

**SHIVA CEMENT LIMITED**  
**CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT EXECUTIVES**

**1. Preface**

<b>Policy Title</b>	Code of Conduct for Board Members and Senior Management Executives
<b>Version Number</b>	1.1
<b>Effective Date</b>	4 <sup>th</sup> August, 2017
<b>Authorised by</b>	Board of Directors
<b>Number of Revisions</b>	1 (one)

- a. Shiva Cement Limited (**'the Company'**) is committed to the highest standards of corporate governance in all its activities and processes. It regards corporate governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.
- b. At the heart of Company's corporate governance policy is the ideology of transparency and openness in the effective working of the Management and Board.
- c. In furtherance of this policy, the Board of Directors has adopted this 'Code of Conduct for Board Members and Senior Management Executives' (**'the Code'**) on 4<sup>th</sup> August, 2017.
- d. One of the objects of the Code is compliance of provisions of SEBI (LODR) Regulations, 2015.

**2. Applicability**

- a. The Code is applicable to –
  - i. All the Directors of the Company; and
  - ii. All the executives of the Company one level below Director and including all Functional Heads (**'Senior Management Executives'**).
- b. The Code shall come into force with effect from 4th August, 2017.

**3. Code of Conduct**

- a. It shall be the first and foremost duty of every Director and Senior Management Executive to uphold interests of the Company and its stakeholders and to endeavour to fulfil all the fiduciary obligations towards them.
- b. The Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties.

- c. The Independent Directors of the Company shall abide by the duties cast on them as laid down in the Companies Act, 2013 from time to time.

#### 4. **Guidelines for Conduct:**

- a. The Directors and Senior Management Executives shall –
  - i. Act within the authority conferred upon them.
  - ii. Exercise independent judgement on issues of strategy, performance and policy matters.
  - iii. Dedicate sufficient time and attention to the Company's business to ensure diligent performance of their duties.
- b. The Directors and Senior Management Executives shall –
  - i. Endeavour to attend all the meetings of the Board and its Committees of which they are members or invitees.
  - ii. Read in advance the material distributed for constructive deliberations at the meetings.
  - iii. Actively participate in the discussion and decision making at the meetings.

#### 5. **Legal compliance:**

The Directors and Senior Management Executives shall –

- a) Comply with the applicable laws, rules and regulations.
- b) Comply with policies, rules and regulations of the Company, as may be applicable to them.

#### 6. **Avoid Conflict of Interest:**

- a. The Directors and Senior Management Executives shall –
  - Disclose any personal interest (financial or otherwise) in any matter relating to the business of the Company to the Board of Directors of the Company (**'the Board'**).
  - Protect Company's assets and resources (including information and intellectual property rights) and shall use the same only for the Company's business and not for personal gain / advantage.
  - Avoid Insider trading and abusive self-dealing and comply with such Regulations / Rules as may be applicable including with the Insider Trading Code framed by the Company.

- b. The Directors and Senior Management Executives shall not
  - Exploit, for their personal gain, opportunities that are discovered by or through the Company.
  - Divert to their own advantage any business opportunity that the Company is in pursuit.

#### **7. Gifts:**

The Company regards the giving and receiving of gifts, complimentary, favours or entertainment as inherently compromising unless they are of reasonable value (i.e. not extravagant) under the circumstances. This means they must have a valid business purpose; are appropriate as to time, place and kind; are infrequent in occurrence; do not influence or give the appearance of influencing the recipient; and are not likely to be viewed as a bribe, kickback or payoff. However, gifts of money shall never be accepted or given.

#### **8. Confidentiality:**

- a. Any information concerning the Company's business, its customers, suppliers, etc. shall be considered as confidential.
- b. No Director and Senior Management Executive shall provide any information concerning the Company or its business or its customers, suppliers etc., either formally or informally, to any person including press or publicity media, unless such information is –
  - in public domain at the time of disclosure; or
  - authorized or required to be disclosed pursuant to a decision of the Board / Committee thereof; or
  - required to be disclosed in accordance with applicable laws or requirement of any government authority.
- c. The obligation of confidentiality shall continue even after such person ceases to be Director or Senior Management Executive of the Company.

#### **9. Amendments:**

- a. The Board may amend the provisions of this Code from time to time.
- b. Unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved.

**10. Affirmation:**

- a. All the Directors and Senior Management Executives shall affirm compliance with the Code on annual basis within 30 days of close of every financial year ending on 31<sup>st</sup> March.
- b. The Annual Affirmation (as per format specified hereunder) shall be forwarded to the Company Secretary of the Company within the said period of 30 days.

**11. Waiver:**

The Board has, at its absolute discretion, the power to waive compliance with any or all of the provisions of the Code

- a. **Enforcement:** The Board has the power to investigate, in such manner as it may deem fit, any breach or violation or alleged breach or violation of the Code.
- b. The Board also has the absolute power to determine penalty for the same as it may consider appropriate under the circumstances.

Such penalty may be in addition to the penalty levied under any law for the time being in force for such breach or violation.

**12. No Rights Created:**

This Code is neither intended to nor does it create any right in favour of any Director, Senior Management Executive, client, supplier, customer or shareholder of the Company or any other person or entity, whatsoever.