

Damodar Industries Limited

Reg. Off. 19/22 & 27/30, Pandurang Budhkar Marg, Worli, Mumbai – 400 013

Corporate Identity Number: L17110MH1987PLC045575

Tel: +91 – 022 -49763203

●E-mail:cs@damodargroup.com●www.damodargroup.com

Code of Conduct

Date of Implementation/Effective of policy	April 25,2014
Last amended date	November 08, 2015

Foreword:

The Conduct is a set of principles that guide and govern the conduct of the Company and their employees in all matters relating to business. The Code lays down the ethical standards that every employee of the organization has to observe in their professional lives.

If all of us, in our professional and personal capacities, can internalize the beliefs enshrined in the Code of Conduct, the Group's legacy and its future will remain in good hands.

As per the revised Clause 49 of the Listing Agreement pertaining to Corporate Governance, all listed companies have to evolve and implement a 'Code of Conduct' for all members of the Board and Senior Managerial Personnel to ensure best board practices, transparent disclosures and shareholder empowerment which are necessary for creating shareholder value.

Damodar code of conduct along with additional guidelines herein has been adopted by the Board of Directors of Damodar Industries Limited at its meeting held on 25th April, 2014. This "Code" is framed to comply with clause 49 of the Listing Agreement (as amended from time to time), entered into with the stock exchanges. 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 Damodar Industries Limited which shall come into force with effect from November 08, 2015.

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.

DEFINITIONS:

1. "Company" denotes Damodar Industries Limited.
2. "Board Member" denotes every Director of the Company as may be appointed from time to time.
3. "Senior Managerial Personnel" denotes personnel of the Company who are members of its key management team and will comprise all members of management one level below the Executive Directors including all functional heads, irrespective of their designation.
4. The term "Relative" wherever appears, shall have the same meaning as defined in section 2(77) of the Companies Act 2013.
5. The term "Whole Time Director" shall be the Directors on the Board of Directors of the Company who are in whole time employment of the Company.
6. The term "Non-Executive Director" shall be the Directors on the Board of Directors of the Company who are in whole time employment of the Company.
7. The term "Conflict of Interest" means where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.
8. The term "Independent Directors" wherever appears, shall have the same meaning as defined in section 149(6) of the Companies Act 2013.

Introduction:

This Code of Conduct is pursuant to the requirements as per Corporate Governance.

1. This Code is applicable to:
 - Members of the Board
 - Senior Management
 - Employees
2. The Code of Business Conduct (“Code”) lays down important corporate values that shape the Company’s value system and business practices and represents cherished values of the Company
3. The Code provides guidance to employees in recognizing and dealing with important ethical and legal issues and fosters a culture of honesty and accountability
4. This Code is not intended to cover every legal or ethical issue that may arise in course of the business. When required, advice or guidance must be taken from the appropriate person in the Senior Management

Organisational Values:

Clause: 1

National Interest

The Group is committed to benefit the economic development of the countries in which it operates. The management practices and business conduct shall benefit the country in which it operates, to the extent possible and affordable and shall be in accordance with the laws of the land.

Company, in the course of its business activities, shall respect the culture, customs and traditions of each country and region in which it operates. It shall conform to trade procedures, including licensing, documentation and other necessary formalities, as applicable

Clause: 2

Financial Reporting and records

Company shall prepare and maintain its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall reflect, fairly and accurately, all of the company's business transactions and disposition of assets, and shall have internal controls to provide assurance to the company's board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties and government agencies. There shall be no wilful omissions of any company transactions from the books and records, no advance-income recognition and no hidden bank account and funds.

No employee shall make, authorise, abet or collude in an improper payment, unlawful commission or bribing

Clause: 3

Equal Opportunities employer

Company shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

Human resource policies shall promote diversity and equality in the workplace, as well as compliance with all local labour laws.

Employees of the company shall be treated with dignity and in accordance with the Company policy of maintaining a work environment free of all forms of harassment, whether physical, verbal or psychological. Employee policies and practices shall be administered in a manner consistent with applicable laws and other provisions of this Code, respect for the right to

privacy and the right to be heard, and that in all matters equal opportunity is provided to those eligible and decisions are based on merit.

Clause: 4

Integrity

Personal integrity, upheld on a day-to-day basis, is the unshakable foundation for corporate integrity. Long-term, trusting business relationships are built by being honest, open and fair.

Every employee of the company shall exhibit high moral and ethical standards with professionalism, honesty and integrity.

Every employee of the company shall preserve the human rights of every individual and the community, and shall strive to honour commitments.

Every employee shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of employment.

Clause: 5

Conflict of Interest

An employee of the company shall always act in the interest of the company, and ensure that any business or personal association which he / she may have does not involve a conflict of interest with the operations of the company and his / her role therein.

An employee of the company shall not engage in any business, relationship or activity which might conflict with the interest of his / her company.

Damodar prohibits the purchase and sale of Damodar shares or securities on the basis of potentially share price relevant information which is not yet public. Non – Compliance may not only entail disciplinary sanction, but not result in criminal charges.

Clause: 6

Legal Compliance

The Company's policy on legal compliance requires every employee to adhere to the legal and regulatory requirements, in all material respects, that affect his or her job. Employees must adhere to this policy on legal compliance and associated reporting.

It is essential that information provided to the regulators is accurate and not misleading.

Clause: 7

Respect for People

Employees are expected to treat co-employees and business associates fairly and, irrespective of hierarchical level, with dignity and respect. Being treated fairly means that employees shall be judged on merits.

Employees are expected to work with no bias against gender and attitude shall be caste/community neutral.

Senior Management Cadre must maintain an open line of communication and listen to all employees before taking any judgment.

Clause: 8

Health, Safety & environment

Company shall strive to provide a safe, healthy, clean and ergonomic working environment for its people. It shall prevent the wasteful use of natural resources and be committed to improving the environment, particularly with regard to the emission of greenhouse gases, and shall endeavour to offset the effect of climate change in all spheres of its activities.

Supervisors and managers are responsible for monitoring the use of all reasonable safeguards in the workplace including Company procedures, safe work practices, and personal protective equipment. However, ultimately all employees are responsible for their own safety. Every employee must, for his or her own and fellow workers' health and welfare, abide by the Company procedures and safe work practices, and use all appropriate personal protective equipment.

Clause: 9

Confidential and Proprietary Information

Company information, including self generated computer software applications, may be confidential or proprietary – e.g. Design weights and manufacturing allowances for raw materials for cables, business with Group Companies, manufacturing process and planning.

Employees have to be careful about disclosure of such information to people outside the Company or to employees who need not know or possess the same.

When there is a legitimate business need to share confidential or proprietary information with outsiders, it may be disclosed after prior approval of appropriate authority and under an appropriate confidentiality agreement protecting such information.

Confidential and proprietary information must not be treated casually or left unprotected.

Employees are prohibited from using Company's property or information, or their position within the Company, for personal gain.

Clause: 10

Company Assets, Computer Network Use and Security

Employees must make responsible use of Company assets in their personal possession such as telephones, computers and other hardware, software, internet connection, networks and the information that runs on them in a responsible manner.

Employees must:

- use telephone, computers and peripherals and internet responsibly and primarily for legitimate business purposes and personal uses should be reasonable and kept to a minimum.
- Protect the security of computer systems.
- Not engage in electronic communications that might be considered offensive, derogatory, defamatory, harassing, obscene or otherwise vulgar.
- Not use Company electronic communications systems to improperly disseminate copyrighted or licensed materials, or proprietary information.
- Not use Company electronic communications systems to transmit chain letters, advertisements or solicitations (unless authorized).
- Not visit inappropriate Internet sites; and
- Always protect information used to access computers, networks or systems.

Company's electronic communications system and information will be monitored for compliance with Company policy and applicable laws.

Employees must note that they are not entitled to privacy privilege in respect of the same.

Clause: 11

Reporting Concerns

Every employee of the company shall promptly report to the management, when she / he becomes aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanour or act not in the company's interest.

GUIDELINES OF PROFESSIONAL CONDUCT OF INDEPENDENT DIRECTORS:

An independent director shall:

- Uphold ethical standards of integrity and probity and Act objectively and constructively while exercising his duties.
- Exercise his responsibilities in a bona fide manner in the interest of the Company.
- Devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
- Not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- Refrain from any action that would lead to loss of his independence.
- Where circumstances arise which make an Independent Director lose his independence the Independent Director must immediately inform the Board accordingly.
- Assist the Company in implementing the best Corporate Governance practices.

ROLE AND FUNCTIONS OF INDEPENDENT DIRECTORS:

The Independent Directors shall:

- Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Bring an objective view in the evaluation of the performance of board and management and scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
- Satisfy them on the integrity of financial information and those financial controls and the systems of risk management are robust and defensible.
- Safeguard the interests of all stakeholders, particularly the minority shareholders.

- Balance the conflicting interest of the stakeholders.
- Determine appropriate levels of remuneration of Executive Directors, Key Managerial Personnel and senior Management and have a prime role in appointing and where necessary recommend removal of Executive Directors, Key Managerial Personnel and Senior Management.
- Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

DUTIES OF INDEPENDENT DIRECTORS:

The Independent Directors shall—

- Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- 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.
- Attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- Participate constructively and actively in the committees of the Board.
- Attend the general meetings of the Company.
- 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.
- Keep them well informed about the Company and the external environment in which it operates.
- Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure them that the same are in the interest of the Company.

- 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.
- Report concerns about unethical behavior, actual or suspected fraud or violation of the Company's "Code" or ethics policy.
- Acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
- 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.

Waiver and amendments of the code:

Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this "Code" is subject to modification. Any amendment or waiver of any provision of this "Code" must be approved in writing by the Company's Board and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of amendment and waiver.