



AGRO PHOS (INDIA) LIMITED

CIN: L24123MP2002PLC015285

CODE OF CONDUCT FOR ALL BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL OF THE COMPANY

**CODE OF CONDUCT FOR ALL BOARD MEMBERS AND
SENIOR MANAGEMENT PERSONNEL OF THE COMPANY**

I. PREAMBLE

Regulation 17(5) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) stipulates that the Board of Directors of every listed company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company.

Regulation 17(5) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) stipulates that the listed entity shall disseminate the code of conduct of board of directors and senior management personnel on its website.

II. INTRODUCTION

This Code of Conduct (hereinafter referred to as the “Code”) shall be called as “The Code of Conduct for the Members of the Board and Senior Management Personnel” of Agro Phos (India) Limited.

The Company in general has its internal rules and regulations within the framework of various laws which govern the conduct of all permanent employees of the Company. This Code shall be applicable to all the Board Members and Senior Management of the Company and the principles prescribed in this Code are general in nature and lay down broad standards of compliance and ethics, as required under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

III. APPLICATION OF THIS CODE

This Code of Conduct applies to all the directors and Senior Management Personnel of the Company.

IV. DEFINITIONS

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.

- I. “Board Members” means Board of directors of the Company.
- II. “Company” means Agro Phos (India) Limited.
- III. “Conflict of Interest” means where the Interest or Benefit of one person or entity conflicts with the interest or benefit of the company.

- IV. "Price Sensitive Informations" shall have the same meaning as assigned to them in SEBI (prohibition of Insider Trading) Regulations, 2015.
- V. Related party means a related party as defined under the provisions of Companies Act, 2013 or under applicable accounting standards.
- VI. "Senior Management Personnel" means personnel of the Company who are members of its core management team excluding the Board of Directors. Normally, this would comprise of all members of management one level below the executive directors, including all functional heads.

V. KEY REQUIREMENTS

The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the Company and observe the following code of conduct:

- The Board of Directors and the Senior Management Personnel shall act honestly, ethically, in good faith and in the best interest of the Company and to fulfill their fiduciary obligations.
- Whilst carrying out the duties, the Board of Directors and the Senior Management Personnel shall ensure that it is executed in terms of the authorizations granted and within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors or Committee of Directors of the Company, from time to time.
- The Board of Directors and the 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 favors for the conduct of its business except accepting a gift or entertainment if warranted by the accepted ethical customs and practices.
- The Board of Directors and the Senior Management Personnel shall refrain from indulging in any discriminatory practice or behavior based on race, color, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.
- The Board of Directors and the Senior Management Personnel shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.

- The Board of Director/Senior Management personnel shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the company and therefore constituting insider information. All Directors/Senior Management Personnel shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy of the Company.
- Any information concerning the Company's business, performance, its customers, suppliers, etc., which is not in the public domain and to which the Directors/Senior Management 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 Director /Senior Management personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.
- The Board of Directors/Senior Management personnel shall focus on customer/ investor satisfaction. They shall ensure that the communications given are accurate and truthful and do not deliberately omit important facts or shall not be of misleading nature.
- Except as approved by the Board, the Directors/Senior Management personnel are prohibited from: a. taking any personal opportunities directly or indirectly that belong to the Company or are discovered through the use of Company's property, information or position; and b. Using the Company's property, information or position for personal gain/advantage or to cause detriment to the Company. Notwithstanding anything contain herein, an Independent / Non- Executive Director shall have the full liberty to persue his/ her independent professional/ business/ employment activities and/ or to assume office(s) of director/ trustee.
- The Directors shall promptly disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws. The Directors and Senior Management shall also promptly disclose their relationships with other individuals, firms or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

V. COMPLIANCE

All applicable laws, rules and regulations shall be complied with. In order to assist the Company in promoting lawful and ethical behavior, any possible violation of laws, rules, regulations or the code of conduct shall be reported to the Board of Directors through the Company Secretary.

VI. CONFLICT OF INTEREST

Directors/Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. Notwithstanding anything contain herein, an Independent / Non- Executive Director shall have the full liberty to pursue his/ her independent professional/ business/ employment activities and/ or to assume office(s) of director/ trustee. Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Below are the common circumstances that may lead to a conflict of interest, actual or potential:

- They should not engage in any activity/employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- They and their immediate families should generally refrain from investments in such companies/ entities whereby their responsibility to the Company is compromised.
- They should avoid conducting Company business with a relative or with a firm/company in which a relative/related party is associated in any significant role. If such related party transaction is unavoidable, it must be fully disclosed to the board of the Company. Transactions/ dealing done on arm's length basis shall not be considered to be conflict of interest.

VII. DUTIES OF THE DIRECTORS

Without limiting the details of the duties mentioned in the Companies Act, 2013, the Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prevention of Insider Trading framed there under and other applicable laws, the duties of a director are as under: In terms of Section 166 of the Companies Act, 2013, a director shall:

- act in accordance with the articles of the Company;
- 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;
- exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment;
- not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company;
- not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company;
- Shall not assign his office and any assignment so made shall be void.
- shall have a clear understanding of the aims and objectives, capabilities and capacity and various policies of the Company.

- A Director shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice.

VIII. COMPLIANCE REPORTING UNDER CODE

Once every year or upon revision of this code, every Director/ Senior Management person must acknowledge an understanding of the code and an affirmation that he/she has complied with the Code. New Directors/ Senior Management persons will acknowledge and affirm at the time of joining.

IX. AMENDMENT TO THE CODE

The provisions of this Code can be amended or modified by the Board of Directors from time to time.

CODE FOR INDEPENDENT DIRECTORS

(As per Schedule IV of Companies Act, 2013)

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

- uphold ethical standards of integrity and probity;
- act objectively and constructively while exercising his duties;
- exercise his responsibilities in a bona fide manner in the interest of the Company;
- devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- not allow any extraneous considerations that will vitiate his exercise of objective;
- exercise 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;
- 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
- refrain from any action that would lead to loss of his independence; where circumstances arise which make an independent Director lose his independence, the independent Director must immediately inform the Board accordingly; and
- assist the Company in implementing the best corporate governance practices.

II. ROLE AND FUNCTIONS

The independent Directors shall:

- 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;
- bring an objective view in the evaluation of the performance of board and management
- scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

- satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- safeguard the interests of all stakeholders, particularly the minority shareholders;
- balance the conflicting interest of the stakeholders;
- 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;
- 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

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- 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;
- keep themselves well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- 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;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

- 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 three months 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 financial 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.

Annual Compliance Report

I, _____, do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the Code of Conduct for Board Members and Senior Management Personnel of Agro Phos (India) Limited, during the financial year ended 31st March, _____.

Signature _____

Name _____

Designation _____

Date: _____

Place: _____