

# **AMRAPALI INDUSTRIES LIMITED**

## **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

### **INTRODUCTION**

- This Code of Conduct (hereinafter referred to as “Code”) is applicable to the Members of the Board (hereinafter referred to as “Directors”), Key Managerial Personnel (“KMP”) and the Senior Management of AMRAPALI INDUSTRIES LIMITED (the “Company”). It reflects the Company’s underlying ethical values and commitment to lay standards of integrity, transparency, fairness, accountability and pursuit for excellence.
- The purpose of this Code is to demonstrate the ethical and transparent process in managing the affairs of the Company, and thus to sustain the trust and confidence reposed in the Management by the stakeholders and business partners. Directors, KMP and Senior Management are expected to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day-to-day functioning.
- The principles prescribed in this Code are general in nature and lay down broad standards of compliance of Companies Act, 2013, Clause 49 of the Listing Agreement with the Stock Exchanges, where the shares of the Company are listed for trading and DPE Guidelines on Corporate Governance.
- The Company currently has in place the AMRAPALI INDUSTRIES LIMITED Executive Conduct, Discipline & Appeal Rules (CDA Rules) / Standing Orders as amended from time to time which govern the conduct of all employees of the Company including Whole-time Directors. The Rules/Orders provide for good conduct and discipline as well as provide for penalties in the case of violations and the appeal mechanism.
- All Directors, KMP and Senior Management shall sign the acknowledgment form at Appendix-I and return the form to the Company Secretary indicating that they have received, read and understood the provisions of the Code and agree to comply with the same. All Directors, KMP and Senior Management shall be required to affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Company Secretary, in the form annexed at Appendix-II. The Annual Report of the Company shall carry a declaration to this effect signed by CEO of the Company.

### **DEFINITIONS & INTERPRETATION**

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

“Company” shall mean AMRAPALI INDUSTRIES LIMITED.

“Directors” shall mean all the members of the Board of Directors of the Company, including the Part-time Directors.

“Whole-time Directors” shall mean the Board Members who are in whole-time employment of the Company.

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“Part-Time Directors” shall mean the Board Members who are part-time directors and not in the whole time employment of the Company.

“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.]

“Independent Director” means a Director who satisfies the criteria of independence as prescribed under the Companies Act, 2013 and the Listing Agreement with the Stock

Exchanges “Key Managerial Personnel” means “Key Managerial Personnel” as defined under the Companies Act, 2013 and the rules made there under.

## **APPLICABILITY**

This Code shall be applicable to the following persons:

- i. All Directors;
- ii. Key Managerial Personnel and
- iii. Senior Management

## **KEY REQUIREMENTS**

The Directors, KMP and Senior Management shall act within the authority conferred upon them in the best interests of the Company and will:

- act in the best interest of and fulfill their fiduciary obligations to the Company and its shareholders;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;
- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- use their prudent judgment to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company;
- not exploit for his/her own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the Company declines to pursue such opportunity for its business interest(s)
- avoid conducting business on behalf of the Company except with the prior approval of the Board; with:
  - (a) a relative

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(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 shares or voting right and:

(d) with a firm in which the relative is a partner:

- disclose and avoid having any personal and/or financial interest in any business dealings concerning the Company;
- avoid any dealings with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company;
- not hold any positions or jobs or engage in outside businesses or other interests that are prejudicial to the interests of the Company; and
- Inform the Board at the earliest opportunity, any existing or potential conflict of interest situation.

It is clarified that it would not be a conflict of interest or the Director, KMP & Senior Management of the Company or members of their immediate family to have dealings in normal course with and to obtain services from persons or entities who also deal/provide services to the Company, including legal, accounting or brokerage services, loans & services from banks or insurance from insurance companies etc. at rates customary for similarly situated customers.

### **OTHER DIRECTORSHIPS**

Unless specifically permitted by the Board, the Board Members shall not serve as Director of any other Company or as Partner of a Firm that is engaged in a competing business with the Company. This clause is not applicable to Ex-officio Government Nominee Directors. Key Managerial Personnel and Senior Management Personnel shall obtain prior approval of the Chairman and Managing Director/Competent Authority for accepting Directorship of any other company or partnership of a firm.

### **GIFTS AND DONATIONS**

The Directors, KMP and the Senior Management shall neither receive nor offer or make, directly or indirectly, any gifts, donations or comparable benefits which are intended to or perceived to obtain undue favors in the transactions detrimental to the interest of the Company, except for nominal value, which are customarily given and are of commemorative nature for special events and should never be of a kind that could create an appearance of impropriety.

### **PUBLIC REPRESENTATION**

The company honors the information requirements of the public and its stakeholders. In all its public appearance with respect to disclosing information in relation to the Company's activities to public constituencies such as the media, the financial community, employees and shareholders, the Company or the Group shall be represented only by specifically authorized

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directors and employees. It will be the sole responsibility of these authorized representatives to disclose Company related information.

## **CONFIDENTIALITY OF INFORMATION**

Any information concerning the Company's business, its customers, suppliers, etc. to which the Directors, KMP and Senior Management have access or which is possessed by the Directors, KMP and Senior Management, must be considered privileged and confidential and should be held in confidence at all times and should not be disclosed to any person, unless :

- (i) specifically authorized; or
- (ii) the same is part of the public domain at the time of disclosure; or
- (iii) is required to be disclosed in accordance with applicable laws.

## **REGULATORY COMPLIANCE**

Every Director, KMP and Senior Management shall, in his or her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he or she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

## **HEALTH, SAFETY AND ENVIRONMENT**

The Directors, KMP and Senior Management shall be committed to prevent the wasteful use of natural resources and minimize any hazardous impact of the development, production, use and disposal of any of its products and services on the ecological environment.

## **PROTECTION OF ASSETS**

The Directors, KMP and Senior Management of the Company shall employ the assets of the Company and for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

## **RESTRICTIONS**

### **Prohibition on Insider Trading of Securities**

The officers shall comply with the Code of Internal Procedures and Conduct in dealing with the securities of the Company as applicable from time to time and no Director or senior management of a Company shall enter into Insider Trading. However the same Page 8 of 12 shall not apply to any communication required in the ordinary course of business or profession or employment or under any law.

### **Restriction on non-cash transactions involving Directors**

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Company shall not enter into any arrangement by which a Director of the company or any person connected with him can acquire assets for the consideration other than cash, from the Company & vice versa, without the approval of Company in general meeting

Prohibition on forward dealings in securities of the Company by Directors or Senior Management

The Director of a Company shall not buy in the Company, or in its holding, subsidiary or associate Company:

- a) a right to call for delivery or a right to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures
- b) a right, as he may elect, to call for delivery or to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures

## **DUTIES OF INDEPENDENT DIRECTOR**

The Independent Directors shall adhere to the duties as mentioned in the Companies Act, 2013 and shall 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 process and with his consent or connivance or where he had not acted diligently with respect of the provisions contained in the listed agreement.

## **REPORTING**

Any question or interpretation under the Code will be considered by the Board or any other person authorized by the Board in the said behalf. All queries in this regard should be addressed to the Company Secretary. Officers may approach the Company Secretary to facilitate approval of the Board, wherever required under the Code.

## **AMENDMENTS TO THE CODE**

The provisions of this Code can be amended / modified by the Board of Directors of the Company from time to time in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise and all such amendments/ modifications shall take effect from the date stated therein. All Directors, KMP and Senior Management shall be duly informed of such amendments and modifications.

## **ENFORCEMENT OF CODE OF CONDUCT**

All Directors, KMP and/or Senior Management shall be accountable for fully complying with this Code. Waiver of any provision of the Code for an Officer must be placed for approval before the Board of Directors of the Company.

## **CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE**

In case of breach of this Code by the Directors and KMP, the same shall be dealt with by the Board of Directors for initiating appropriate action, as deemed necessary.

In case of breach of this Code by the Senior Management, the same shall be dealt with by Chairman & Managing Director in accordance with the CDA Rules of the Company.

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## APPENDIX-I

AMRAPALI INDUSTRIES LIMITED

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ACKNOWLEDGEMENT FORM

I ....., have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code)". I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature: .....

Name: .....

Designation: .....

Date: .....

Place: .....

## APPENDIX-II

AMRAPALI INDUSTRIES LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

COMPLIANCE REPORT\*

I .....do hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the provisions of the CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL during the financial year ending 31st March.....

Signature: .....

Name: .....

Designation: .....

Date: .....

Place: .....

\* To be submitted by 30th April each year