

MYSORE PETRO CHEMICALS LIMITED

CODE OF CONDUCT FOR DIRECTOR'S & SENIOR MANAGEMENT

Introduction

The Code of Conduct has been framed specifically in compliance with the provisions of Clause 49 of the listing agreement with the stock exchange (Bombay Stock Exchange) in respect of Board of Directors and the Senior Management Personnel. 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.

It shall be effective from 20th January 2005 and all Directors and Senior Managers are bound by this Code upon communication to them. Also all Directors and Senior Managers who join after this date are also bound by the same upon intimation by the Company to them.

Applicability

This Code is applicable to the Directors, both executive and non-executive Directors and the Senior Management team comprising of members one level below the Board of Directors including the functional heads.

Key Requirements

The Board Members and the Senior Management 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, 1992.
- 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 Board Member 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 executive and non-executive Directors; and
- b) Managing Director in case of Senior Management.

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 executive and non-executive Directors, the same shall be examined by the Board of Directors.

Amendments to the Code

Amendments/Modifications to this Code shall be first taken up with the Audit Committee and the same shall be submitted to the Board of Directors with its recommendations.

Insertion of Code in Website

As required by Clause 49 of the listing agreement this Code and any amendments thereto shall be posted on the website of the Company.

Affirmation of Compliance to the Code

In terms of Clause 49 of the listing agreement all Board Members and Senior Management shall within 30 days of close of every financial year affirm compliance with this Code. A Proforma of Annual Compliance Report is annexed to this Code as Appendix–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.
