

GUJARAT SIDHEE CEMENT LIMITED

CODE OF CONDUCT

Background:

In accordance with Clause 49 of the Listing Agreement, the Company had adopted a Code of Conduct effective from 1ST January 2006. The Code applies to the Members of Board of Directors (hereinafter referred to as "Board Members) and Members of the Senior Management Team of the Company one level below the Executive Directors, viz. persons in Grade M-1, functional heads, for the time being and the Company Secretary of the Company (hereinafter referred to as "Senior Managers").

Amendments :

In view of the recent amendments under clause 49 of the listing Agreement, the "Code of Conduct" was amended by the Board of Directors at its meeting held on 15th May 2015 which includes the duties of the Independent Directors in the Code as per the requirement of the listing Agreement. The revised code shall become effective from 1st of June 2015.

Code of conduct

The Board Members and Senior Managers shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement.

The Board Members and the Senior Managers of the Company:

1. Shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
2. Shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
3. Shall ensure that they use the Company's assets, properties, information and intellectual rights for official purpose only or as per the terms of their appointment.

4. Shall not seek, accept or receive, directly or indirectly, any gift, payments or favour in whatsoever form from Company's business associates, which can be perceived as being given to gain favour or dealing with the Company and shall ensure that the Company's interests are never compromised.
5. Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage.
6. Shall not commit any offences involving morale turpitude or any act contrary to law or opposed to the public policy.
7. Shall not communicate with any member of press or publicity media or any other outside agency on matters concerning the Company, except through the designated spokespersons or authorised representative.
8. Shall not, without the prior approval of the Board or Senior Management, as the case may be, accept employment or a position of responsibility with any other organization for remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
9. Shall in conformity with applicable legal provisions disclose personal and! or financial interest in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children and dependent parents) including transactions, if any, entered into with them.
10. Shall ensure compliance of the prescribed safety & environment related norms and other applicable codes, laws, rules, regulations and statutes, which if not complied with, may otherwise, disqualify him/ her from his/ her association with the Company.
11. Shall ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992 as also other regulations as may become applicable to them from time to time.

Duties of Independent Directors

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 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

Annual compliance reporting

Board Member and Senior Managers shall affirm compliance with this Code on an annual basis as at the end of the each financial year of the Company.

Acknowledgement of receipt of the code

Each Board Members and Senior Managers both present and future shall acknowledge receipt of the Code or any modification(s) thereto, and forward the same to the Compliance Officer.

Any breach of the aforesaid Code brought to the notice of the Compliance Officer or any member of the Board or Senior Management shall be reported to the Board of Directors of the Company for necessary action.