

## **CODE OF CONDUCT**

### **UNDER CLAUSE 42 OF THE BSE (SME) INSTITUTIONAL TRADING PLATFORM**

#### **1. INTRODUCTION**

- 1.1 This Code of Conduct (hereinafter referred to as the **“Code”**) shall be called **“The Code of Conduct for the Members of the Board and Senior Management personnel”** of Premier Chennai Properties Limited (hereinafter referred to as the **“Company”**)
- 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 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. Officers 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.
- 1.4 The Company currently 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 by Clause 42 of the Listing Agreement with the of the BSE (SME) Institutional Trading Platform.
- 1.5 Violations of law, or this code or company’s rules & regulations or procedures should be reported immediately to the Managing Director/Compliance Officer of the company in writing.

#### **2. 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.

- 2.1 ‘Company’ means Premier Chennai Properties Limited
- 2.2 ‘Board Members’ means Board of directors of the Company.

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

- 2.3 'Senior Management' shall mean personnel of the company who are members of its core management team excluding Board of directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.
- 2.4 'Relative' shall have the same meaning assigned to them in Section 2(77) of the Companies Act, 2013.
- 2.5 'Price Sensitive Information' shall have the same meaning as assigned to them in SEBI (Prohibition of Insider Trading) Regulations, 1992.
- 2.6 'Officers' shall collectively refer to the board members and the senior management personnel.
- 2.7 'Compliance Officer' means the officer appointed by the Board of directors under the Listing Agreement

### 3. CODE OF CONDUCT

Every Officer shall act within the authority conferred upon him by the Company and under applicable law, keeping the best interests of the Company and adhere to the following:

- 3.1 Shall act with personal and professionalism integrity, due care, skill, diligence, honesty, good faith as well as high moral and ethical standards;
- 3.2 Shall be independent in their judgment and actions;
- 3.3 Shall 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 exercised;
- 3.4 Shall not accept any gift, gratuity, entertainment or any other item, regardless of its value, conditioned upon the Company doing business with the entity or person giving the gift
- 3.5 Shall not allow their personal interest to conflict with the interest of the Company, if they are considering investment in the Company's customer, supplier, developer or competitor, you must first take great care to ensure that these investments do not compromise your responsibilities to the company. In the event of there being a conflict of interest and duty, they should make full disclosure of all facts and circumstances thereof to the Board of directors;
- 3.6 Shall not, in his official capacity, enter into 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

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

company in which he or his relative holds 2% or more paid up share capital and (d) with a firm in which the relative is a partner, except with the prior approval of the Managing Director of the Company unless otherwise permitted by law;

3.7 Shall not discriminate employees based on colour, religion, caste, creed or gender;

3.8 Shall not commit any offence involving moral turpitude.

3.9 Shall refer all inquiries or calls from the press, media and financial analysts to the Company's Managing director. The Company has designated its Managing Director as official Company spoke people for any company related matters.

3.10 Unless specifically permitted by the Managing Director of the Company, not to hold any positions or jobs or directorship or engage in other businesses or interests that are prejudicial to the interests of the company.

3.11 Shall not disclose any Price Sensitive Information/Unpublished Price Sensitive information that may affect performance of the Company.

3.12 Unless specifically permitted by the Managing Director of the Company, the Officers shall not serve as director of any other company or accept any appointment or post, whether advisory or administrative or as partner of a firm that is engaged in a business competing with the Company or with which the company has business relations.

3.13 The Officers shall protect the Company's assets including physical assets, intangible assets, information and intellectual rights and shall not use the same for personal gain.

3.14 All the members of the Board and senior management personnel of the company shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes.

3.15 All the members of the Board and senior management personnel of the company should strive for optimum utilization of available resources. They shall exercise care to ensure that costs are reasonable and there is no wastage.

3.16 All the members of the Board and senior management personnel of the company shall follow all prescribed safety and environment related norms.

#### **4. PROVISIONS APPLICABLE TO INDEPENDENT DIRECTORS**

These provisions are guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfillment of their responsibilities in a professional and

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors :

### 4.1 Guidelines of Professional Conduct :

An independent director shall :

- (a) Uphold ethical standards of integrity and probity
- (b) Act objectively and constructively while exercising his duties
- (c) Exercise his responsibilities in a *bona fide* manner in the interest of the company
- (d) Devote sufficient time and attention to his professional obligations for informed and balanced decision making
- (e) 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
- (f) 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
- (g) Refrain from any action that would lead to loss of his independence
- (h) Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly
- (i) Assist the company in implementing the best corporate governance practices

### 4.2 Role and functions :

The independent directors shall :

- (a) 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
- (b) Bring an objective view in the evaluation of the performance of board and management

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

- (c) Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance
- (d) Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible
- (e) Safeguard the interests of all stakeholders, particularly the minority shareholders
- (f) Balance the conflicting interest of the stakeholders
- (g) 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
- (h) Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest

### 4.3 Duties :

The independent directors shall :

- (a) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company
- (b) 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
- (c) Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member
- (d) Participate constructively and actively in the committees of the Board in which they are chairpersons or members
- (e) Strive to attend the general meetings of the company
- (f) 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

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

- (g) Keep themselves well informed about the company and the external environment in which it operates
- (h) Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board
- (i) 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
- (j) 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
- (k) Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy
- (l) Acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees
- (m) 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

#### 4.4 Manner of appointment :

- (a) 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
- (b) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders
- (c) 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
- (d) The appointment of independent directors shall be formalised through a letter of appointment, which shall set out :

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

- (i) The term of appointment;
  - (ii) 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;
  - iii) The fiduciary duties that come with such an appointment along with accompanying liabilities;
  - (iii) Provision for Directors and Officers (D and O) insurance, if any;
  - (iv) The Code of Business Ethics that the company expects its directors and employees to follow;
  - (v) The list of actions that a director should not do while functioning as such in the company; and
  - (vii) The remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any
- (e) 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
- (f) The terms and conditions of appointment of independent directors shall also be posted on the company's website

### 4.5 Re-appointment :

The re-appointment of independent director shall be on the basis of report of performance evaluation

### 4.6 Resignation or removal :

- (a) 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
- (b) 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

## PREMIER CHENNAI PROPERTIES LIMITED

Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India

CIN No: U70101TN2007PLC065552

Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in

---

one hundred and eighty days from the date of such resignation or removal, as the case may be

- (c) 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

### 4.7 Separate meetings :

- (a) 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
- (b) All the independent directors of the company shall strive to be present at such meeting
- (c) The meeting shall :
  - (i) review the performance of non-independent directors and the Board as a whole;
  - (ii) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (iii) 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

### 4.8 Evaluation mechanism :

- (a) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated
- (b) 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

## 5. AMENDMENT TO THE CODE

The provisions of this Code can be amended and modified by the Board of directors of the Company from time to time and all such amendments and modifications shall take effect from the date stated therein.



**PREMIER CHENNAI PROPERTIES LIMITED**

**Regd. Office: 5J, 5<sup>th</sup> Floor, Century Plaza 560, Anna Salai, Chennai – 18, India**

**CIN No: U70101TN2007PLC065552**

**Tel No: +91-44-24313503 ; Email ID : cs@premierchennai.co.in, Website: www.premierchennai.co.in**

---

**6. PLACEMENT OF THE CODE ON WEBSITE**

Pursuant to Clause 42 of the ITP listing Agreement, this Code and any amendment thereto shall be posted on the website of the Company

**7. NO RIGHTS CREATED**

This Code of Conduct is a statement of certain fundamental principles, policies and procedures that govern the Directors/ Officers of the Company in the conduct of the Company's business. It is not intended to and does not create any rights in any employee, customer, client, supplier, competitor, shareholder or any other person or entity.