- Shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct while working for the Company as well as representing the Company without allowing their independent judgement to be subordinated and fulfill the fiduciary obligations.
- Shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which in his opinion is likely to arise.
- Shall avoid having any personal financial interest in works or contract awarded by the Company.
- Shall avoid any relationship with a contractor or supplier that could compromise the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company.
- Shall not exploit for their own personal gain, opportunities that are discovered through Company’s business, information or position, unless the opportunity is disclosed fully in writing to the Board of Directors and its approval is obtained.
- Shall not seek or accept or offer directly or indirectly any gifts, donations, remuneration, hospitality, illegal payments, favour in whatsoever form howsoever described by the customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, opportunity for committing any fraud.
- Shall comply with all the Accounting Standards in the maintenance of accounting systems.
- Shall comply with all applicable laws, rules and regulations, both in letter and spirit.



- Shall not derive benefit or assist other to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constitute insider information/insider trading within the meaning of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- Shall not disclose any confidential information concerning the Company's business, its customers, suppliers etc. which is not in the public domain and to which he/she has access unless authorized to do so and when disclosure is required as a matter of law.
- Shall protect the Company's assets and may not use these for personal use.
- Shall maintain utmost confidentiality unless disclosure is authorized or legally mandated. In any given case the matter shall be discussed first with the Chairman of the Board instead of straightaway adopting the whistle blower policy so as to safeguard the interest of the Company and stakeholders.

### **Enforcement of the Code of Conduct**

The Compliance Officer shall be the Co-ordinator for the purpose of this Code. Each Director and Senior Management Personnel shall be accountable for fully complying with this Code.

Breach, if any, of this Code shall be reported to:

- a) Board of Directors in case of Directors; and
- b) Managing Director in case of Senior Management Personnel.

Penalty for breach of this Code by Senior Management Personnel shall be determined by the Managing Director. In case of breach of this Code by the Directors, the same shall be examined by the Board of Directors.

### **Amendments to the Code**

Amendments/Modifications to this Code may be made by the Board of Directors from time to time.

### **Insertion of Code in Website**

As required by Regulation 46(2)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Code and any amendments thereto shall be posted on the website of the Company.

### **Affirmation of Compliance to the Code**

In terms of Regulation 26(1)(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all Directors and Senior Management Personnel shall affirm compliance with this Code within 30 days of close of every financial year. A Proforma of Annual Compliance Report is annexed to this Code as Annexure-I. The Annual Compliance Report shall be forwarded to the Compliance Officer of the Company and the same shall be placed before the Board. A declaration shall be contained in the Annual Report of the Company to this effect signed by the CEO.



**CODE FOR INDEPENDENT DIRECTORS TO BE COMPLIED WITH BY THE  
INDEPENDENT DIRECTORS**

The Independent Directors shall comply with the Code of Independent Directors annexed hereto as Annexure-II



Annexure-I

Date :

The Company Secretary  
Mysore Petro Chemicals Limited  
401, Raheja Centre  
214, Nariman Point,  
Mumbai – 400 021.

Dear Sir,

**Annual Compliance Report**

I, being a \_\_\_\_\_ of Mysore Petro Chemicals Limited hereby acknowledge, confirm and certify that :

1. I am aware of code of conduct of Directors & Senior Management Personnel of the Company and that the said code has been and is applicable to my functions as a member of the Board of Directors / Senior management of the Company;

2. During the Financial year \_\_\_\_\_ I have complied with the provisions of the said code.

Sign :

Name :

Designation :



## SCHEDULE IV

Section 149 (8) of the Companies Act, 2013

### CODE FOR INDEPENDENT DIRECTORS

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment 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.

#### **I. 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.

#### **II. 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) scrutinise 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.



### **III. 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 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. Manner of appointment:**

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out:
  - (a) the term of appointment;
  - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - (d) provision for Directors and Officers (D and O) insurance, if any;
  - (e) the Code of Business Ethics that the company expects its directors and employees to follow;



- (f) the list of actions that a director should not do while functioning as such in the company; and
- (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

#### **V. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

#### **VI. Resignation or removal:**

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

#### **VII. Separate meetings:**

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
  - (a) review the performance of non-independent directors and the Board as a whole;
  - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **VIII. Evaluation mechanism:**

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

\*\*\*\*\*

**The above policy was adopted by the Board of Directors at their meeting held on 20<sup>th</sup> January, 2005 and subsequently modified on 8<sup>th</sup> February, 2020.**