

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT OF DILIP BUILDCON LIMITED

○ Introduction

The Board of Directors in their meeting held on January 23, 2015 had approved and adopted the Code of Conduct for Board of Directors and Senior Management of Dilip Buildcon Limited in compliance with the provisions of the Clause 49(I) (D) of the Listing Agreement which come into force with effect from January 23, 2015. Further the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) came into effect on September 02, 2015. To comply with the provisions of the **Listing Regulations** the Board has approved and adopted a revised Code of Conduct for Board of Directors and Senior Management of Dilip Buildcon Limited which shall come into force with effect from January 25, 2016.

○ Preamble

This Code has been framed in compliance with the provisions of Companies Act, 2013, and Regulation 17 (5) & 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

The rationale of this Code of Conduct (the "**Code**") is to conduct the business of the Company in accordance with the relevant laws, regulations, and rules and with the highest standard of ethics and values. The matters covered in this Code are of utmost importance to the Company, shareholders and other stakeholders of the Company.

○ Applicability:

The Code sets out the standards of principles and practice, which are to be adhered to by:

1. The member of the Board of Directors of the Company (the “**Directors**”); and
2. The senior management executives of the Company (the “**Senior Management**”)

while performing their duties as the part of the functioning team of the Company.

○ Principles of the Code

The Board of Directors and the Senior Management Personnel of the Company shall act within the authority conferred upon them, in the best interests of the Company and observe the following:

A. Conduct

1. The Board of Directors and the Senior Management Personnel shall act honestly, ethically, in good faith and in the best interest of the Company and to fulfil their fiduciary obligations.
2. Whilst carrying out the duties, the Board of Directors and the Senior Management Personnel shall ensure that it is executed in terms of the authorisations granted and

within the limits prescribed under the relevant policies, codes, guidelines and other directives issued by the Board of Directors or Committee of Directors of the Company, from time to time.

3. The Board of Directors and the Senior Management Personnel shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business except accepting a gift or entertainment if warranted by the accepted ethical customs and practices.
4. The Board of Directors and the Senior Management Personnel shall refrain from indulging in any discriminatory practice or behaviour based on race, colour, sex, age, religion, ethnic or national origin, disability or any other unlawful basis. The ethical conduct, performance and skills shall be the qualifying indicatives for an employee's performance.
5. The Board of Directors and the Senior Management Personnel shall conduct themselves in a professional, courteous and respectful manner and shall not take any improper advantage of their position.
6. The Board of Directors and the Senior Management Personnel shall use the Company's assets, property, proprietary information and intellectual rights for business purposes of the Company and not for any personal benefits or gains.
7. The Board of Directors and the Senior Management Personnel shall maintain confidentiality of the information that is entrusted upon them for carrying on their respective responsibilities and duties and shall not use the same for personal benefits or gains.

B. Compliance

1. The Board of Directors and the Senior Management Personnel shall ensure compliance of various legal/regulatory requirements as applicable to the business of the Company and endeavour that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.
2. The Board of Directors and the Senior Management Personnel shall report concerns about unethical behaviour, actual or suspected instances of fraud, misconduct or irregularity or failure of internal control system, likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal/regulatory requirements as per the Vigil Mechanism & Whistle Blower Policy of the Company.
3. Any transaction falling under the definition of related party transactions as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as detailed in the Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions of the Company must be entered into by the Director or the Senior Management Personnel only after obtaining prior approval of the Board or any Committee thereof.

C. Conflict of Interests

1. The Board of Directors and the Senior Management Personnel shall not enter into any transaction which is or may likely to have a conflict with the interest of the Company and shall not engage any of its relative(s), or any other person or entity, for the purposes of circumventing the personal interest involved.

2. The Board of Directors and the Senior Management Personnel shall not take up any position or engagement that may be prejudicial to the interest of the Company.

○ **Duties of the Directors of the Company**

The Companies Act, 2013 significantly specifies certain duties and responsibilities of the Directors of the Company. While the list of duties as per the provisions of the Companies Act, 2013 has been enumerated below, it should however, by no means be considered to be exhaustive:

1. The Directors shall devote sufficient time and attention to professional obligations for informed and balanced decision making.
2. The Directors shall act in accordance with the articles of association of the company and 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.
3. The Directors shall have a clear understanding of the aims and objectives, capabilities and capacity and various policies of the Company.
4. The Directors shall exercise their duties with due and reasonable care, skill and diligence.
5. The Directors shall be required to intimate the change in the directorships held within thirty days of such change.
6. The Directors shall bring an independent judgement to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct and an objective view in the evaluation of the performance of the Board and the Management.
7. The Directors shall ensure that the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
8. The Directors shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice.
9. The Directors shall strive to attend and participate constructively & actively, in all general meetings, meetings of the Board and its committees of which they are Chairman or member.
10. The Directors shall not assign his office of director of the company to another person.
11. The Directors shall ensure that adequate deliberations are held before approving related party transactions and shall assure themselves that the same are in the best interest of the company.

○ **Duties of Independent Directors of the Company**

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.

○ **Violations of the Code:**

Violations of this Code will result in disciplinary action. The Company's Board or any Committee/person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code.

○ **Amendments to the Code:**

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

○ **Placement of the Code on Company's Website:**

Pursuant to the Regulation 46 (2) (d) of the Listing Regulations, this Code and amendments thereto shall be hosted on the website of the company.

○ **Affirmation of Compliance with the Code:**

All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

Annual Affirmation of Compliance with the Code

I do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Board of Directors and Senior Management of Dilip Buildcon Limited during the Financial Year ending 31st March 20__.

Signature

Name.....

Designation.....

*Date.....

Place.....

* To be submitted by 30th April every year.