



**ANJANI PORTLAND CEMENT LIMITED**

**CODE OF CONDUCT**

## **PREAMBLE**

This Code of Conduct for the Board of Directors, and the Senior Management Personnel (hereinafter referred to as "the Code") has been framed and adopted by Anjani Portland Cement Limited (hereinafter referred to as "the Company" or "APCL") in compliance with the provisions of Clause 49 (II) (E) of the revised Listing Agreement and the Companies Act, 2013. The Code is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the company in an ethical and righteous manner. This Code of Conduct sets forth the principles on which the Company and its Board and Senior Management shall operate and conduct themselves with stakeholders, government and regulatory agencies and anyone else with whom it is connected.

## **COMMENCEMENT**

This code was originally framed and adopted on 1st January, 2006 and the revised code will be applicable to the Company with effect from 1<sup>st</sup> October 2014.

## **DEFINITIONS**

**"Board/Directors"** shall mean the Board of Directors of the Company.

**"Executive Directors/Whole time Directors"** shall mean and include Company's Managing Director and Directors who are in whole time employment of the Company.

**"Independent Directors"** shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Listing agreement (as revised from time to time)

**"Non - Executive Directors"** shall mean the Directors who are not in whole time employment of the Company.

**"Senior Management Personnel"** shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this shall comprise all members of management one level below the Executive Directors.

**"Immediate relatives"** means a spouse of a person, and includes parent, sibling, and child of such person or of the person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.

## **OBJECTIVES**

The company places uncompromising emphasis on business integrity, ethical conduct and adherence to regulatory compliances. This code of conduct should ensure compliance not only with all legal requirements, but also with the company's standards on business conduct. All directors and Senior Management (i.e. one level below the executive directors including the functional heads) of the company must act within the authority conferred upon them and with a duty to take informed decisions in the best interests of the Company and its shareholders/stakeholders.

## **COMPLIANCE**

With a view to maintain the high standards that the company requires, the following code of conduct should be observed in all activities. All directors and senior management must understand the importance of compliance and the consequences of non-compliance. The Company has appointed the Company Secretary as a compliance officer for the purposes of this code.

## **CONDUCTS**

### **1) Honesty & Integrity**

All Directors and members of the Senior Management shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. All the directors and members of Senior Management will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. The Directors and members of the Senior Management will act in the best interests of the Company to fulfill their fiduciary obligations.

### **2) Conflict of interest**

The Directors on the board of the Company and members of Senior Management shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company or the group. Following are some of the common circumstances that may lead to a conflict of interest, actual or potential –

- a) The Directors and members of Senior Management should not engage in any activity/employment that interferes with the performance or responsibility to the Company or otherwise in conflict with or prejudicial to the Company.
- b) Investments by Directors and their immediate relatives may create conflicts of interest. Directors and their immediate relatives should avoid investment transactions in which their own interests conflict or might appear to conflict with APCL's interests. Whether an actual conflict of interest exists is to be determined by the relationship between the Company in which the investment has been

made and the level of influence held by the Director or member of the director's immediate relative in that company.

- c) The Directors and members of Senior Management should avoid conducting company business with a relative or with a firm/ company in which a relative/related party is associated in any significant role. If such related party transaction is unavoidable, it must be fully disclosed to the Chairman of the Audit Committee.

### **3) Compliance of all applicable laws**

The Directors and members of Senior Management are required to comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist the Company in promoting lawful and ethical behavior, directors and members of Senior Management must report any possible violation of laws, rules, regulations or codes of conduct, to the Chairman. This standard lays down compliance with all central, local, state and other applicable laws, rules and regulations.

### **4 )Outside/or other Directorships**

The Company feels that serving on the boards of Directors of other companies may raise substantial concerns about potential conflict of interest. And therefore, all directors must disclose such relationships to the Board on an annual basis. It is felt that service on the board of a direct competitor would not be in the interest of the Company.

### **5) Protecting the company's confidential Information and its disclosure**

Any information concerning the Company's business, its customers, suppliers etc., which is not in the public domain, and to which the directors and members of Senior Management have access or in possession thereof, must be held in confidence, unless the disclosure is required as a matter of law. No director or member of Senior Management shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.

### **6) Obligations under Securities laws to prevent Insider Trading**

Any director or member of Senior Management of the company shall not derive benefit or assist others to derive benefit by giving investment advice, from access to and possession of information about the company, which is not in the public domain. All directors and members of Senior Management will comply with insider trading regulations issued by SEBI.

### **7) Receipt of Gifts & offer of Donations**

No director or members of Senior Management of the Company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive favours or decisions) for the conduct of business. Nominal gifts of commemorative nature, for special events may be accepted.

## **DUTIES OF DIRECTORS**

( As per Section 166 of the Companies Act, 2013)

- To act in accordance with the articles of the company.
- To act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
- To exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- Not get involved in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
- Shall not assign his office and any assignment so made shall be void.

### **In terms of Schedule IV of the Companies Act, 2013, the Independent directors;**

- Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- Shall strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- Shall participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- Shall strive to attend the general meetings of the company;
- Shall 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;
- Shall keep themselves well informed about the company and the external environment in which it operates;
- Shall not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- Shall 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;

- Shall 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;
- Shall report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- Shall act within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- Shall 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.

#### **AFFIRMATION OF COMPLIANCE WITH THE CODE**

All the Board Members and the Senior Management Personnel shall affirm compliance with this Code within 30 days from the close of every financial year in the form annexed hereto as **Annexure – I**. Report shall be forwarded to the Compliance Officer of the Company.

#### **AMENDMENT**

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

**Annexure – I**

To The Board of Directors

Date

Anjani Portland Cement Limited  
Sitha Nilayam, 153,  
Dwarakapuri Colony,  
Punjagutta, Hyderabad – 500 082,  
Telangana

Dear Sirs,

Sub: Confirmation of compliance with the Code of Conduct for Board and Senior Management as per Clause 49 of the Listing Agreement

I, \_\_\_\_\_, Director/Senior Management Personnel of Anjani Portland Cement Limited , do hereby confirm that I have read and understood the Code of Conduct applicable to the Board of Directors, KMP and Senior Management of the Company and that to the best of my knowledge and belief, I have complied with the requirements of this Code during the preceding financial year \_\_\_\_\_) and / or I affirm that I will comply with the requirements of this Code during the current financial year \_\_\_\_\_

Name:

DIN:

Signature :