



## **RDB REAL ESTATE CONSTRUCTIONS LIMITED**

### **CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

#### **1. INTRODUCTION**

The purpose of this Code of Conduct (hereinafter referred to as “Code”) is to conduct the business of the Company in accordance with the applicable laws, rules, and regulations and with the highest standard of ethics and values and to attain good corporate governance, ensuring truth and transparency, accountability in all its dealing with employees, stakeholders, consumers and community at large.

Each and every Director and Officer (as defined herein below) shall be duty-bound to follow the provisions of this Code in letter and spirit. Any instance of non-compliance of any of the provisions shall be a breach of Ethical Conduct and shall be viewed seriously by the Company. Accordingly, the Director and Officer (as defined herein below) are expected to read and understand this Code and uphold these standards in their business dealings and activities.

This model Code of Conduct for Directors and Senior Management personnel is a guide to help Directors on the Board & Senior Management team of the company to live up to the companies Ethical Standards.

#### **2. APPLICABILITY**

This Code of Conduct applies to the following:

- ✚ All Members of the Board of Directors of the Company; (hereinafter referred to as the “Directors”)
- ✚ Following Personnel’s / Senior Manager Personnel’s of the Company
  - Chief Executive Officer;
  - Company Secretary / Compliance Officer;
  - Head of Finance function (by whatever designation called);
  - All Departmental/Functional heads of different functions of the Company. (By whatever designation they are called, hereinafter referred to as “Officers”)

All Directors and Officers shall affirm compliance with this Code on an annual basis. They shall submit an Annual Compliance Report within 30 days of close of every financial year to the Company Secretary, in the form enclosed as **Annexure-I**.

Nothing in this Code, in any company policies and procedures, or in other related communications (verbal or written), creates or implies an employment contract or term of employment.

#### **3. PURPOSE**

The prime purpose of the Code of Conduct is to create an environment where all the Directors and Officers of the Company maintain an ethical standard and compliance to

the ethical standards that are laid down. This code of conduct will act as guideline to all to:

- Promote honest and ethical conduct.
- Maintain a corporate climate in which the integrity and dignity of each individual is valued and promoted.
- Assure compliance with laws, rules and regulations that govern the Company's business activities; and
- Assure the proper use of the Company's assets.

The responsibilities of Directors and Officers 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.

## **WE AS EMPLOYEES UNDERTAKE THAT:**

### **I. HONESTY & INTEGRITY**

We expect all the Directors and Officers to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working at the Company's premises, at offsite locations, at Company's sponsored business and social events, and/or at any other place where the Director and Officer represent the Company. We consider honest conduct to be conduct that is free from fraud and/or deception. We consider ethical conduct to be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes ethical handling of actual or apparent conflicts of interest as specified below between personal and professional relationships.

### **II. INTER-PERSONAL RELATIONSHIP**

In our relationship with colleagues we recognize their respect and dignity and in the same way, we ourselves would expect the same from them.

### **III. CONFIDENTIALITY**

The Directors and Senior Management Personnel should maintain confidentiality of information entrusted to them in carrying out their duties and responsibilities. The matters discussed at the Board/Committee Meetings must not be disclosed outside appropriate and reasonable circles. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of any Director. These obligations apply not only during a Director's term, but thereafter as well unless said information becomes public.

### **IV. FAIR DEALING**

Our dealing shall be fair with customers, suppliers, competitors, and every employees of the company and not to take unfair advantage through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing-practices.

## V. CONFLICT OF INTEREST

The Directors and senior management personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Relationships with prospective or existing clients, syndicates, associates, advisors, competitors or regulators must not affect the independent and sound judgment on behalf of the Company.

General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below:

### **a) Related parties**

As a general rule, Director and Officer before conducting Company business with a relative and/or with a business in which a relative is associated in any significant role, must disclose their interest before the Board of Directors of the Company and take their prior approval for the same.

### **b) Outside Employment**

Executives Directors and Senior Management personnel shall not work for or receive payments for services from any clients, syndicates, associates, advisors, competitors of the Company without approval of the Board. Any outside activity must be strictly separated from the company's employment and should not harm job performance at the company. The Executive Directors and the Senior Management personnel shall devote themselves exclusively to the business of the Company and shall not accept any other work or assignment (part-time or otherwise).

### **c) Board Memberships**

Acceptance of directorship on the board of other companies, which compete, with the Company amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations is encouraged, and does not require prior approval.

### **d) Gifts (Gifts are not always physical objects - they might also be services, favours or other items of value.)**

The Directors and Senior Management personnel shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panellist / speaker and other customary gifts are allowed. Gifts on behalf of the Company - some business situations call for giving gifts. These gifts shall be legal, reasonable. Directors and senior Management personnel shall not pay bribes.

#### **e) Investments**

Directors and Senior Management personnel may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director or Senior Manager has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.

#### **f) Diversion of Business:**

Directors and Senior Management personnel shall not divert business opportunities of the Company, by exploiting for their own personal gain. However the Directors and Senior Management personnel can pursue such business opportunities once they are fully disclosed to the company and the company declines to pursue such opportunities.

#### **g) Use of Company's assets:**

The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable, does not amount to violation of the code.

#### **h) Corporate opportunities:**

Director and Officer shall not exploit for their own personal gain, opportunities that are discovered through the use of Company property, information or position, unless the opportunity is first disclosed in writing to the Company's Board of Directors.

#### **i) Others:**

It would be impracticable to attempt to list all possible conflict of interest situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

### **VI. CORPORATE GOVERNANCE**

The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company. This Code forms an integral part of the Company's Governance Policy. The Directors, Senior Management and Employees must adhere to the Corporate Governance Policy of the Company.

### **VII. LEGAL COMPLIANCE**

The Directors and Senior Management personnel shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them

to perform their obligations diligently. The Directors and Senior Management personnel shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Prohibition of Insider trading policy of the company.

Violations of applicable governmental laws, rules and regulations may subject Director and Officer to individual criminal and/or civil liability. Such individual violations may also subject the Company to civil and/or criminal liability and/ or the loss of business.

In addition, if any Director becomes aware of any information that he believes constitutes evidence of a material violation of any securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company, any employee or another Director, then such Director should bring such information to the attention of the Chairman of the Audit Committee.

## **VIII. DISCLOSURES**

Company's policy is to provide full, fair, accurate, timely and understandable disclosure in reports and documents that Company file with, or submit to, the stock exchange, SEBI and/or any other government agency and in all other public communications made by the Company. Company's Directors and Officers have the general responsibility for preparing such filings and communications and shall ensure that the same shall conform to all applicable laws and regulations.

## **IX. ACCOUNTING AND REPORTING**

All the Directors and Officers of the Company are expected to follow the Company's Accounting Policies. All accounting records should accurately reflect and describe corporate transactions. The recordation of such data must not be falsified or altered in any way to conceal or distort assets, liabilities, revenues, expenses or the nature of the activity.

All public disclosures made by the Company, including disclosures in reports and documents filed with or submitted to the Statutory Authorities shall be accurate and complete in all material respects. All the Directors & Officers are expected to carefully consider all inquiries from the Company related to the disclosure requirements and promptly supply complete and accurate responses.

## **X. NON-COMPLIANCE**

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations shall be appropriately investigated. Any waiver of this Code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation

## **XI. PROPER USE OF COMPANY'S ASSETS AND COST CONSCIOUSNESS**

We are trustees of the company's properties, funds and other assets and as such it is our responsibility for protecting the same against any misappropriation, loss,

damage, theft etc., by evolving proper internal control system and procedures. No employee shall use the company's facilities for personal use. Even for use of company's purpose, employees are expected to take utmost care for avoidance of wastage so that cost to the company becomes reasonable.

## **XII. INSIDER TRADING**

Directors and Officers should observe all applicable laws and regulations including the Company policies and Codes as applicable to them with respect to the purchase and sale of the Company's securities.

The Directors or Officers of a Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from access to and possession of Price Sensitive information about the Company or the Group.

An employee of a company shall not use or proliferate price sensitive information which is not available to the investing public and for making or giving advice on investment decisions on the securities of the Company on which such Price Sensitive information has been obtained. Such Price Sensitive information shall include but not limited to the following:

- Acquisition and divestiture of businesses or business units;
- Financial Information such as profits, earnings and dividends;
- Announcement of new projects or developments;
- Asset revaluations;
- Investment decisions/plans including raising finances;
- Restructuring plans;
- Major MOUs and JV Agreements;
- Raising Finances;

## **XIII. VIOLATION OF THIS CODE**

In case it is found that any of the employees does not follow this Code by engaging misconduct, the matter would be reviewed by the Board whose decision shall be final and the Company reserves the right to take appropriate action against the guilty employee.

## **XIV. DUTIES OF DIRECTORS**

Every Director of the Company shall endeavour to comply with the provisions of Section 166 of the Companies Act, 2013 and pursuant to Regulation 17(5) of SEBI (LODR) Regulations, 2015, relating to the duties of directors.

In addition, Independent Directors shall also perform the duties as prescribed in Schedule IV to the Companies Act, 2013, as amended from time to time.

#### **4. REVIEW AND AMENDMENT:**

We are committed to continuously reviewing and updating our policies and procedures to meet the requirements of any relevant statute or the business interest of the Company. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code shall be approved in writing by the Company's Board of Directors 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 or waiver.

**ANNEXURE - I**

**CODE OF CONDUCT FOR BOARD OF DIRECTORS AND  
SENIOR MANAGEMENT PERSONNEL**

**Annual Compliance Report**

**(To be submitted within 30 days of close of every financial year)**

I.....(name),.....(designation) do  
hereby solemnly affirm to the best of my knowledge and belief that I have fully complied with the  
provisions of the Code of Conduct for Board Members and Senior Management Personnel during the  
financial year ending 31st March .....

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_