

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT TEAM

1. INTRODUCTION

The purpose of laying down this Code of Conduct is to set standards of Business conduct for the Board Members and Senior Management Team of the Company in furtherance of the ethical and transparent process of the Management of the Company. It also aims at complying with the provisions of SEBI Listing Regulations* and of the Companies Act, 2013. This Code shall be in addition to any contractual or other obligations agreed between the Company and any member of the Board and/or Senior Management.

2. DEFINITIONS

“**Board Members**” shall mean Directors on the Board of Directors of the Company.

“**Chairman**” means the person occupying the position of the Chairman of the Board of Directors of the Company.

“**Company**” means DCM Shriram Ltd.

“**Company Secretary**” means an Official designated as such by the Board in pursuance of Companies Act, 2013.

“**Independent Director**” **Independent Director**” means a director appointed by the Company as an Independent Director under the Companies Act, 2013 and the SEBI Listing Regulations.

“**Senior Management**” shall mean the following:

1. All SBU/Business Heads;
2. Corporate Functional Heads, i.e. CFO, Head - Corporate HR, Company Secretary, Head- IT , Head Strategy, Head Corporate Affairs, Head - Internal Audit , Head- Corporate Communications.

“**Relative**” shall have the meaning as defined in the Companies Act, 2013.

3. THIS CODE OF CONDUCT IS DIVIDED INTO THREE SECTIONS

- (i) Applicability for all Board Members and Senior Management
- (ii) Applicability for all Board Members
- (iii) Applicability for all Independent Directors

(I) Provisions applicable to all Board Members including Senior Management

1. GENERAL

The Board Members and Senior Management will conduct and act to promote the objects and interests of the Company.

2. REGULATORY COMPLIANCE

Board Members and the Senior Management shall in their respective domains and areas of responsibility ensure that there are systems and controls for regulatory compliance in the Company. In case, they become aware of any material violations, the same shall be brought to the attention of the Chairman and the Company Secretary.

3. INSIDER TRADING

All Board Members and Senior Management shall not derive benefit by dealing in the securities of the Company or assist others to derive benefit through access to and possession of Insider information, i.e. Price Sensitive Information about the Company, not in public domain. All Board Members and Senior Management will comply with SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended and also adhere to the Code of Internal Procedure and Conduct as framed by the Company for prevention of Insider Trading.

4. ETHICAL CONDUCT AND BEHAVIOUR

Board Members and Senior Management shall be fair and ethical in their dealings. They shall uphold highest standards of etiquettes, decorum, decency, respect and dignity in their conduct and behavior.

5. CONFLICT OF INTEREST

The Board Members and Senior Management Personnel will not involve in a situation in which he/ she may have direct/ indirect interest that conflicts with the interest of the Company. In case any such situation arises, the same will be disclosed to the Board of directors of the Company for appropriate consideration.

6. BUSINESS INTEGRITY

Board Members and Senior Management Team shall act in accordance with the highest standards of personal and professional integrity, honesty, and ethical conduct, while working or representing the Company.

Further, they shall not accept gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or third parties, which have business dealings with the Company.

7. CONFIDENTIALITY AND SECRECY

Board Members and Senior Management Team shall maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved/acquired by the Company or legally mandated or if such information is in the public domain. This obligation shall apply not only during the tenure with the Company but thereafter as well. Such information will always be used in the best interest of the Company and not for any personal purpose/advantage or to the advantage of any third party. The information under this Clause and for this purpose includes all information relating to any third party(ies) for which the Company has obligation to maintain confidentiality.

8. SAFETY OF ASSETS OF THE COMPANY

Board Members and Senior Management shall protect and safeguard all the Company assets and equipments and ensure its usage for the interest and benefits of the Company only.

9. EQUAL AND FAIR TREATMENT

Board Members and Senior Management shall ensure that there is no discrimination, on account of caste, colour, creed, gender or religion and all employees are treated fairly.

10. MEDIA COMMUNICATION

Any kind of relationship or communication, on behalf of the Company with media, including print and electronic, shall be done only by persons so authorized for the purpose.

(II) Provisions applicable to all Board Members:

In addition to provisions of Section (I) above, as per Section 166 of the Companies Act, 2013, all the Board Members of the Company shall, inter-alia, perform the following duties:

1. The Board Member shall act in accordance with the Articles of Association of the Company.
2. The Board Member shall act in good faith 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.
3. The Board Member shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. The Board Member shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates.
5. The Board Member shall not assign his office and any assignment so made shall be void.

(III) Provisions applicable to all Independent Directors

In addition to provisions of Section (I) & (II) above, in accordance with the Companies Act, 2013, the Independent Directors of the Company shall comply with the provisions and perform the duties as mentioned in the Code for Independent Directors, interalia including the following:

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.

4. COMPLIANCE WITH CODE OF CONDUCT

All Board Members and Senior Management shall adhere to this Code of Conduct and affirm compliance with the Code on an annual basis within 30 days of close of every financial year to the Company Secretary, as per the requirements of the SEBI Listing Regulations. Violation of this Code will lead to appropriate action.

This Code shall come into force with immediate effect.

Dated : 04.10.2014

Vice Chairman &
Managing Director

Chairman &
Sr. Managing Director