

Asia Capital Limited

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CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF ASIA CAPITAL LIMITED

1. INTRODUCTION

- 1.1 This Code of Conduct (“**the Code**”) shall be called ‘the Code of Conduct for Board of Directors and Senior Management Personnel’ of **ASIA CAPITAL LIMITED** (hereinafter referred to as “the Company”) to comply the SEBI (Prohibition of Insider Trading) Regulations, 2015 in its letter and spirit and to promote good corporate governance in line with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).
- 1.2 This Code envisages that the Board of Directors of the Company (“**Board**”) and Senior Management Personnel (as hereinafter defined collectively referred to as “**Officers**”) must act within the bounds of the authority conferred upon them and with a duty to comply with the requirements of applicable law.
- 1.3 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 and Senior Management Personnel 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. It is also aimed to discourage any kinds of fraud, irregularity and malpractices in decision making process and its implementation.
- 1.4 All Officers should sign the acknowledgment form at **Appendix-I** that they have received, read, understood and agree to comply with the Code. All Officers shall be required affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Compliance Officer/Company Secretary.

2. DEFINITION & INTERPRETATION

- 2.1 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:
 - i. “**Board**” shall mean the Board of Directors of the Company;

- ii. “**Board Members**” shall mean the Directors on the Board of Directors of the Company;
- iii. “**Company**” shall mean Asia Capital Limited;
- iv. “**Government**” shall mean Government of India;
- v. “**Officers**” shall collectively refer to the Board Members and the Senior Management Personnel;
- vi. “**Price Sensitive Information**” includes any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of Securities of the Company;
- vii. “**Relative**” shall have the same meaning assigned to the term in the provisions of the Companies Act, 2013, as applicable;
- viii. “**Securities**” includes
 - a. shares, scripts, bonds, debentures, debenture stock or other marketable securities of a like nature;
 - b. puts, calls or any other option on the Company’s Securities even though they are not issued by the Company;
 - c. futures, derivatives and hybrids; and
 - d. such other instruments as may be declared to be such by the Compliance Officer from time to time.
- ix. “**Senior Management Personnel**” shall mean personnel of the Company who are members of its core management team excluding the Board of Directors and would comprise of all members of management one level below the Directors including functional head of each department and unit.
- x. “**Whole Time Directors**” shall mean the Board Members who are in the Whole-time employment of the Company.
- xi. “**Non-Whole Time Directors**” shall mean the Board Members who are part time Directors and not in the whole time employment of the Company.

2.2 In this Code words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

3. APPLICABILITY

This Code shall be applicable to the following persons:

- i. Board of Directors and Key Managerial Personnel (KMP) of the Company
- ii. Senior Management Personnel of the Company

The Directors and Senior Management Personnel should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

4. ETHICAL CONDUCT

Every Officer shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interest of the Company in view and shall:

- i. Act with professionalism utmost care, skill diligence, honesty, good faith and integrity as well as high moral and ethical standards;
- ii. Fulfill their fiduciary obligations without allowing their independence of judgment to be compromised;
- iii. Act fairly and transparently and not participate in any decision-making process on a subject matter in which a conflict of interest exists or is likely to exist such that an independent judgment of the Company's best interest cannot be exercise;
- iv. Avoid conducting business with (a) a relative or (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, except with the prior approval of the Board;
- v. Avoid having any personal and/ or financial interest in any business dealings concerning the Company;
- vi. Not hold any positions or jobs or engage in other businesses or interests that are prejudicial to the interests of the Company;
- vii. Not exploit for his own personal gain, opportunities that are discovered through use of corporate property, information or position, unless the opportunity is disclosed duly in writing to the Board and the Board declines to pursue such opportunity;
- viii. Not seek, accept, or offer or make, directly or indirectly, any gifts, illegal payments, remuneration, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of business;
- ix. Not commit any offence involving moral turpitude or any act contrary to law or opposed to public policy;
- x. Observe and guide the Company in maintaining highest degree of Corporate Governance;
- xi. Stay abreast of the affairs of the Company and be kept informed of the Company's compliance with relevant laws, rules & regulations; and
- xii. All the directors, KMP and senior officers shall ensure that the Company's information furnished to the Government Departments / Authorities, Financial Institutions and Banks is authentic and accurate.

5. DISCLOSURES

- 5.1 Notwithstanding that any instances of conflict of interest exist due to any historical reasons, adequate and full disclosure by the interested officer should be made to the Company. It is also incumbent upon every Officer to make a full disclosure of any interest which the Officer or the Officer's immediate family, which would include parents, spouse and children, may have in a company or firm which is a supplier, customer, distributor of or has other business dealings with the Company.
- 5.2 With respect to related party disclosures, Board Members shall make disclosure to the Board and Senior Management Personnel shall make disclosure to the Compliance Officer under the provisions of the Companies Act, 2013 and SEBI LODR.
- 5.3 If an Officer fails to make a disclosure as required herein, and the Company of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the Officer, the Company would take a serious view of the matter and consider suitable disciplinary action against the Officer.

6. ATTENDANCE AND PARTICIPATION IN BOARD MEETING AND COMMITTEE MEETINGS

Every Director:

- 6.1 shall make reasonable efforts to attend Board and Committee meetings regularly.
- 6.2 shall apply independent and open mind in various discussion at Board or Committee meetings.
- 6.3 shall share his knowledge and experience on all the agenda during the meeting proceedings.

7. PRESERVATION OF "PRICE SENSITIVE INFORMATION"

Every Officer shall maintain the confidentiality of all "Price Sensitive Information". They shall not pass on such information to any person directly or indirectly by way of making a recommendation or dealing in securities.

8. PUBLIC REPRESENTATION AND CONFIDENTIALITY OF INFORMATION

- 7.1 The Company honours the information requirement 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 shall be represented only by specifically authorized Officers.
- 7.2 Any information concerning the Company's business, its customers, suppliers, etc. to which the Officers have access or which is possessed by the Officers,

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) authorized by the Board 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.

9. REGULATORY COMPLIANCE

Every Officer shall, in his business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit, in all the territories in which he 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.

10. PROTECTION OF ASSETS

The Officers shall use best endeavors to protect Company's assets and property, ensure its efficient use and shall not derive any personal benefit (including without Limitation through the use of Company's property, assets, information of position) except that which they are lawfully entitled to.

11. CODE FOR INDEPENDENT DIRECTORS

The Independent Directors, in addition to the compliance with this Code, shall also comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this Code and enclosed as "Appendix – II".

12. PLACEMENT OF THE CODE ON WEBSITE

Pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Code and any amendments thereto shall be posted on the website of the Company.

13. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

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

14. AMENDMENT(S) OF THE CODE AND WAIVERS

The Code may be amended from time to time by the approval of the Board of Directors of the Company.

Any waiver of this Code for the benefit of any employees, officer or director of the Company may be made only by the Company's Board of directors and shall be disclosed promptly as required by applicable laws and regulations including the rules of any exchange on which the Company's securities are listed or traded.

CODE OF CONDUCT FOR
BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL
OF ASIA CAPITAL LIMITED

ANNUAL COMPLIANCE REPORT*

I have received and read the Company's "**CODE OF CONDUCT FOR BOARD OF DIRECTORS 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.

I do hereby also 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 OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**" during the financial year ending 31st March

Signature:

Name:

Designation:

Date:

Place:

*** To be submitted by 30th April each year.**

CODE FOR INDEPENDENT DIRECTORS

[Section 149(8) and SCHEDULE IV of the Companies Act, 2013]

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

- (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.

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 there under 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.

IV. 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.

VII. SEPARATE MEETINGS:

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of nonindependent 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.
