

DUGAR HOUSING DEVELOPMENTS LIMITED

Code of Conduct for Board Members and Senior Management Personnel

Preamble 1.1 This Code of Conduct shall be called "The Code of Conduct for Board Members and Senior Management Personnel" of DUGAR Housing Developments Limited (hereinafter referred to as "the Company"). This Code shall also be treated as Code of Business Ethics for the purpose of Schedule IV of the Companies Act, 2013.

1.2 This code is in alignment with Company's Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

1.3 At Dugar Housing Developments Limited, it is the commitment and continuous endeavor of the Board of Directors and all the employees to attain good corporate governance, ensuring truth and transparency, accountability in all its dealing with employees, stakeholders, consumers and community at large.

1.4 The Management believes that this organization has been trusted by various stakeholders and we are the "trustees" of these stakeholders. It is, therefore, necessary to ensure that the organization should be managed in a manner that protects and secures the interests of its stakeholders. We (the Board of the Directors and all senior level employees) recognize society as an important stakeholder in this enterprise in addition to the promoters and other shareholders; therefore, it is part of our responsibility to practice good corporate citizenship.

1.5 It is also our belief that in order to serve the interests of our stakeholders in perpetuity, we must build this organization into an institution whose dynamism and vitality are anchored in its core values. Applicability This code is applicable to the Board Members including Independent Directors, members of the Management Committees and all employees upto the level of functional heads (HODs) (hereinafter collectively referred to as "Employee(s)"). All concerned must read, understand and ensure to abide by it in their day to day activities. They may contact , Company Secretary / Compliance officer in case any query relating to compliance of this Code.

Purpose and Scope

This Code is intended to provide guidance and help in recognizing and dealing with ethical issues and to help foster a culture of honesty and accountability. Every

employee is expected to comply with this Code in letter and spirit. One must not only comply with applicable laws, rules and regulations but should also promote honest and ethical conduct of the business. They must abide by the policies and procedures that govern the conduct of the Company's business. Their responsibilities include helping to create and maintain a culture of high ethical standards and commitment to compliance, and to maintain a work environment that encourages the stakeholders to raise concerns to the attention of the management.

Commitment

We as employees undertake that Honest and Ethical Conduct : Honesty is the basic input of Trusteeship. We shall act in accordance with the highest standards of personal and professional integrity and honesty. Such acts are not only on the Company's premises and offsite but also at company sponsored business, social events as well as other places. Our act and conduct shall be free from fraud and deception. we shall conform to the best-accepted professional standards of conduct.

Inter-personal Relationships : In our relationship with colleagues - we recognize their respect and dignity and in the same way, we ourselves would expect the same from them. Honour Confidentiality: We shall maintain the confidentiality of all material non-public information about the company's business until and unless discharged from such obligations under requirement of any law or any provisions of this Code .

Fair Dealing : Our dealing shall be fair with customers, suppliers, competitors, and employees of group companies and not take unfair advantage through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing-practices. Conflict of Interest It is expected on part of the employees to make business decisions taking into account best interest of the Company as a whole, without being influenced by personal relationships or benefits. They are expected to apply their proper mind in arriving at sound decision without any conflict of interest, which may adversely affect the company's business. Conflict of interest may occur directly with employees, directors or through their relative or family connection. It may arise when an employee or director or a member of his/her family gets any undue personal benefits or interests due to his/her position with the Company. Under such situation, he/she is expected to disclose to the Departmental Head/ the Board about the same. The following examples are given as guidelines for determining situations where such conflict of interest may arise, but such examples are not intended to cover all possible events.

- i. Corporate Business Opportunities: It is duty of the Employees and Directors towards the Company to enhance its legitimate business interest whenever and

- wherever such opportunities so arise. They are prohibited from taking benefit of such opportunities for themselves or through third party. More so, employees and directors are not to use corporate property, information or position for personal gain or in competition with the company. Sometimes, it is difficult to draw a line between the benefit to an employee or a director and the benefit to the company and under such situation it is prudent on part of the said employee or director to get approval in this respect from higher management beforehand.
- ii. **Improper Influences – Gifts and Entertainment:** No employee or director must offer, make, solicit or receive any bribe, kickback, illegal contribution or other improper payment. Such activity is not condonable. Further, no employee or director should accept any gift or gratuity of material value or excessive entertainment from any organization or individual that is having business relationship with the company. In order to avoid such situation, the employees and directors must use common sense and good judgement in case of such circumstances.
 - iii. **Transactions with Affiliates:** As regards selection of vendors, they should be selected on competitive and merit basis, without being influenced with favouritism. Under this policy, the employees do not engage in any activities that might affect independence of judgement in such selection and any deviation of such policy requires to be brought to knowledge of the Management.
 - iv. **Confidential Information/Publicity:** Employees are not allowed to disclose or use any confidential information obtained or gained in course of his/her employment for his/her personal gain or profit or to any other person or party. Further they are not allowed to provide any information either formally or informally to the press or to any publicity media without authorization.
 - v. **Outside directorship:** It is a conflict of interest to serve as a director of any company that competes with the Company. Directors/ Senior Management must first obtain approval from the Company's Board/Managing Director before accepting a directorship.

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 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;
- (14) hold at least one meeting in a year, without the attendance of non independent directors and members of management to
 - (a) review the performance of non-independent directors and the Board as a whole
 - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors and
 - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. All the independent directors of the company shall strive to be present at such meeting ; and abide by the Code for Independent Directors as laid down under Schedule IV of the Companies Act, 2013. Legal Compliance Employees are responsible for the implementation of this Code ensuring compliance under this Code as well as under all applicable

laws, regulations and corporate policies since such non-compliance is unethical and subject the company with unwanted fine or penalties.

Continual updation of Code : This Code is subject to continuous review and updation in line with any change in law, the Company's policy, vision & plans or otherwise the Board may deem as necessary.