

DPSC Limited

Code of Conduct

for Board Members & Senior Management Personnel

1. Introduction

1.1 This code of Conduct (“this Code”) shall be called “The Code of Business Conduct & Ethics for Board Members and Senior Management Personnel” of DPSC Limited (hereinafter referred to as “the Company”)

1.2 The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company.

1.3 This Code for Board Members and Senior Management Personnel has been framed specifically in compliance of the provisions of Clause 49 of the Listing Agreement with Stock Exchange.

2. Definitions & Interpretations

2.1 The term "Board Members" shall mean Directors on the Board of Directors of the Company.

2.2 The term “Manager”, “Managing Directors” or “Functional Directors” shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.

2.3 The term “Non-Executive/ Non Whole time Directors” shall mean Directors on the Board of Directors of the Company who are not in whole time employment of the Company.

2.4 The term “Relative” shall have the same meaning as defined in Section 6 of the Companies Act, 1956.

2.5 The term “Senior Management Personnel” shall mean personnel of the Company who are members of its core management team excluding

Board of Directors and would comprise all members of management committee, including all functional heads.

3. Applicability

3.1 This code shall be applicable to the following personnel

- a) All Whole-time Directors including the Manager/Managing Director of the Company.
- b) All Part-time Directors including Independent Directors under the provisions of law.
- c) Senior Management Personnel.

3.2 The Whole-time Directors/Manager/Part time Directors and Senior Management Personnel should continue to comply with other applicable/ to be applicable policies, rules and procedures of the Company.

4.0 Principles

The code is intended to serve as a basis for ethical decision-making in the conduct of professional work.

The Company during the past nine decades since its establishment in July 1919, has been committed to conduct business with accountability towards all stakeholders namely shareholders, customers, suppliers, contractors as well as the society. Our guiding principles for doing business are based on our vision, mission and values. We expect that our personnel understand these principles and be guided by them at work to reflect our responsibility as a good corporate citizen.

Vision

To be a leading & reliable end-to-end energy solutions provider in the country.

Mission

To light up and empower industries and millions of homes by being the lowest cost, most reliable and environmentally sound conventional & non-conventional energy provider.

To provide employees a strong sense of ownership, professional respect and pride, resulting in high morale and performance.

To enhance shareholder value by growth and profitability.

Values

- ◆ Performance / Result Oriented
- ◆ Imagination and Initiative
- ◆ Employee Empowerment
- ◆ Fair business practices with all stakeholders
- ◆ Organizational Pride
- ◆ Customer Delight

Focus areas

Together, we will achieve our vision by consistently growing through

- Competitiveness & cost efficiency
- Constant search for opportunities
- Complementary strategic alliances
- Competency enhancement
- Customer orientation

5.0 Commitment

We commit to promote the value and foster corporate culture in consistent with the good corporate governance principles as follows.

- Accountable for stakeholders by protecting the Company's assets as well as the good reputation.
- Establish clear responsibilities in accordance with the entrusted mission with discipline and awareness of existing and future risks.
- Have clear and transparent decision-making and working procedures.
- Treat the stakeholders equitably and avoid bias or situation that may raise any conflict of interest.
- Create sustainable wealth and long-term value.
- Constantly adopt the best practices to continuously increase the competitiveness.
- Be sensitive to community and environment concerns.

6.0 Compliance with Laws

The Company's Board Members and Senior Management Personnel shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow / obey the policies, procedures, rules and regulations relating to business of the Company.

7.0 Quality of working and Services

Organizational leaders are responsible for ensuring that a conducive environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management Personnel would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and co-operation, thus enhancing the quality of working.

8.0 Avoidance of any inducements

The Board Members and Senior Management Personnel shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency etc.

9.0 Corporate Discipline

Company's flow of communication is not rigid and people are free to express themselves at all levels though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.

10.0 Ethical Conduct

All are expected to conduct themselves, both on and off-duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behavior has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.

11.0 Accountability towards Company's stakeholders

All of those whom we serve, be it our Customers, without whom the Company will not be in business, the Shareholders, who have an important stake in Company's business, the Employees, who have a vested interest in making it all happen, the Vendors, who support the Company to deliver in time and Society to which Company is responsible for its actions - are Company's stakeholders. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.

12.0 Prevention of Insider Trading

Company is committed to maintain the best possible level in practicing the Corporate Governance Standard. In terms of the regulation notified by the Securities and Exchange Board of India (SEBI) (hereinafter referred to as "Regulations") which inter alia deals with trading i.e. buying and / or selling of securities of the Company by its employees / directors.

Objective

The Company's endeavour is always to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all the stakeholders and in ensuring adherence to all laws and regulations. Every Director, Officer, Designated Employee and Connected person of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No Director, Officer, Designated Employees or their relatives may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating / or counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

To achieve these objectives, the Company hereby notifies that this code of conduct is to be followed by all the Directors, Officers, Designated Employees, connected persons and their relatives.

This code of conduct shall be called as the "DPSCL Code of Conduct for **Prevention of Insider Trading Regulations**". This code shall become applicable from the date notified and adopted by the Board of Directors and is applicable to all Directors, Officers, Designated Employees, connected persons and their relatives.

12.1 Definitions:

- a. "**Connected Person**" means any person who-
- (i) is a director, of the company, or is deemed to be a director of the Company by virtue of sub-clause (10) of section 307 of the Companies Act, 1956; or
 - (ii) occupies the position as an officer or an employee of the Company; or
 - (iii) holds a position involving a professional or business relationship between himself and the Company whether temporary or permanent

including consultants, advisors, statutory and internal auditors, relatives of all directors and officers and who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company.

Explanation: For the purpose of this definition, the words “connected person” shall mean any person who is a connected person six months prior to an act of insider trading.

- b. ‘Insider’** means any person who, is or was connected with the Company or is deemed to have been connected with the Company, and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of the Company, or who has received or has had access to such unpublished price sensitive information.
- c. ‘Price Sensitive Information’** means any information, which relates directly or indirectly to the Company and which if published is likely to materially affect the price of securities of the Company.

The following shall be deemed to be price sensitive information:-

- i.) periodical financial results of the Company;
 - ii.) intended declaration of dividends (both interim and final);
 - iii.) issue of securities or buy-back of securities;
 - iv.) any major expansion plans or execution of new projects;
 - v.) amalgamation & mergers or takeovers;
 - vi.) disposal of the whole or substantial part of the undertaking;
 - vii.) disruption of operations due to natural calamities.
 - viii.) any significant changes in policies, plans or operations of the Company, such as:
 - (a) Commencement of any new commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year.
 - (b) Developments with respect to changes in pricing/realization on goods and services arising out of changes in government policy
 - (c) Litigation/dispute with a material impact.
 - (d) Revision of credit ratings assigned to any debt or equity instrument of the company.
 - (e) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.
- d. “Relative”** shall mean “relative” as defined in section 2(41) and section 6 read with Schedule IA of the Companies Act, 1956.
 - e. ‘Unpublished Information’** means information which is not published by the company or its agents and is not specific in nature.

12.2 Compliance Officer

- 2.1 The Company has appointed the Company Secretary of the Company as the Compliance Officer. He reports to the Manager/CEO of the Company.
- 2.2 The Board makes Compliance Officer responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' and their dependents' trades (directly or through respective department heads), monitoring of trades and the implementation of the code of conduct under the superintendence and control of the Board of Directors of the Company.
- 2.3 Compliance Officer will maintain a record of the designated employees and any changes made in the list of designated employees.
- 2.4 Compliance Officer will assist all the employees in addressing any clarification regarding the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Company's code of conduct.

12.3 Preservation of "Price Sensitive Information"

- 3.1 All Employees / Directors shall maintain the confidentiality of all Price Sensitive Information. Employees/ Directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- 3.2 Limited access to the confidential information:-

Files containing confidential information will be kept secure. Computer files will have adequate security of login and password etc.

12.4 Trading window

- 4.1 The trading period, to be called "**Trading Window**", for trading in the Company's securities will be closed during the period the time the price sensitive information as referred to in **para c** above remains unpublished and *24 hours* after the price sensitive information is published.
- 4.2 When the trading window is closed, the directors/officers/ designated employees shall not trade in the Company's securities during such period.

- 4.3 The trading window will be closed, inter alia, at the time of :-
- a. Declaration of financial results of the Company (quarterly, half-yearly and annual).
 - b. Declaration of Dividend (Interim & Final)
 - c. Issue of securities by way of public/ rights. Bonus etc.
 - d. Any major expansion plans or execution of new projects.
 - e. Amalgamation, mergers, takeovers and buy back.
 - f. Disposal of whole or substantially whole of the undertaking.
 - g. Any changes in policies, plans, operations of the Company.
- 4.4 All directors/ manager/officers/ designated employees of the Company shall conduct all their dealing in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.
- 4.5 In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs will not be allowed when trading window is closed.

12.5 Pre-clearance of trades

- 5.1 All directors / manager/officers / designated employees of the Company who intends to deal in the securities of the Company (up to and above the minimum threshold limit of 5000 shares or any other securities or Rs.5,00,000 whichever is higher) should pre-clear the transactions as per the pre-dealing procedure as described hereunder.
- 5.2 An application may be made in the prescribed format to the Compliance Officer indicating the estimated number of securities that the designated employee/ officer / director intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.
- 5.3 An undertaking in prescribed format shall be executed in favour of the Company by such designated employee/ Director / officer incorporating, inter alia, the following clauses, as may be applicable:
- a) That the employee / director / officer does not have any access or has not received "Price sensitive information" up to the time of signing the undertaking.

- b) That in case the employee/director/officer has access to or receives “Price sensitive information” after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- d) That he/she has made a full and true disclosure in the matter.

5.3.1 The Compliance officer shall on receiving an application provide an acknowledgement on the duplicate of the application

5.3.2 The Compliance officer shall grant approval in prescribed format within 2 days from the date of acknowledgement.

5.3.3 The Compliance officer shall retain copies of all applications and acknowledgements.

5.3.4 In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the possession of any unpublished price sensitive information. There shall be no obligation to give reasons for any withholding of consent.

12.6 Other restrictions

- 6.1 All directors/officers / designated employees shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the employee / Director must pre-clear the transaction again.
- 6.2 All directors / officers / designated employees shall hold their investments in securities for a minimum period of 30 days in order to be considered as being held for investment purposes. The holding period shall also apply to subscription in the primary market (IPOs). In the case of IPOs, the holding period would commence when the securities are actually allotted.
- 6.3 In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his/her reasons in this regard. An application for waiver of holding period shall be made to the Compliance officer in prescribed format

12.7 Reporting Requirements

7.1 Initial Disclosure :Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the Company in prescribed format, the number of shares or voting rights held by such person, on becoming such holder, within 4 working days of:-

- a. the receipt of intimation of allotment of shares; or
- b. the acquisition of shares or voting rights, as the case may be.

7.2 Any person, who is a director or officer of a listed company, shall disclose to the Company in prescribed format, the number of shares or voting rights held by such person, within 4 working days of becoming a director or officer of the Company.

7.3 Continual Disclosure

1. Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the Company in prescribed format, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the Company.
2. Any person who is a director or officer of a listed company, shall disclose to the Company in prescribed format, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under sub-regulation (2) or under this sub-regulation, and the change exceeds Rupees 5 lac in value or 5000 shares or 2% of total shareholding or voting rights, whichever is lower.
3. The disclosure mentioned in sub-regulations (1) and (2) shall be made within 2 working days of;
 - a. the receipt of intimation of allotment of shares, or
 - b. the acquisition or sale of shares or voting rights, as the case may be.
4. The Person/Promoters, within two days of receipt, shall disclose to all stock exchanges on which the Company is listed, the information received under regulation 6.

7.4 Quarterly/ Annual Disclosure

All directors / officers / designated employees of the listed company shall be required to forward following details of their Securities transactions including the statement of dependent family members (as defined by the company) to the Compliance officer:

- a. all holdings in securities of that company by directors / officers / designated employees at the time of joining the company;
- b. periodic statement of any transactions in securities whether pre-clearance of trades was obtained or not, on quarterly basis within 7 days from the end of quarter.
- c. annual statement of all holdings in securities as on 31st March of each year, before 7th April of that year.

12.8 Penalty for contravention of code of conduct

Any employee/officer/director who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct, may be penalized and the Company may take appropriate action.

Employees/officers /directors of the Company who violate the code of conduct will be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future Employee stock option plans, etc.

The action by the Company will not preclude SEBI from taking any action in case of Violation of SEBI (Prohibition of Insider Trading), Regulations, 1992.

12.9 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 1992

In case it is observed by the Company / compliance officer that there has been a violation of SEBI (Prohibition of Insider Trading), Regulations, 1992, SEBI will be informed by the Company.

13.0 Identify, mitigate and manage business risks

It is everybody's responsibility to follow Company's Risk Management Framework to identify the business risks that surround Company's function or area of operation and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.

14.0 Protecting Company's Assets

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gains.

15.0 As Board Members / Senior Management Personnel

They shall undertake to actively participate in meetings of the Board / Committees on which they serve.

15.1 As Board Members

Undertake to inform the Managing Director / Manager/ Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events / circumstances / conditions that may interfere with their ability to perform Board / Board Committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of Listing Agreement with Stock Exchange.

15.2 Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company at large. Illustrative cases can be:

Related Party Transactions: Entering into any transactions or relationship with Company or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a family member or other person or other organization with which they are associated)

Outside Directorship: Accepting Directorship on the Board of any other Company that competes with the business of Company.

Consultancy/Business/Employment: Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties / responsibilities towards Company. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of the company.

Use of Official position for personal gains: Should not use their official position for Personal gains.

16.0 Compliance with the Code of Conduct & Ethics

16.1 All Members of the Board / Senior Management of Company, shall uphold and promote the principles of this code.

The future of the organization depends on both technical and ethical excellence. Not only it is important for Board Members / Senior Management Personnel to adhere to the principles expressed in this Code, each of them should encourage and support adherence by others.

16.2 Treat violations of this code as inconsistent association with the organization.

Adherence of professionals to a code of ethics is largely a voluntary matter. However, if any of Board Members and Senior Management Personnel does not follow this code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to initiate appropriate action against the defaulter, as deemed necessary.

17.0 Miscellaneous

Continual updation of code

This code is subject to continuous review and updation in line with any changes in law, changes in company's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect the date stated therein.

Leading by Example

The Company's Directors and senior management set the professional tone for the Company. Through both their words and their actions, the Company's leadership conveys what is acceptable and unacceptable behaviour. Company's directors and senior management must constantly reinforce through their actions and behaviour that Company's stated beliefs of responsible corporate citizenship are rooted in individual conviction and personal integrity.

18.0 Where to seek clarifications

Any member of Board or Senior Management Personnel requiring any clarification regarding this code of conduct required to contact Manager/CEO.