

BURNPUR CEMENT LIMITED

CODE OF CONDUCT FOR DIRECTORS / OFFICERS OF THE COMPANY

DEFINITION & OBJECTIVE OF THIS DOCUMENT:

The 'Code of Conduct' is a set of principles and standards to be maintained by the Company, its Directors and Officers in the best interest of the Company.

The objective of this document is to communicate the CODE of CONDUCT of the Directors and Officers (hereinafter referred to as 'Members') of the Company which sets as guidelines to bring transparency, professionalism, accountability and responsibility in the individual behavior whilst conducting their duties.

APPLICABILITY:

The code shall apply to all the Members of the Company across all of its units, offices and branches in India or elsewhere.

Any stringent provisions of any act, law or enactment shall always supersede and prevail to any aspect of this code or its silence. However, the Board of Directors shall be the final authority to interpret the Code, its applicability, violation and consequential action.

CORPORATE GOVERNANCE:

The Company is committed for adopting best relevant practices of Corporate Governance. Corporate Governance is the system of rules, practices and processes by which a company is directed and controlled. Corporate Governance essentially involves balancing the interests of a company's many stakeholders such as shareholders, management, customers, suppliers, financiers, government and the community. Since Corporate Governance also provides the framework for attaining a company's objectives, it encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

STATUTORY COMPLIANCE:

The Members shall adhere to and comply with the provisions of all applicable laws, rules and regulations of the Company and of the Company's internal rules, regulations, guidelines and policies framed and made applicable from time to time. The Members shall Endeavour and put its efforts to ensure that the various statutory compliances are made efficiently and effectively and proper procedures are being followed in this regard.

ETHICS:

The Members of the Company should uphold professionalism and competence, discipline and teamwork, trust and fairness, integrity and honesty, truthfulness and high moral standard, commitment both within and outside the Company in their day to day activities. The Members shall act honestly, objectively and effectively in a fair and transparent

manner for advancing the interests to the Company. They must abide by the policies and procedures framed and adopted by the Company and must respect and adhere to ethical and fair business practices. The Members shall use due care and diligence in performing their duties and responsibilities attached to their respective office and exercise their powers in good faith for fulfilling their obligations towards the Company and safeguards the interest of shareholders and stakeholders and also enhance the value of its shareholders.

CONFLICT OF INTEREST:

Conflict of interest is a situation where personal interest may, in any, way, interfere with the interests or benefits of the Company influencing the exercise of independent judgment while discharging one's duties and responsibilities. The Members shall avoid any situation that would lead to or tend to lead to any conflict of interest and is considered to be prejudicial to the interest of the Company. The Members are expected to make a suitable disclosure to the Board of Directors of the Company and shall abstain from participating in any discussion for such transaction which involves or appears to involve conflict of interest. The Members (including their relatives) are expected not to derive any improper personal gain / benefit from the Company which shall include making or influencing decision by any means in any transaction of the Company. The Members shall not indulge in the insider trading (as defined by the Securities and Exchange Board of India or other respective authorities from time to time) in the Company's shares, products or services.

CONFIDENTIALITY OF INFORMATION:

'Confidentiality of information' means all the information of the Company which are not meant for public dissemination. This may include information on business, trade, trade secrets, technical, commercial, proprietary or privileged information and information relating to its customers, employees, mergers / de-mergers and acquisitions, stock splits, dividend, issue of bonus shares, investments and discussions and deliberations relating to business issues and decisions, between and among its members in formal meetings or otherwise, and will include all such information which should not be made available to the public at the given point of time without following rules, procedure of the law and of the Company under the authority of its management.

The Members should understand the seriousness of confidentiality of information and should be committed to ensure protection of all these confidential information of the Company which are acquired during discharge of their respective duties.

INFORMATION TECHNOLOGY:

In the era of technology in computers, sophisticated data processing, office automation and communication for improving productivity, quality, response time, information integrity, the Company is committed for extensive use of these technologies and should be performed by the Members within the rules, regulations and procedures as is framed and modified from time to time for security and safety of data, and to follow customarily accepted norms of usage for hardware and software.

PROTECTION OF COMPANY'S WEALTH & RESOURCES:

The Members shall ensure that the assets and resources of the Company are properly, efficiently and judiciously used for its business purposes and are properly safeguarded. Any unauthorized use of the Company's assets and resources shall not be allowed by Members and for any such inappropriate use and misuse should be brought to the notice of the management and proper steps would be taken for the same.

DUTIES OF INDEPENDENT DIRECTOR:

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.

AFFIRMATION AND COMPLIANCE:

The Members shall annually affirm compliance with this code. The Annual Report of the Company will contain a declaration to this effect signed by the Wholetime Director/ Chief Executive Officer of the company

MODIFICATIONS:

The foregoing code of conduct is not an end to itself and is subject to modification from time to time to accommodate the changes that take place in the policies or procedures of the Company or enactment of any law of the land and the same will be circulated to all the concerned for due knowledge and implementation. Any such changes / modifications / alterations / deletion / additions shall be deemed to be integral part of the Code of Conduct and shall be made applicable from the date on which such stances are circulated among the persons concerned.



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