



## **POLYPLEX CORPORATION LIMITED**

### Code of Conduct for Board Members and Senior Management

#### **PREAMBLE**

This Code of Conduct is a guide to help Board of Directors and Senior Management Personnel to live upto Company's ethical standards which shall be in compliance with the provisions of the Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 [referred hereinafter as "SEBI (LODR), 2015] and Companies Act, 2013.

The Directors and Senior Management Personnel are expected 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.

#### Definitions

"Board" means Board of Directors of the Company which includes whole-time directors as well as part time directors.

"Member of the Board" means every director of the Company as may be appointed from time to time.

"Company" means Polyplex Corporation Limited

"Director" means a director appointed to the Board of a company; [Section 2(34) of the Companies Act, 2013]

"Independent director" means an independent director referred to in sub-section (5) of section 149 of Companies Act, 2013 and who fulfills the criteria laid down under Regulation 16(1)(b) of the "SEBI (LODR), 2015;

"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise 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 company secretary and chief financial officer.



## **Applicability**

1. Part A of this Code of Conduct is applicable to following:
  - a) Members of the Board of the Company; and  
  
Senior Management,  
  
'Senior Managerial Personnel' and 'Members of Board are hereinafter collectively referred to as "Senior Officers"'.
2. Part B of this Code of Conduct is applicable to Members of the Board.

## **Part A**

1. Senior Officers are expected to act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct while working for the Company as well representing the Company without allowing their independent judgment to be subordinated and fulfill the fiduciary obligations.
2. Senior Officers are expected to comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company.
3. Senior Officers should adhere to and facilitate effective functioning of the Company's mechanism for redressal of complaints of sexual harassment.
4. Senior Officers will ensure proper usage of authority as delegated to them as per the Company's rules.
5. Every Senior Officer has to secure, preserve, safeguard and use discreetly, confidential information in the best interest of the Company. He/ she should not divulge or communicate such information to third parties except when authorized for the business reasons. In this regard, Board has identified spokespersons authorized to deal with the media.
6. Senior Officers are expected to devote their full attention with integrity and honesty to the business interests of the Company and are prohibited from engaging in any activity that interferes with their proper discharge of responsibilities of the Company, or is in conflict with or prejudicial to the interests of the Company.

Senior Officers shall not receive any direct or indirect benefit/ favour/ gratuity from Company's business associates, which is intended or can be perceived as being given to



gain favour for dealing with the Company or which could compromise the ability to transact Company's business on a professional, impartial and competitive basis or influence decision to be made by the Company.

7. Senior Officers should avoid conducting Company business in any significant way with a relative (as defined in the Companies Act, 2013, or with a business in which a close relative is associated).
8. Senior Officers are responsible for effective control and appropriate use of all Company's assets, information and resources entrusted to them in official discharge or their duty.
9. Senior Officers shall not accept lavish gifts or gratuities or any offer, payment, promise to pay or authorisation 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 a 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 and reasonable.
10. Senior Officers should abide by Code for prevention of Insider Trading and Code of Corporate Disclosure Practices for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations 1992, as adopted by the Board.

## **Part B**

1. In addition to above prescription and general duties of Directors prescribed under the Companies Act, 2013 and Rules made thereunder and Articles of Association of the Company, Directors of the Company shall adhere to following Professional Conduct and shall have following Role and functions and Duties:

### **1.1 Professional Conduct**

A Director shall:

- a) uphold ethical standards of integrity and probity;
- b) act objectively and constructively while exercising his/her duties;
- c) exercise his/her responsibilities in a *bona fide* manner in the interest of the company;



- d) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e) not allow any extraneous considerations that will vitiate his/her 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;
- f) not abuse his/her 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;
- g) refrain from any action that would lead to loss of his/her independence;
- h) where circumstances arise which make an independent director lose his/her independence, the independent director must immediately inform the Board accordingly;
- i) assist the Company in implementing the best corporate governance practices.

## **1.2 Role and Functions**

All Directors and Independent Directors in particular shall:

- a) 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;
- b) bring an objective view in the evaluation of the performance of board and management;
- c) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) safeguard the interests of all stakeholders, particularly the minority shareholders;



- f) balance the conflicting interest of the stakeholders;
- g) 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;
- h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **1.3 Duties**

All Directors shall:

- a) act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- b) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- c) 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;
- d) strive to attend all meetings of the Board and of the Board committees of which he is a member;
- e) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- f) strive to attend the general meetings of the company;
- g) 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;



- h) keep themselves well informed about the company and the external environment in which it operates;
- i) make available to and share with fellow Directors information as may be appropriate to ensure proper conduct and sound operation of the Company and the Board.
- j) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- k) 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;
- l) 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;
- m) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- n) acting within his/her authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- o) 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.

#### **Adherence to Code of Conduct**

Senior Officers and Members of the Board shall confirm that they have received, read and understood the Code, and agree to confirm compliance with the Code in the format specified, on an annual basis.

#### **Non- Compliance of the Code**

Suspected violations of this Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated and action taken.



### **Amendment to the Code**

Any amendment or waiver of any provision of any provision of this Code shall be approved by the Company's Board.

*Note:*

*This Policy was last amended by the Board of Directors in their meeting held on February 13, 2019.*