



Deccan Cements Limited

Code of Conduct
for Directors and Senior Management Personnel

I) a) Preface

The Directors both executive and non executive directors and Senior Management Personnel, are responsible to carry out their duties in an honest, fair diligent and ethical manner, within the scope of the authority conferred upon and in accordance with law.

The Board of directors of the Company is entrusted with the fiduciary responsibility of oversight over the assets and affairs of the Company. As Directors and Senior Management Personnel of the Company, they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholder.

b) Adoption of Code of Conduct

The Board of Directors of the Company has adopted this Code of Conduct as a testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflicts of interest. The rules and principles set forth in this Code are general in nature and compliance with Code shall be ensured with other applicable policies and procedures of the Company. The Directors may contact the Compliance Office for assistance in interpreting the requirements of this Code. It is hereby clarified that the requirement to comply with this Code does not constitute an express or implied promise of continued employment contract with the Company.

Any amendments to this Code shall be first approved by the Board of Directors and promptly communicated to all the Directors and Senior Management Personnel.

Any queries regarding compliance or non-compliance with this Code may be raised in writing with the Compliance Officer.

c) Application

The Code of conduct is applicable to:

- i) The Directors, both executive and non executive directors
- ii) All Senior Management Personnel of the Company (one level below the Executive Directors including Heads of the Departments)

II) Honest and Ethical Conduct

The Directors and senior management personnel are required to conduct their duties legally, honestly and ethically, when acting on behalf of the Company or in connection with the Company's business or operation.

They shall:

- ❖ Act in the best interests of the Company to fulfill their duties to the stakeholders of the Company.

- ❖ Act honestly, fairly, ethically, with integrity and loyalty.
- ❖ Conduct themselves in a professional, courteous and respectful manner.
- ❖ Act in good faith, with responsibility, due care, competence, diligence and independence.
- ❖ Act in a manner to enhance and maintain the reputation of the Company.
- ❖ Treat their colleagues with dignity and shall not harass any of them in any manner.

III) Compliance with Laws, Rules and Regulation

The policy of the Company is to comply strictly with all laws governing its operations and to conduct its affairs in keeping with the highest ethical moral and legal standards. Accordingly, the Directors and Senior Managements personnel shall respect and obey the laws, rules, regulations, agreements, guidelines, standards and internal policies, including other requirements incidental thereto. The Company has a Policy on Prohibition Insider Trading, which shall be reviewed and adherence of which shall be ensured. The Directors and Senior Management personnel are expected to have knowledge of laws and regulation affecting their responsibilities and avoid any involvement in acts known to be illegal, unethical or otherwise improper. In case of doubt, the Directors and Senior Management personnel may seek assistance from the Compliance Officer of the Company.

IV) Conflict of Interest

The policies and procedures under this code requires that the Directors and Senior Management personnel of the Company shall avoid activity or association that creates or appears to create a conflict between themselves and the Company's business interests.

a) Other employments / assignments:

The Executive Directors and Senior Management personnel of the Company shall devote themselves exclusively to the business of the organization and shall not accept any other work or assignment for remuneration (part-time or otherwise). The Directors and Senior Management personnel are expected to avoid conflict of interest even if the activity is non-remunerative.

b) Disclosure of Interest by Director:

The Directors shall disclose conflicts of interest that Directors may have regarding any matters that are placed before the Board, and abstain from discussion and voting on any matter in which the Director has or may have a conflict of interest and shall make available to and share with other Directors information as may be appropriate to ensure proper conduct and sound operations of the Company.

c) Other Directorships:

Acceptance of Directorship on the Boards of other Companies, which compete with the Company, amounts to conflict of interest. The Directors and Senior

Management personnel shall obtain the prior approval of the Board of Directors before they accept such Directorship(s).

d) Related parties:

The policies and procedures of the Company expect that the Directors and Senior Management personnel to avoid conduct of business of the Company with their relatives or their significantly associated Companies, firms and other businesses. In case of conflicts, disclosure shall be made to the Board of Directors and its approval shall be obtained before proceeding further.

e) Gifts:

The Directors and Senior Management personnel of the Company shall not accept any personal gifts that, because of their value or the time at which they are offered, could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. The Directors and Senior Management personnel of the Company shall also avoid offering of gifts or payments or authorization of payments by way of gifts. Gifts on account of celebrations, memorial in nature, business meals, gifts received because of personal relationship and not because of official position, mementos received because of attending widely held gatherings as panelist / speaker and other customary gifts which are not improper and do not in any way, influence the business decisions may be accepted.

f) Protection and proper use of the Company's Assets:

The Directors and Senior Management personnel shall protect the Company's Assets and ensure their efficient use. All Company assets should be used for legitimate business purposes. Company's assets should not be used for other than business requirements of the Company, Incidental personal use, if reasonable, do not amount to violations under this Code.

g) Confidentiality of Information:

The Directors and Senior Management personnel must maintain the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or officers, until and unless authorized or legally required to disclose such information and shall not use confidential information and other corporate opportunities for their personal advantage.

h) Others:

The Directors and Senior Management personnel should also avoid conflicts of interest that may arise in any other form which at this point of time may not be practicable to enumerate. In case, any act, transaction or situation raises doubts or questions, the Directors or officers must consult the Compliance Officer.

V) Duties of Independent Directors:

In terms of the requirements of revised Clause 49 (II)(E)(3) of the Listing Agreement, the Independent Directors of the Company are required to discharge the following duties as enumerated in Schedule IV of the Companies Act, 2013:

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.

VI) Disclosures Standards

As a public listed Company, the company is committed to make full, fair, accurate, timely and understandable disclosure in reports and documents that it files with or submits to the regulatory authorities and in other public communications of the Company. In support of this commitment, the Directors and Senior Management personnel shall be responsible for compliance of the disclosure and reporting requirements and internal controls for the financial reporting.

VII) Competition and Fair Dealing

All Directors and Senior Management Personnel are obligated to deal fairly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice.

Relationships with Customers:

The Company's business success depends upon its ability to foster lasting customer relationships. The Company is committed to deal with customers fairly, honestly and with integrity. Specifically, the following guidelines should be kept in mind when dealing with customers:

- ❖ Information supplied to customers should be accurate and complete to the best of knowledge. Directors and Senior Management personnel should not deliberately misrepresent information to customers.
- ❖ Customer entertainment should not exceed reasonable and customary business practice. Directors and Senior Management personnel should not provide entertainment or other benefits that could be viewed as an inducement to or a reward for, customer purchase decisions.

Relationships with Suppliers:

The Company deals fairly and honestly with its suppliers. This means that our relationships with suppliers are based on price, quality service and reputation. Directors and Senior Management personnel dealing with suppliers should carefully guard their objectivity. Specifically, no Directors and Senior Management personnel should accept or solicit any personal benefit from a supplier or potential supplier that might compromise or appear to compromise, their objective assessment of the supplier's products and prices. Directors and Senior Management personnel may give or accept promotional items of nominal value or moderately scaled entertainment within the limits of responsible and customary business practice.

Relationships with Competitors:

The Company is committed to free and open competition in the marketplace. Directors and Senior Management personnel should avoid actions that could reasonably be construed as being anticompetitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and / or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

VIII) Policy against Retaliation

The company strictly prohibits retaliation against any Directors and Senior Management personnel who, in good faith, seeks help or reports known or suspected violation. Any reprisal or retaliation against them will be subject to disciplinary action.

IX) Compliance with Code

This code of Conduct will be circulated to all designated persons.

The Directors and the Senior Management Personnel shall affirm compliance with this code on an annual basis and submit the declaration in the format as per **Annexure I**, before 30th April of every year.

A declaration confirming the above duly signed by the Managing Director of the Company shall be disclosed in the Annual Report of the Company as per **Annexure II**, every year.

X) Violation

It shall be the responsibility of the Directors and Senior Management Personnel to help enforce this Code. They shall bring to the notice of the Managing Director or Compliance Officer, observed material violation of this Code or any other policies or laws as applicable to the business of the Company or any probability of occurrence of such violations.

The Directors and Senior Management Personnel shall fully co-operate during any internal or external investigations relating to any violation of the provisions of this Code. A violation may result in such disciplinary action as may be deemed appropriate by the Managing Director or Compliance Officer of the Company, in their sole and absolute discretion and shall be binding on the concerned Directors and Senior Management Personnel.

XI) Acknowledgement

The Directors and Senior Management Personnel shall read and fully understand this Code of Conduct and abide by the policies, procedures and principles contained herein.

DECLARATION

To,
The Company Secretary & Compliance Officer
Deccan Cements Limited
'Deccan Chambers',
6-3-666/B, Somajiguda
Hyderabad – 500 082

Dear Sir/ Madam

Sub: Declaration confirming compliance with the Code of Conduct

I, _____, _____ (designation) do hereby acknowledge and confirm that during the financial year _____, to the best of my knowledge and belief, I have not violated any of the provisions of the Code of Conduct as applicable to all the Directors, and Senior Management Personnel of the Company or any policies or legal / regulatory requirement of the Company, directly or indirectly applicable to my job or responsibility.

Signature:

Name:

Designation:

Place:

Date:

Note: This code shall be applicable and binding on all the Directors and Senior Management Personnel, from the date of their appointment and this affirmation shall be valid for the said financial year.

DECLARATION ON CODE OF CONDUCT

This is to confirm that all Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March _____ (Year) as envisaged in Clause 49 of the Listing Agreement with Stock Exchanges.

Place:

Date:

Managing Director