



# **AMINES & PLASTICIZERS LIMITED**

## **Code of Conduct for Board of Directors and Senior Management Personnel**

### **1. Preamble:**

This Code shall be applicable to all the Members of the Board including the Non Executive Directors and Senior Management Personnel (as may be decided from time to time) of AMINES & PLASTICIZERS LIMITED (herein after referred to as “the Company”).

### **2. Objective of the Code:**

All Key Personnel must act within the bounds of the authority conferred upon them and with a duty to take informed decisions and create policies in the best interests of the Company and its shareholders/stakeholders.

The Code is prepared considering that the Company has been entrusted by the various stakeholders in trust and the Board of Directors are the trustees of these stakeholders and owe a responsibility to ensure that the organization is managed in a manner that protects and further the interest of our stakeholders. Adoption of this Code will send a strong message regarding the importance of ethical behaviour at Amines and the protection of investors' interests. This Code is also formulated in accordance with the requirements of the Listing Agreements of the Stock Exchange, Mumbai as well as our own vision of good governance.

### **3. Applicability:**

This Code is applicable to the following persons:

- A) Board of Directors.
- B) Senior Management Personnel.

Senior Management Personnel shall mean officers of the Company who are members of its core Management Team excluding Members of the Board and comprises all members of Management One Level below the Executive Directors, including all Functional Heads.

### **4. Interpretation:**

With a view to maintain the high standards, the following Code should be observed in all activities in respect of the Company. The Company appoints the Company Secretary as a Compliance Officer for the purposes of this Code, who will be available to all the Board of Directors and Senior Management Personnel to answer questions and to help them comply with the Code.

#### **1] Honesty & Integrity:**

All Key Personnel shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. They shall act in good faith, responsibly with due care, competence and diligence, without allowing their independent judgment to be subordinated. They shall act in the best interests of the Company and fulfill their fiduciary obligations.



# **AMINES & PLASTICIZERS LIMITED**

## **2] Participation:**

All Directors shall demonstrate their commitment to the Company by participating in Board and Committee Meetings through high levels of attendance. They shall prepare themselves for all meetings and shall make positive contributions to the discussion and the decision making process.

## **3] Conflict of Interest:**

The term “Conflict of Interest” pertains to situations in which personal, financial or other consideration(s) may compromise, or have the appearance of compromising the professional judgement of Directors/ Management personnel. A Conflict of Interest exists where the interests or benefits of Directors/ Management Personnel or of people or entities related to them conflicts with the interests or benefits of the Company.

- a. All Key Personnel shall endeavour to avoid having his or her private interests therefore, or appear to interfere, with the interests of the Company or his or her ability to perform his or her duties and responsibilities objectively and effectively.
- b. All Key Personnel shall avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees or obligations by the Company.
- c. All Key Personnel shall make full disclosure to the entire Board of any transaction or relationship that the Key Personnel reasonably expects could give rise to an actual or apparent conflict of interests with the Company and seek the Board's authorization to pursue such transaction or relationship.
- d. All Key Personnel are expected to avoid situation in which his/her personal interest could conflict with the interest of the Company. In the event, when any such conflict of interest arises in the course of the business, the same may be reported to the Board for their approval.

## **4] Corporate Opportunities:**

- a. In carrying out their duties and responsibilities all Key Personnel shall avoid making use of corporate opportunities for themselves that are discovered through the use of their position as Key Personnel for personal gain or competing with the Company.
- b. If the Key Personnel reasonably believes that a contemplated transaction might be a corporate opportunity or a competitive transaction, the Key Personnel shall make full disclosure to the entire Board and seek its authorization to pursue such transaction.



# **AMINES & PLASTICIZERS LIMITED**

## **5] Compliance:**

All Key Personnel are required to comply with all applicable Laws, Rules and Regulations, both in letter and in spirit. The Company and all its directors including the Independent Directors shall comply all requirements under section 149 and all other applicable provisions of the Companies Act, 2013 and abide by the Code for Independent Directors under Schedule IV which is enclosed as Appendix I

In order to assist the Company in promoting lawful and ethical behaviour, all Key Personnel must report any possible violation of laws, rules, regulations or the code of conduct to the Board of Directors through the Company Secretary.

## **6] Other Directorships:**

All Directors must disclose their Directorship, Committee membership on the Board of other Companies and substantial shareholding in other Companies to the Board on an annual basis and any changes therein.

## **7] Confidentiality of Information:**

Any information concerning the Company's business, its customers, suppliers, etc., which is not in the public domain and to which the Key Personnel have access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required under any law. No Key Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized. (The Chairman & Managing Director does not require specific authority.)

## **8] Mutual Respect:**

- a. All Key Personnel shall express their opinions, unencumbered, yet always with the goals of flexibility and compromise whenever achievable by remaining open to different viewpoints.
- b. All Key Personnel shall work with and respect the opinions of their peers and leave personal prejudices out of all Board and Committee discussions.

## **9] Insider Trading:**

Using non-public information to trade in securities, or providing a family member, friend or any other person with a 'tip' or any inside information, is illegal. All non-public information should be considered inside information and should never be used for personal gain. Therefore, all Key Personnel shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constitutes insider information.



# **AMINES & PLASTICIZERS LIMITED**

## **10] Gift & Donations:**

No Key Personnel of the Company shall receive or offer, directly or indirectly any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive) favors or decisions for the conduct of business. Nominal gifts of commemorative nature, for special events may be accepted and reported to the Board.

## **11] Protection of Assets:**

All Key Personnel must protect the Company's assets, labour and information and should not use these for personal use, unless approved by the Board.

## **12) Disclosure of Interest :**

Any Director having financial or other interest by himself or through his relatives in any party contracting with the Company including vendors and customers, or in an Organisation which is in competition with the Company shall make such interest know to the Board at the first opportunity and shall abstain from any discussion or decision-making on matters related to the Company and to such contracts or to the competitor.

The Director shall make a general disclosure of interest every year in the Form MBP-1 prescribed under Section 184 of the Companies Act, 2013, with the changes, if any, notified to the Board from time to time.

The Director shall disclose his investments in the Company and in its holding company or subsidiary, if any, and changes therein, if any, from time to time.

## **13) Reporting of Illegal or Unethical Behaviour (Whistle Blower Mechanism) :**

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. If the employees have reason to believe that the Senior Management Personnel are involved in unethical conduct, they should report these facts to the Audit Committee of the Company's Board of Directors. Such reports received from any employee will be reviewed by the Board from time to time. All Key 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.

## **14) Corporate Citizenship :**

The Company is committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self-reliant.



## **AMINES & PLASTICIZERS LIMITED**

### **15) Violation of Code :**

The matters covered in this Code are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values.

It is ethical responsibility of Board of Directors and Senior Management Personnel to abide by and enforce this Code. The Board of Directors shall take disciplinary action against any Director or Senior Management Personnel who is found guilty under the Code.

### **16] Amendments, Modification & Waivers:**

This Code may be amended, modified, or varied by the Board, 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

### **17] Periodic Review:**

Once every year or upon revision of this code, every Key Personnel must acknowledge and execute an understanding of the Code and an affirmation that he/she has complied with the Code. New Key Personnel will sign such a deed at the time of joining.



# **AMINES & PLASTICIZERS LIMITED**

## **ACKNOWLEDGEMENT FORM CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

**To,  
The Compliance Officer,  
AMINES & PLASTICIZERS LIMITED**

I, being a member of the Board of Directors/Senior Management of Amines & Plasticizers Limited, hereby acknowledge that I have received and read the Code of Conduct. I understand and agree that it is my responsibility to promote the application of this Code.

I, further, understand that if I have any questions concerning the meaning or application of the Code, I can consult the Compliance Officer knowing that my questions or reports to these sources will be maintained in confidence.

(Signature) :

(Name) :

(Designation) :

(Date) :

Please sign this form and return to the Compliance Officer.



# **AMINES & PLASTICIZERS LIMITED**

## **ANNUAL COMPLIANCE REPORT CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

**To,  
The Compliance Officer,  
AMINES & PLASTICIZERS LIMITED**

I \_\_\_\_\_ do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code Of Conduct For Board Members / Senior Management Personnel during the financial year ending 31<sup>st</sup> March, 201\_\_.

(Signature) :

(Name) :

(Designation) :

(Date) :

Please sign this form and return to the Compliance Officer.



# **AMINES & PLASTICIZERS LIMITED**

## **Appendix I**

### **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.





# **AMINES & PLASTICIZERS LIMITED**

## **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.



## **AMINES & PLASTICIZERS LIMITED**

- (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.



## **AMINES & PLASTICIZERS LIMITED**

### **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.

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