

INTRODUCTION

A Code of Conduct is basically a management tool which can positively shape the culture of an organization. It is a written document that outlines a company's values, principles and guidelines in a variety of areas and enables the company to publicly state to its suppliers, customers, consumers and other stakeholders, the way in which it intends to do business. A Code of Conduct sets out the standards of behavior expected in the organization which will help to solve ethical dilemmas faced at work.

Clause 49 of the Listing Agreement entered into with the Stock Exchanges requires all listed companies to lay down a Code of Conduct for the Directors on the Board and its Senior Management, to enhance ethical and transparent process in managing the affairs of the company and thus to sustain the trust and confidence reposed in the Officers by the shareholders of the company.

The Company has accordingly laid down this Code of Conduct (hereinafter referred to as the "Code") for its Board of Directors (hereinafter referred to as the "Board") and Senior Management Personnel (as hereinafter defined)

DEFINITIONS & INTERPRETATION

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:

- "Board" shall mean the Board of Directors of the Company
- "Board Members" shall mean the Directors on the Board of the Company
- "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 the management one level below the Executive Directors, including all functional heads
- "Company" shall mean Phoenix Overseas Limited
- "Government" shall mean Government of India
- "Officers" shall collectively refer to the Board Members and the Senior Management Personnel
- Whole-time Directors shall mean the Board Members who are in the whole-time employment of the Company
- "Relative" shall have the same meaning as assigned to it under Sections 2(41) and 6 of the Companies Act, 1956, read with Schedule IA of the Companies Act, 1956

APPLICABILITY

This Code shall be applicable to the following :

- All directors of the Company, whether executive or non-executive including nominee directors
- All executives of the Company from the rank of Manager and above
- All executives including professionals of the Company having direct reporting to the Whole time Director of the Company
- 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:

PHILOSOPHY OF THE CODE

The Company believes in achieving high degree of integrity in professional, financial, non-financial and business ethics in operation of its business. Being the trustee of the shareholders, it is our responsibility to ensure that the organisation is managed in a manner that protects and enhances the interests of our shareholders.

In view of the above, a standard Code is needed to be established in the organization.

The Code envisages and requires the Officers of Company to :

- Act with professionalism, utmost care, due diligence, good faith, honesty, integrity, high moral and ethical standard
- Avoid having any personal and/or financial interest in any business dealings of the Company
- Avoid holding any positions or jobs or engage in any businesses that are prejudicial to the interests of the Company
- Avoid conducting, accepting or offering or making, directly or indirectly, any gifts, illegal payments, remuneration, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of business
- Adhere to the highest standards of honest and ethical conduct including proper and ethical procedure in dealing with actual or apparent conflicts of interest between personal and professional relationship.

COMPLIANCE OF THE APPLICABLE LAWS

The Officers of the Company must comply with the applicable laws, rules, regulations, regulatory orders and reports. Any inadvertent non-compliance, if detected subsequently, should be reported to the authorities concerned.

DISCLOSURE STANDARDS

- Every Officer of the Company shall make full disclosure of any interest which he or his relative, may have in a Company or firm which is a supplier, customer, distributor or has other business dealings with the Company
- 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
- All related party transactions should be disclosed to the Board
- If an Officer fails to make a disclosure as required herein, and the Company of its own accord becomes aware of the same, the Company would take a serious view of the matter and consider suitable disciplinary action against the Officer

CONFIDENTIALITY OF INFORMATION

Officers of the Company in the course of their dealings with the Company may have access to certain information concerning the Company's business, its customers, suppliers etc and the same must be considered privileged and confidential and should be held in confidence at all times, and should not be disclosed to any person, unless

- authorised by the Board; or
- the same is part of the public domain at the time of disclosure; or
- is required to be disclosed in accordance with applicable laws

ENVIRONMENT, HEALTH AND SAFETY

The Officers of the Company shall comply with all the regulations regarding the preservation of the environment of the territory it operates in. The Officers 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 security of the ecological environment.

PROTECTION OF THE ASSETS

The Officers of the company should be committed to proper safeguard of the Company's assets and shall be prohibited from:

- using corporate property, information or position for personal gain
- soliciting, demanding, accepting or agreeing to accept anything of value from any person while dealing with the Company's assets and resources
- acting on behalf of the Company in any transaction in which they or any of their relative(s) have significant direct or indirect interest

COST CONSCIOUSNESS

The Officers of the Company shall exercise their responsibilities with cost consciousness within the organisation and shall promote the same. They shall not use any facility of the Company for their personal use except where such facility has been provided for personal use by policy or specific permission.

PREVENTION OF INSIDER TRADING

Every Officer shall comply with the Code of Internal Procedures and Conduct in dealing with the securities of the Company.

GOOD CORPORATE GOVERNANCE PRACTICES

Each member of the Board of Directors and Core Management team should adhere to the good Corporate Governance practices. Some of the good Corporate Governance practices are enumerated hereunder.

- Active involvement in the matter of formulation of general policies
- Familiarisation with the broad objectives of the Company and the policies laid down by the Government and the various laws and regulations

- Assuring confidentiality of the Company's agenda papers, notes and minutes
 - Not to withhold illegally any property or documents of the Company and to ensure protection of the same at all time
 - Not to suppress knowingly, a material fact which can be detrimental to the interest of the Company from the appropriate authority/body
 - Not to give any directions, which exposes to risk the health and safety of any person
 - Not to make any statements, verify any return or form containing any particulars knowing to be false
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AMENDMENTS TO THE CODE

The Board of Directors of the Company are empowered to amend and modify this code from time to time and all such amendments and modifications shall be posted on the website of the Company and take effect from the date stated therein.

CONSEQUENCES OF NON-COMPLIANCES

Breach of the Code of Conduct by the Officers of the Company will be viewed seriously by the Board of Directors. The Board shall take such remedial action as it may deem fit and their decision shall be final.