



ANDHRA CEMENTS LIMITED

(Subsidiary of Sagar Cements Limited)

Policies

CONTENTS

ENVIRONMENT

<i>Waste Management Policy</i>	3
<i>Biodiversity Policy</i>	3
<i>Green Procurement Policy</i>	4
<i>Product Sustainability Policy</i>	4
<i>Environment Policy</i>	5

SOCIAL

<i>Marketing and Communication Policy</i>	6
<i>Human Rights Policy</i>	7
<i>Fair Competition Policy</i>	8
<i>Customer Service Policy</i>	8
<i>Corporate Social Responsibility (CSR) Policy</i>	9

GOVERNANCE

<i>Stakeholder Engagement Policy</i>	10
<i>Public Policy & Political Engagement Statement</i>	11
<i>Anti-Discrimination Policy</i>	12
<i>Anti-Corruption Policy</i>	13
<i>Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives</i>	16
<i>Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information</i>	31
<i>Code of Conduct for Board Members and Senior Management Personnel</i>	33
<i>Business Responsibility Policy</i>	40
<i>Whistle Blower Policy</i>	44

BUSINESS

<i>Corporate Sustainability Policy</i>	47
<i>Corporate Environmental, Social & Governance (ESG) Policy</i>	47
<i>Stakeholder Data Protection Policy</i>	49
<i>Innovation Policy</i>	50

WASTE MANAGEMENT POLICY

Andhra Cements Limited (ACL) is committed to adhering to environmentally friendly and sustainable operations by practising circular economy.

ACL aims to achieve this by

- *Adopting a hierarchal approach and making use of viable technologies to reduce, reuse, recycle, and recover where possible in order to minimise waste*
- *Ensuring all waste is captured, stored, transported, and disposed off in an environmentally acceptable manner*
- *Gathering and reviewing data to identify opportunities for waste reduction and management, and setting targets for continual improvement in these areas*
- *Liaising regularly with the relevant authorities and expert bodies to acquire and implement the best practices for sourcing and utilising refuse-derived fuel in a kiln, with the larger objective of minimising the impact on the environment*
- *Promoting the use of blended cements, thereby utilising the waste products of other industries*
- *Developing a strategy for making use of demolition and construction waste in the production process*
- *Promoting employee awareness via posters, notices, and training*
- *Promoting conservation awareness among customers*
- *Complying with all legal and other requirements that may be put in force from time to time.*

Revision No: 0

BIODIVERSITY POLICY

Andhra Cements Limited (ACL) recognises the necessity of being in harmony with nature. Preserving and conserving biodiversity is essential for sustainability and the survival of society at large.

To this end, ACL strives to identify and implement appropriate actions within its companies, across its supply chains, and among its stakeholders.

ACL aims to enhance Bio-diversity by

- *Making the utmost effort to mitigate, or minimise as far as possible, any interference with other areas of the natural world*
- *Carrying out impact assessment studies and implementing mitigation measures, such as offsetting residuary impacts*
- *Conserving, enriching, and promoting the efficient and sustainable use of natural resources and raw materials in its business activities and maximising the use of alternate or waste materials as eco-friendly measures*
- *Harvesting rainwater and recycling, reusing, and reducing water consumption to minimise freshwater usage in its operations*
- *Continuing to raise awareness among suppliers and other stakeholders of the importance of conserving biodiversity and the sustainable use of natural resources.*
- *Promoting activities for conserving biodiversity in partnership with stakeholders, such as local governments, farmers, local communities, independent groups, and non-governmental organisations*
- *Increasing carbon sequestration through the restoration of degraded village commons, riverbanks and tanks, foreshore plantations, and the development of community-managed forests in fringe areas*
- *Complying with all biodiversity-related laws and regulations in full*

Revision No: 0

GREEN PROCUREMENT POLICY

Andhra Cements Limited (ACL) is committed to excelling in its performance with regard to sustainable development.

The 'Green Sourcing Policy' reflects and supports ACL's commitment to reducing its environmental impact in its sourcing of materials, products, and services.

ACL intends to achieve this objective by

- *Prioritising the purchase of materials, products, and services whose environmental impact is proven to be lower than the market average, considering all phases of the life cycle, including end-of-life management.*
- *Developing specific internal guidelines for the sourcing of all its products and services.*
- *Integrating the concepts of reduction, reuse, and recovery in its sourcing model.*
- *Encouraging all its suppliers and service providers to incorporate environmental best practices in their own manufacturing processes.*
- *Raising awareness and competency among employees and other personnel involved in procurement through the provision of information and training.*
- *Complying with all legal and other requirements that may be in force from time to time.*
- *Making its policy available to all stakeholders upon request.*

Revision No: 0

PRODUCT SUSTAINABILITY POLICY

Andhra Cements Limited (ACL) is committed to manufacturing sustainable products that are safe for both its customers and the environment. The Company considers the impact of its operations over the long term and adopts a strategic approach to protecting the environment and conserving resources.

ACL endeavours to

- *Invest in R&D to introduce sustainable products and services*
- *Promote blended cements, which consist of waste materials, by encouraging customers to make informed and sustainable choices*
- *Permit freedom of choice in a competitive environment while designing, promoting, and selling its products*
- *Raise customer awareness of eco-friendly construction and responsible disposal of packaging materials*
- *Strive for safe and optimal resource use over the life cycle of its products and services, including recycling wherever possible*
- *Comply with regulations pertaining to marketing communication, advertising, promotion, and sponsorship to enable customers to make fully informed purchase decisions*

Revision No: 0

ENVIRONMENT POLICY

Andhra Cements Limited (ACL) is extremely mindful of its responsibility towards protecting and enhancing the environment and is committed to achieving outstanding environmental performance and continuous improvement across all its operations.

The Company aims to achieve this by

- *Reducing CO2 intensity through adopting the best technologies and practices across all its functions, from manufacturing to distribution, and increasing its use of electric vehicles in the transportation of raw materials and products to reduce emissions*
- *Reducing energy intensity while simultaneously increasing the use of green energy and alternative raw materials*
- *Improving efficiency to conserve natural resources while enhancing the use of waste materials to move towards a circular economy*
- *Optimising use of essential resources such as minerals, energy, water, and land, and utilising all grades of minerals, by adopting appropriate technologies, matching fuels, and using the optimal product mix*
- *Practising the reduce, recycle, reuse principles to reduce water intensity by minimising freshwater consumption and achieving a high level of water harvesting to become water positive across all operations, developing water bodies and plantation processes to support biodiversity in and around mines*
- *Minimising transport emissions by reducing lead distances and gradually migrating to environmentally friendly transportation modes*
- *Maximising sourcing of products and services from environmentally friendly entities*
- *Deploying environment management systems across all operations*
- *Promoting an environmentally aware and friendly culture among employees and relevant stakeholders*
- *Setting objectives and targets to monitor environmental performance and periodically reporting on progress to all stakeholders*
- *Complying with the most up-to-date environmental regulations and other requirements that may be in force from time to time*

Minimising environmental impact contributes to the equitable wealth of all living things – Let us protect the world we live in

Revision No: 0

MARKETING AND COMMUNICATION POLICY

Andhra Cements Limited (ACL) is committed to ensuring that all its marketing communications are legal, appropriate, and honest. The Company strongly believes in communicating fair, factual, and unbiased information in a transparent manner in all marketing of its products and services.

This policy provides ACL with a framework for managing its marketing communications, media, and public relations activities in collaboration with its stakeholders.

This policy applies to the management, employees, and contractors of all entities involved in marketing communications across all media and applies to all interactions with consumers and other stakeholders.

ACL commits to

- *Avoiding the use of text, audio, or images that perpetuate any adverse representation of gender, religion, race, disability, or other characteristic*
- *Disclosing the Company's information relating to health and safety and its social and environmental impact, including the use of hazardous materials (if any), in a transparent, factual, unbiased, and unambiguous manner, to facilitate its consumers in making informed decisions*
- *Keeping customers informed of all relevant data relating to its products and services, such as weight, price, quality, application, and availability*
- *Publishing user manuals with advice on good practices in storage and construction, optimising the mix for efficient and sustainable consumption, and minimising and properly disposing of waste*
- *Making the Company's contact details and information on its grievance resolution framework available and accessible*
- *Using contracts that are concise, legible, and comprehensible, contain official or commonly used language, and include relevant information on prices, features, terms, conditions, costs, contract duration, cancellation procedures*
- *Offering fair contract terms that respect third-party rights such as reasonable time periods and credit rates.*

Revision No: 0

HUMAN RIGHTS POLICY

Andhra Cements Limited (ACL) is committed to ensuring equitable opportunities for all and to providing a workplace where employees can perform their duties without fear of discrimination.

ACL strives to ensure it conforms to internationally recognised Frameworks and promotes diversity, equity, and non-discrimination across all its areas of operation. The Company also aims to extend this commitment to its business partners.

ACL endeavours to

- *Maintain legal compliance with the relevant constitutional and human rights regulations and conform to the Company's own Sustainability Framework*
- *Ensure that no human rights violations occur across any of its functions by adhering to a process of due diligence and identifying, assessing, and managing potential risks*
- *Recognize potential infringements of the rights of vulnerable groups, such as indigenous people women, and migrant workers, and implement necessary measures*
- *Align its policies, processes, and activities with its commitment to human rights, including with regard to labour practices (prohibition of child labour, forced labour, compulsory labour, sexual harassment, discrimination, etc.), engagement with indigenous people, land acquisition, the supply chain, etc*
- *Promote awareness of human rights among employees at various levels of its operations and the value chain through training and communication*
- *Provide access to remedial mechanisms to address grievances in a timely and culturally appropriate manner*
- *Establish clear accountability by assigning adequate resources and responsibilities for the effective management of human rights*

Revision No: 0

FAIR COMPETITION POLICY

Andhra Cements Limited (ACL) is committed to fair competition and takes a zero-tolerance approach towards unfair or deceptive practices.

This policy represents a commitment on behalf of ACL towards all its employees and the organisations with which it collaborates to carry out its activities in a fair, ethical, and transparent manner, and vice versa.

This policy is applicable to all employees of ACL, Board members, contractors, consultants, trainees, service providers, subsidiaries, group companies, and persons or entities contractually obligated worldwide.

ACL shall

- Act fairly and with the utmost integrity in its activities and business dealings with stakeholders
- Promote awareness on policies and antitrust risks to all its stakeholders, particularly when dealing with competitors
- Encourage trade associations that are fair, ethical, and transparent
- Ensure that any collaboration with competitors does not violate competition laws
- Independently establish prices and other terms without colluding with competitors
- Prohibit employees from coordinating or colluding with competitors to ensure that sensitive information is always kept confidential

Any violation of the principles set forth herein by any employee or stakeholder may lead to significant Consequences, including fines, penalties, disciplinary action, or contract termination.

Revision No: 0

CUSTOMER SERVICE POLICY

Andhra Cements Limited (ACL) is committed to achieving the highest level of customer satisfaction by ensuring that it provides all customers with quality products and services.

ACL commits to the following principles when dealing with its customers, which are reflective of the Company's shared values

- To provide quality service in an efficient and friendly manner
- To be respectful and courteous
- To be professional and positive
- To be well informed in order to offer guidance
- To listen and respond effectively
- To be solution-oriented with regard to customer needs
- To provide customers with honest and informative communication
- To remain open to customer feedback and, where appropriate, use it to guide improvement of our services
- All complaints will be dealt with efficiently and will be directed to the relevant individual or department for a response. Complaints will be thoroughly documented, both before and after resolution. ACL welcomes customer feedback as an opportunity to improve.
- Both customers and employees have the right to be heard, understood, and respected. ACL expects customers to be honest, polite, and respectful in their dealings with employees and discourages aggressive or abusive behaviour or unreasonable demands.
 - ACL is committed to maintaining the confidentiality of customer information.

Revision No: 0

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Andhra Cements Limited ('ACL' or 'the Company') is a responsible corporate entity committed to thinking and acting beyond regulatory compliance and to being an active partner in the development of society at large. Through its CSR activities and policies, the Company strives towards enhancing the welfare of various sections of the community by undertaking socially and economically useful programmes for sustainable development.

ACL commits to conducting itself ethically and contributing to economic development while improving the quality of life of neighbouring communities, and the wider society.

CSR Committee

The CSR activities of the Company will be identified and initiated by the CSR Committee comprising of three (03) or more Directors out of which at least one Independent Director. The CSR Committee shall recommend to the Board the amount of expenditure to be incurred by the Company on CSR activities and the Board will ensure that the activities as are included in the CSR Policy are undertaken by the Company subject to and in accordance with the provisions of Section 135 of the Companies Act, 2013 ("Act"). The CSR Committee shall meet as frequently as desired, to review policy, discuss the budget and strategy, monitor and review progress of CSR activities.

CSR BUDGET AND CSR EXPENDITURE

- (a) The Company will endeavour to spend in every financial year at least two (02) per cent of the average net profits of the Company made during the three (03) immediately preceding financial years for CSR activities in pursuance of this Policy. The average net profits shall be calculated in accordance with the provisions of Section 198 of the Act.*
- (b) Amount spent on CSR activities shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but will not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.*
- (c) Any surplus generated out of the CSR programs / activities of the Company will not be added to the normal business profits of the Company.*

Corporate Social Responsibility (CSR) Policy

- (d) In case of any unspent amount arising in any financial year out of the CSR activities, other than ongoing CSR projects, such unspent amount shall be transferred within six (06) months from the end of the financial year to a fund specified in Schedule VII of the Act or to such specific fund as may be prescribed from time to time for this purpose under the Act and the reasons for not spending the amount to be specified by the Board in Boards' Report.
- (e) Where the unspent amount is in respect of any ongoing CSR activities, the Company shall within thirty (30) days from the end of the financial year (or such other period as may be specified) transfer such unspent amount to a separate account called Unspent Corporate Social Responsibility Account to be opened in any scheduled bank by the Company for that financial year. The Company shall utilise such unspent amount for the ongoing projects within a period of three (03) financial years from its transfer, failing which such amount shall be transferred to a fund specified in Schedule VII of the Act or to such specific fund as may be prescribed from time to time for this purpose under the Act framed thereunder within thirty (30) days from the end of the third financial year.
- Support the vulnerable sections of society by setting up homes and hostels for women and orphans, care homes for senior citizens, etc., to ensure their basic needs are provided
 - Increase farming income through the construction of water check dams and the servicing of infrastructure, such as power networks and canals, through the provision of farming tools, livestock development support, etc
 - Protect national heritage, art, and culture, including through the restoration and support of buildings and sites of historical importance, artworks, and craft projects
 - Contribute to the Prime Minister's National Relief Fund or other funds set up by the central government for socioeconomic development and the welfare of women, the Scheduled Castes and Scheduled Tribes, and other underprivileged minorities
 - Be involved in rural development and other community projects of common interest
 - Assist in disaster management and other such activities, including those related to amelioration and mitigation
 - Carry out CSR programmes in relevant local communities to fulfil commitments in accordance with requests from government and regulatory authorities

CSR ACTIVITIES

The Company shall, upon the recommendation of the CSR Committee and with the necessary approval of the Board, undertake any of the following activities, as a part of its CSR initiative, which are defined in Schedule VII of the Companies Act, 2013:

- Eradicate hunger, poverty, and malnutrition by promoting preventive health care and sanitation and making safe drinking water available for its neighbouring communities
- Provide scholarship to students and support special education among children, women, senior citizens, and people with disabilities through livelihood enhancement projects
- Offer on-site training to qualified students in its manufacturing facilities to equip them with relevant professional skills

Selection, implementation, monitoring and review mechanism

Selection: The CSR Committee shall formulate the annual action plan for each financial year which shall include the following:

- (a) the list of CSR activities that are approved and to be undertaken by the Company;
- (b) the manner of execution of such CSR activities;
- (c) the modalities of utilisation of funds and implementation schedules for the CSR activities;
- (d) monitoring and reporting mechanism for the CSR activities; and
- (e) details of need and impact assessment, if any, for the CSR activities undertaken by the Company.

The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

Implementation: The CSR activities may be implemented either:

- (i) by the Company; or*
- (ii) through a registered trust, registered society or a company established by the Company or its holding or subsidiary or associate company under Section 8 of the Act. Or*
- (iii) If such trust, society or company is not established by the Company or its holding or subsidiary or associate company, then it shall have an established track record of three (03) years in undertaking similar programs or projects and the Company has specified the projects or programs to be undertaken through these entities, the modalities or utilization of funds on such projects and programs and the monitoring and reporting mechanism*

The Company may also collaborate with other companies for undertaking CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such CSR activities in accordance with the rules framed under the Act.

Monitoring and review mechanism: The CSR Committee will periodically monitor the implementation of the CSR activities under the CSR Policy and report the progress of CSR activities to the Board on a periodic basis. The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it. The Chief Financial Officer shall certify to the effect.

Revision No: 0

STAKEHOLDER ENGAGEMENT POLICY

Andhra Cements Limited (ACL) believes that its stakeholders are an extension of itself and that their engagement is fundamental to the Company's business functions. As such, it is crucial to understand stakeholders' expectations and needs and to involve them in managing risks and addressing issues early on, to ensure a long-lasting cordial and harmonious business relationship.

ACL aims to achieve this by

- *Systematically identifying all stakeholders and establishing a structured mechanism with a defined cycle for conducting stakeholder meeting*
- *Ascertaining the legitimate concerns, interests, and expectations of stakeholders, as well as their impact on the Company's business functions and vice versa*
- *Meeting stakeholders' needs through appropriate methods of engagement and well-defined objectives that are on par with international standards*
- *Practising the principles of inclusiveness, transparency, materiality, and completeness in all its engagements*
- *Assigning responsibilities and sufficient resources to elicit effective stakeholder engagement*
- *Collaborating in a non-discriminatory and interactive manner that encourages stakeholders to offer feedback and engage positively in business operations*
- *Resolving stakeholder grievances in an equitable and timely manner*
- *Paying special attention to and tailoring initiatives for stakeholders who are marginalised and under represented.*

Revision No: 0

PUBLIC POLICY & POLITICAL ENGAGEMENT STATEMENT

Andhra Cements Limited (ACL) does not involve itself in politics; nevertheless, it aims to responsibly encourage and contribute to the development of public policies that benefit society at large and foster a culture of community engagement. ACL further prohibits the use of political influence and condemns behaviours such as manipulation, intimidation, and coercion that may threaten to undermine the public political process.

ACL is committed to

- *Not subscribing to any political party*
- *Not engaging directly in any political processes*
- *Remaining transparent about policies and activities regarding lobbying, political contributions, and political involvement. The Company's policies can be viewed on its website*
- *Training employees and representatives on responsible political involvement and contributions and on how to deal with conflicts of interest*

- *Not allowing itself to be influenced by politicians or policymakers in favour of specific causes*
- *Prohibiting the use of misinformation, misrepresentation, threat, or coercion*

Lobbying: Lobbying refers to the process of engaging with different levels of government on public policy issues to determine the best interests of the nation, the industrial sector, the relevant organisation, and society at large. It is crucial to ACL's values that it remains fully transparent and ethical with respect to its lobbying activities.

Trade Unions: ACL works with those trade unions that are recognised by the management at the Company's manufacturing units, as per the terms of the Trade Unions Act. Trade unions are an important means of gaining access to employees' views, and listening to them enables ACL to better support its workforce through its policies, actions, and decision-making processes. This leads to higher staff morale and productivity.

Corporate Political Contributions: ACL contributes to political parties and candidates on a case-by-case basis.

Revision No: 0

ANTI-DISCRIMINATION POLICY

As a responsible corporate entity, Andhra Cements Limited (ACL) complies with all anti-discrimination laws and is committed to providing equal opportunities to all, without exception.

Every individual shall be treated equally, irrespective of religion, race, caste, language, sex, gender, background, place of birth, residence, or their role in relation to the Company. Further, ACL prohibits antisocial behaviour and verbal, physical, or mental harassment of any kind.

This policy applies to all employees, contractors, visitors, customers, and stakeholders.

ACL endeavours to

- *Nurture a professional working environment where every employee's knowledge, skills, and abilities are encouraged, and where all employees are required to maintain standards of propriety, promote equal opportunity, and act professionally without bias*
- *Ensure no employees or potential employees suffer discrimination in the workplace*
- *Provide training to all employees on morality and good conduct*
- *Make sure that any person who displays misconduct is subjected to disciplinary action and reprimanded by way of a warning, suspension, or termination, according to the severity of their offence*
- *Encourage any victim or witness of discriminatory behaviour to bring the matter to the attention of their immediate supervising manager or Human Resources, who shall be responsible for investigating immediately and taking any appropriate action against the accused*
- *Maintain the confidentiality of all individuals involved in a discrimination complaint*
- *Investigate every complaint thoroughly and inform the accused of the outcome, upon which basis disciplinary action shall be taken, as per the Company's policy*
- *Treat the accused fairly for the duration of the investigation and potentially suspend them with or without pay, depending upon the seriousness of the offence*
- *Act swiftly to ensure that any discriminatory practice ceases with immediate effect and harmony is restored in the workplace*
- *Apply these anti-discriminatory rules and any disciplinary actions, irrespective of the seniority or importance in the Company of any individuals involved*
- *Avoid exerting undue pressure on investigators and, where necessary, assign external parties to investigate*

Revision No: 0

ANTI-CORRUPTION POLICY

Andhra Cements Limited (ACL) is committed to conducting business in an ethical and honest manner and is committed to formulating, implementing, and enforcing systems to prevent corruption at every level.

ACL strives to remain steadfast in discharging its duty as a responsible corporate entity by ensuring full compliance with all relevant laws and regulations in an ethical and transparent manner.

The Company shall

- *Avoid any direct or indirect advocacy of or involvement in corruption*
- *Not hesitate to take action upon detecting attempted corruption or any activity that may involve corruption*
- *Strive to foster and uphold an organisational culture with zero tolerance towards corruption in all transactions with both the public and private sectors*
- *Be mindful of its responsibility for the conduct of its business partners and others acting on its behalf; as such, none of these parties may engage in any act that could be construed as bribery or corruption.*
- *Ensure that its business partners or any persons acting on its behalf understand and abide by its anti-corruption and anti-bribery policies*
- *Have a robust system for any employee or associate who has reason to believe that a violation of this policy has occurred or may occur to promptly report to their supervisor in accordance with ACL's Whistleblower Policy*
- *ACL has developed a comprehensive programme for implementing this policy, through appropriate guidance and training.*

Revision No: 0

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES

1. Preamble

Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulations") requires a listed company to formulate Code of Conduct to Regulate, Monitor and Report Trading by its Designated Persons and their immediate relatives (hereinafter referred as "Code") in adherence to the principles set-out in Schedule B to the said Regulations. Preventing insider trading is necessary to comply with securities law and to preserve the reputation and integrity of Andhra Cements Limited (the "Company") and all persons associated with it.

2. Objective

The objective of this Code is preservation of confidentiality of Unpublished Price Sensitive Information, to prevent misuse of such information and to prohibit a Designated Person and his/ her Immediate Relatives from Trading in the Securities of the Company while in possession of Unpublished Price Sensitive Information

3. Definitions

- a) 'Act' means Securities and Exchange Board of India Act, 1992 as amended from time to time.
- b) 'Audit Committee' means the Audit Committee of the Board of Directors constituted under Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) 'Board' or 'Board of Directors' shall mean the board of directors of the Company.
- d) 'Company' means Andhra Cements Limited.

e) 'Connected Person' means -

- (i) *any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.*
- (ii) *Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,*
 - (a) *an immediate relative of connected persons specified in clause (i); or*
 - (b) *a holding company or associate company or subsidiary company; or*
 - (c) *an intermediary as specified in section 12 of the Act or an employee or director thereof; or*
 - (d) *an investment company, trustee company, asset management company or an employee or director thereof; or*
 - (e) *an official of a stock exchange or of clearing house or corporation; or*
 - (f) *a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or*

- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the SEBI; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

Note: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of an unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in the company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information by virtue of any connection that would put them in possession of unpublished price sensitive information.

- f) 'Designated Persons' includes
 - a. Promoters and Members of Promoter Group of the Company;
 - b. Directors of the Company and its subsidiaries;
 - c. Key Managerial Persons (KMPs) of the subsidiaries;
 - d. Chief Executive Officer and employees up to two levels below Chief Executive Officer of the company irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
 - e. All employees in the Secretarial, Finance & Accounts and DP Department and employees from the grade of Senior Manager and above of Treasury (HO), IT(HO), MD & CEO office, Corporate Compliance, Legal, Risk Management, Internal Audit,

Analysis and Business Research and Taxation Departments.

- f. Employees of Material Subsidiary designated by their board of directors on the basis of their functional role or access to unpublished price sensitive information in the organization;
- g. Any other person specified by the Managing Director or the Compliance Officer of the Company from time to time.
- g) 'Director' shall mean and include a member of the Board of Directors of the Company.
- h) 'Insider' means any person who is:
 - i) a connected person; or
 - ii) in possession of unpublished price sensitive information;

NOTE: Since "generally available information" has been defined, anyone in possession of or having access to unpublished price sensitive information will be considered an 'Insider' regardless of how one came in to the possession of or had access to such information.

- i) 'generally available information' means information that is accessible to the public on a non-discriminatory basis and covers information published on the website of a stock exchange.
- j) 'immediate relative' means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- Note: It is intended that the immediate relatives of a "connected person" too become connected persons though this is a rebuttable presumption.
- k) 'SEBI' means Securities and Exchange Board of India.
- l) 'Securities' shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of mutual funds;
- m) "trading" means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- n) "Trading Window" means a permissible trading period for trading in the Securities of the

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

Company, as specified by the company from time to time.

- o) *'unpublished price sensitive information' means any information, relating to a company or its securities, directly or indirectly, that is not generally available which, upon becoming generally available, is likely to materially affect the price of the securities and it ordinarily includes but not restricted to information relating to the following: –*
- (i) financial results;*
 - (ii) dividends;*
 - (iii) change in capital structure;*
 - (iv) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;*
 - (v) changes in key managerial personnel;*

Note: It is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

4. Compliance Officer

Company Secretary shall act as the Compliance Officer who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

Role of Compliance Officer

- a. The Compliance Officer of the Company shall report to the Board and in particular, shall provide reports to the Chairman of the Audit Committee of the Board at periodical intervals, at least once in a year.*
- b. The Compliance Officer shall be adequately empowered and responsible to effectively*

discharge functions under the Code and shall have access to all information and documents relating to the Securities of the Company.

- c. The Compliance Officer shall be responsible for setting forth policies in relation to implementation of the Code and Regulations in consultation with the Board and grant of pre-clearance to the Designated Persons for dealings in the Company's Securities by them and monitoring of such dealings. The Compliance Officer shall implement this Code under the general supervision of the Audit Committee and overall supervision of the Board.*
- d. The Compliance Officer shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom Unpublished Price Sensitive Information is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, to ensure non- tampering of the database.*

5. Communication or procurement of unpublished price sensitive information.

- 5.1. *No Designated Person shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or its securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The term "legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of this code. Any*

person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of this code and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with this code. Note: This is intended to cast an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to know basis.

5.2 No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

5.3 An unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-

- (i) entail an obligation to make an open offer under the Takeover Regulations where the board of directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company;
- (ii) not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Company is of informed opinion that sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.

5.4 For purposes of sub-clause 5.3 above, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-Disclosure obligations on the part of such parties and such parties shall keep information

so received confidential, except for the purpose of sub-clause 5.3, and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

6. Trading when in possession of unpublished price sensitive information

6.1 No designated persons and their immediate relatives shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Provided that the insider may prove his innocence by demonstrating the circumstances including the following

In the case of non-individual insiders: -

- (a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
- (b) appropriate and adequate arrangements were in place to ensure that the Regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

7. Trading Plans

7.1 A Designated Person and their immediate relatives shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public Disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan

7.2 Such trading plan shall:

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public Disclosure of the plan;

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

- (ii) *not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the Disclosure of such financial results;*
 - (iii) *entail trading for a period of not less than twelve months;*
 - (iv) *not entail overlap of any period for which another trading plan is already in existence; and*
 - (v) *set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected (vi) not entail trading in securities for market abuse.*
- 73 *The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.*
- 74 *The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4 of Regulations.*
- 75 *Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.*

8. Disclosures

- 8.1 *Every public Disclosure shall be made in the prescribed form.*
- 8.2 *The Disclosures to be made by any person under this clause shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.*
- 8.3 *The Disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Chapter: Provided that trading in derivatives of securities is permitted by any law for the time being in force.*
- 8.4 *The Disclosures made under this clause shall be maintained by the Company, for a minimum period of five years, in such form as may be specified.*

9. Disclosures by certain persons

- 9.1 *Initial Disclosures.*
- (a) *Every person on appointment as a key managerial person or a director of the Company upon becoming a promoter or member of the promoter group shall Disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the Company, within seven days of such appointment or becoming a promoter.*
- 9.2 *Continual Disclosures*
- (a) *Every promoter, member of promoter group, designated person and director of the Company shall Disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 ("Prescribed Threshold").*
- (b) *The Company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the Disclosure or*

from becoming aware of such information. Explanation. The Disclosure of the incremental transactions under this sub clause, shall be made when the transactions effected after the prior Disclosure cross the threshold specified in clause (a) above.

9.3 Disclosures by other connected persons

The Company may, at its discretion require from time to time any other connected person or class of connected persons to make Disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with the Regulations

9.4 Disclosure of Name & PAN etc. by Designated Persons

All Designated Persons shall be required to submit Names and Permanent Account Number (PAN) or any other identifier authorized by law (such as Aadhaar, Voter ID, Passport etc.) of the following to the Company on an annual basis and as and when the information changes:

- a. immediate relatives;
- b. persons with whom such designated person(s) shares a material financial relationship;
- c. Phone, and mobile numbers which are used by them;

In addition, the names of educations, institutions from which designated persons have graduated and names of their past employers shall also be Disclosed on a one time basis.

Explanation – the term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

10. Trading Restrictions and Trading Window

10.1. Trading Restrictions All the Designated Persons or their immediate relatives may execute trades subject to compliance with the Regulations, 2015.

10.2 Notional Trading Window will be used as an instrument of monitoring trading by the Designated Persons and their immediate relatives.

10.3 Trading window

10.3.1 The Company shall specify a trading period, to be called “Trading Window”, for trading in the Company’s securities. The trading window shall be closed during the time the information referred to in clause 10.3.2 remains un-published.

10.3.2 The Compliance Officer shall close the trading window when he determines that a Designated Person can reasonably be expected to have possession of Unpublished Price Sensitive Information. Such Closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. The timing for re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market.

10.3.3 When the trading window is closed, the Designated Persons and their immediate relatives shall not trade in the Company’s securities during such period.

10.3.4 The trading window shall be, inter alia, closed at the time of:-

- a) Declaration of Financial results (quarterly, half-yearly and annual)
- b) Declaration of dividends (interim and 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 or operations of the Company which is price sensitive.

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

- 10.3.5 *The trading window shall be closed for the purpose of declaration of financial results from the end of every quarter till 48 hours after the declaration of the financial results by the Board of Directors in respect of the quarter concerned. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information. Other than financial results: In respect of other price sensitive matters, the trading window will remain closed from the time the Stock Exchanges are informed till 48 hours after the information becomes generally available.*
- 10.3.6 *The Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed. However, the trading window restriction shall not apply in the following cases:*
- (i) *the transaction is an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 of Regulations and both parties had made a conscious and informed trade decision; Provided that such unpublished price sensitive information was not obtained under sub-regulation (3) of regulation 3 of the Regulations. Provided further that such off-market trades shall be reported by the insiders to the Company within two working days. Every Company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the Disclosure or from becoming aware of such information.*
 - (ii) *the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 of the Regulations and both parties had made a conscious and informed trade decision; Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of the Regulations.*
 - (iii) *the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.*
 - (iv) *the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.*
 - (v) *the trades were pursuant to a trading plan set up in accordance with regulation 5 of the Regulations.*
 - (vi) *pledge of shares for a bonafide purpose such as raising of funds, subject to preclearance by the Compliance Officer and compliance with the respective regulations made by the SEBI;*
- 10.3.7 *Transactions which are undertaken in accordance with respective regulations made by the SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buyback offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by the SEBI from time to time.*
- NOTE: When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated the regulation. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence*

- by demonstrating the circumstances mentioned in the proviso, failing which he would have violated the prohibition.*
- 10.3.8 *In the case of connected persons, the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons.*
- 10.3.9 *All Designated Persons and their immediate relatives shall conduct all their trading in the securities of the Company only during 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, as referred under this Clause or during any other period as may be specified by the Company from time to time.*
- 10.4 *Pre-clearance of trades*
- 10.4.1 *When the trading window is open, all the Designated Persons and their immediate relatives who intend to trade in the securities of the Company (above a minimum threshold limit of Rs. 10,00,000 (market value) or 1,000 shares, whichever is less, whether in one transaction or a series of transactions over any calendar month) should pre-clear the transactions as per the pre-clearance procedure as described hereunder.*
- 10.4.2 *An application shall be made in the prescribed form to the Compliance Officer indicating the estimated number of securities that Designated Persons and / or their immediate relatives intend to trade in, the details as to the depository with which the Designated Persons and their immediate relatives 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.*
- 10.4.3 *An undertaking shall be executed in favour of the Company by the concerned Designated Persons and / or their immediate relatives incorporating, inter alia, the following clauses, as may be applicable:*
- a) *That the Designated Person and / or his immediate relatives does not have any access or has not received Unpublished Price Sensitive Information up to the time of signing the undertaking.*
- b) *That in case the Designated Person and / or his immediate relatives has access to or receives Unpublished 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 trading 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.*
- The Compliance Officer shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.*
- 10.4.4 *No Designated Person or his immediate relatives shall apply for pre-clearance of any proposed trade if such Designated Persons and / or his immediate relatives is in possession of Unpublished Price Sensitive Information even if the trading window is not closed.*
- 10.4.5 *The concerned Designated Person shall intimate to the Compliance Officer in the prescribed form of the details of trades executed by him and / or his immediate relatives in the securities of the Company (above a minimum threshold limit of Rs. 10,00,000 (market value) or 1,000 shares, whichever is less, whether in one transaction or a series of transactions over any calendar month) within two trading days of such execution.*
- 10.4.6 *The concerned Designated Person shall intimate to the Compliance Officer in the prescribed form, of his or his immediate relative(s)' decision of not trading in the securities of the Company after securing*

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

pre-clearance. Such intimation shall be given within two trading days after the expiry of seven trading days after the approval of preclearance is given.

11. Other restrictions

11.1 *All Designated Persons and their immediate relatives shall execute their order in respect of securities of the company within seven trading days after the approval of pre-clearance is given. If the order is not executed within seven trading days after the approval is given, the concerned Designated Person and / or his immediate relatives must again apply for preclearance of the transaction.*

11.2 *All Designated Persons and their immediate relatives who buy or sell any number of shares of the Company shall not execute a contra trade during the next six months following the prior transaction. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Education and Protection Fund administered by SEBI under the SEBI Act.*

11.3 *In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.*

11.4 *Designated Persons and their immediate relatives in the Company shall be governed by an internal code of conduct governing dealings in Securities of the Company.*

12. Chinese Wall

12.1 *To prevent the misuse of confidential information the Company shall adopt a "Chinese Wall" policy which separates those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sales/marketing or other departments providing support services, considered "public areas".*

12.2 *The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area.*

12.3 *The employees in inside area may be physically segregated from employees in public area.*

12.4 *Demarcation of the various departments as inside area may be implemented by the Company.*

12.5 *In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information strictly on the basis of "need to know" criteria, under intimation to the Compliance Officer.*

13. Penalty and punishment for contravention of the Code

Any Designated Person and any other person considered as an Insider who deals in securities or communicates any price sensitive information, in violation / contravention of the Code may be penalized by the Company. The Company may take appropriate disciplinary action including wage freeze, suspension, recovery, promotion process, imposition of penalty etc. Any amount collected under this clause shall be remitted to the Investor Education and Protection Fund of SEBI. Such a person shall also be subject to any action that may be taken by SEBI for violation of the Code and the Regulations.

14. Information to Stock Exchange(s) in case of violation of the Regulations

Any violation of the Regulations shall be promptly reported by the Compliance Officer to Stock Exchange(s) where the securities of the Company are traded in such form and such manner as may be specified by the SEBI, after obtaining the approval of the Audit Committee.

Form 1

Application-Cum-Undertaking for Pre-Clearance of Trades

To,
The Compliance Officer
Andhra Cements Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives, I seek approval to trade _____ securities of the Company for myself / as Joint Holder / my immediate relative as per details given below:

Preclearance sought for	Self / Immediate Relative:
<i>Details of Designated Person</i>	
Name	
Employee Code/ID	
Designation	
PAN	
E-mail ID & Contact No.	
<i>If pre-clearance sought for Immediate Relative, then</i>	
Name of the Immediate Relative for whom pre-clearance sought	
Nature of Relationship	
PAN of Immediate Relative	
<i>Details of Security held by self/ Immediate Relative for whom the pre-clearance is sought</i>	
Number of securities held as on date	
<i>Details of Proposed Transaction</i>	
The proposal is for	
a) Purchase of securities	
b) Sale of securities	
c) Off-Market deal	
d) Other	
Proposed date of trading in securities	
Estimated number of securities proposed to be purchased / subscribed / sold	
Current market price (as on date of application)	
Whether the proposed transaction will be through stock exchange or off-market trade	
Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

Signature: _____

Name:

Designation:

Signature: _____

(Immediate Relative)

Date:

Place:

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

Undertaking to be accompanied with the Application for Pre-Clearance

To,
The Compliance Officer
Andhra Cements Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

I, _____, (Name) _____
(designation) of the Company residing at _____
_____, am desirous of trading in _____ (numbers) securities of the Company as mentioned in
my application dated _____ for pre-clearance of the transaction.

I hereby declare that:

- (a) I do not have any access nor have I received or possess “Unpublished Price Sensitive Information” upto the time of signing the undertaking.
- (b) That in case I have access to or receive “Unpublished Price Sensitive Information” after the signing of the undertaking but before the execution of the transaction. I shall inform the Compliance Officer of the change in my position and that I would completely refrain from trading in the securities of the Company till the time such information becomes public.
- (c) That I have not contravened the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives as notified by the Company from time to time.
- (d) That I will execute the order in respect of the securities of the Company within 7 trading days after the approval of pre-clearance is given, failing which, fresh clearance shall be obtained.
- (e) That I shall inform the Company within 2 days of transaction / trading in securities of the Company/end of 7 trading days from pre-clearance approval the details of the securities traded along with securities not traded (in respect of which pre approval had been obtained).
- (f) That I have made a full and true Disclosure in the matter.

Signature: _____

Name:

Designation:

Date:

Place:

Form 2

Disclosure of Transactions with reference to Pre-Clearance approval obtained

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,
The Compliance Officer
Andhra Cements Limited,
Plot No.111, Road No.10, Jubilee Hills,
Hyderabad, Telangana – 500033.

I hereby inform that I

- have not bought / sold / subscribed any securities of the Company
- have bought / sold / subscribed to _____ securities as mentioned below on _____ (date)

(Strike out whichever is not applicable)

Name of holder (DP / Immediate Relative DP)	No. of securities dealt with	Bought/sold/ subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 5 years and produce to the Compliance Officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery Instruction Slip (applicable in case of sale transaction).

I agree to hold the above Securities for a minimum period of six months. In case there is any urgent need to sell these Securities within the said period, I shall approach the Compliance Officer for necessary approval. (Applicable in case of purchase / subscription).

I declare that the above information is correct and that no provisions of the Company's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives, SEBI Regulations and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature: _____

Name:

Designation:

Date:

Place:

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

Name of the company:

ISIN of the company:

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, Address with contact nos.	PAN, CIN/ DIN &	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
				Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
	1	2	3	4	5	6

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/ member of the promoter group		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

FORM C

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]

Name of the company:

ISIN of the company: -----

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN, DIN, & address with contact nos.	Category of Person (Promoter/ member of the promoter group/ designated person/ Directors/ immediate relative to others etc.)	Securities held prior to acquisition/ disposal		Securities acquired/Disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, specify	Date of intimation to company	Mode of acquisition/ disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed	
		Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of share holding	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/ sale Pledge / Revocation / Invocation / Others- please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc.)							Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell			
		Notional Value	Number of Units (contracts* lot size)	Notional Value	Number of units (contracts* lot size)		
16	17	18	19	20	21	22	

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives

FORM D

(Indicative format)

SEBI (Prohibition of Insider Trading) Regulations, 2015

Regulation 7(3) - Transactions by Other connected persons as identified by the company Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ disposal of shares specify	Date of intimation to company	Mode of acquisition/ disposal (on market/ public/ rights/ Preferential offer /off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed	
		Type of securities (For eg. - Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding	Type of securities (For eg. - Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/Sale/ Pledge/ Revocation / Invocation/ Others- please specify)	Type of securities (For eg. - Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of share holding					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note : (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives on the securities of the company by other connected persons as identified by the company

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts* lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name:

Signature:

Place:

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

In pursuance to the Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“Insider Trading Regulations”), it is required that the Board of Directors of every listed company shall formulate a code of practices and procedures for fair Disclosure of unpublished price sensitive information.

This Code is framed to adhere to practice and procedures for fair Disclosure in respect of Unpublished Price Sensitive Information (UPSI), relating to Company and/or its securities. This Code shall be applicable to all the Designated Persons (includes Immediate Relatives) and Insiders of the Company.

Definitions

“Board” means the Board of Directors of the Company.

“Chief Investor Relations Officer” means the Compliance Officer of the Company.

“Code” or “this Code” shall mean this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;

“Company” means ‘Andhra Cements Limited’.

“Compliance Officer” for the purpose of these regulations means the Company Secretary of the Company. In absence of the Company Secretary the Board of Directors may authorize such other officer of the Company to discharge the duties of Compliance Officer under the regulations.

“Unpublished Price Sensitive Information” or “UPSI” any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) financial results;*
- (ii) dividends;*
- (iii) change in capital structure;*
- (iv) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;*
- (v) changes in key managerial personnel; and*
- (vi) such other information as determined by the Board of Directors/Key Managerial Personnel/Chief Investor Relations Officer from time to time.*

Words not defined in this Code shall have the meaning ascribed to them in the Insider Trading Regulations.

Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information

Principles of Fair Disclosure:

1. *The Company will make prompt public Disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.*
2. *The Company will make, uniform and universal dissemination of UPSI to avoid selective Disclosure.*
3. *The Compliance Officer of the Company shall act as the Chief Investor Relations Officer (“CIRO”) to deal with dissemination of information and Disclosure of UPSI.*
4. *The Company will make prompt dissemination of UPSI that gets Disclosed selectively, inadvertently or otherwise to make such information generally available.*
5. *The Company will provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.*
6. *The Company will ensure that information, if shared, with analysts and research personnel are not UPSI.*
7. *The Company will develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of Disclosures made.*
8. *The Company will handle all UPSI on a need-to-know basis by creating suitable safeguards to avoid UPSI becoming available to any person who is not required to have access to such information. UPSI, may however be Disclosed, to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.*

POLICY ON HANDLING OF UPSI AND DETERMINATION OF “LEGITIMATE PURPOSES”

For determining legitimate purposes, the below mentioned policy shall be adhered to:

“Legitimate purpose” shall include sharing of UPSI in the ordinary course of business by an insider on a need to know basis with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations. UPSI can also be shared in case same is mandatory for performance of duties or discharge of legal obligations.

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

Purpose

Pursuant to Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations (Listing Regulations), 2015, the Board of Directors ('the Board') of Andhra Cements Limited ('the Company') adopted the following Code of Conduct for its Board of Directors and Senior Management Personnel ('the Code').

The purpose of this Code is to enhance integrity, ethics & transparency in governance of the Company and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders. The Directors and Senior Management Personnel are expected to familiarize themselves with this Code and to understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in their day to day functioning.

Applicability

In terms of the Listing Regulations, all the Directors and the Senior Management shall affirm compliance with the provisions of this Code on an annual basis.

Definitions

"Board" or "Board of Directors" shall mean the board of directors of the Company.

"Company" shall mean Andhra Cements Limited.

"Compliance Officer" shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.

"Director" shall mean a member of the Board.

"Listing Regulations" shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Senior management personnel" shall mean officers/ personnel of the Company who are members of its core management team excluding board of directors

and normally this shall comprise all members of management one level below the "chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

"Relative" shall mean 'relative' as defined in Section 2(77) of the Companies Act, 2013 read with The Companies (Specification of definitions details) Rules, 2014 as reproduced in "Annexure-IV" hereto.

In this Code, words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

Applicability of the Code

The Code applies to Directors and Senior Management Personnel of the Company.

The Independent Directors of the Company are subject to certain additional duties as laid down by the Companies Act, 2013 which are set out in "Annexure - I" of the Code.

The Code has been formulated and approved by the Board and is to be strictly observed by the Directors and Senior Management Personnel of the Company for the governance of good corporate practices.

Any issue relating to the interpretation of the Code will be handled by the Board. The Company Secretary of the Company is appointed as the Compliance Officer under the Code and will be available to answer any questions, provide clarification and to help in ensuring compliance with the Code.

Guidelines for Conduct

The Directors and Senior Management Personnel shall act within the authority conferred upon them in the best interests of the Company and will:

- a. *act in the best interest of, and fulfil their fiduciary obligations to the Company and its shareholders;*
- b. *act honestly, fairly, ethically and with integrity;*

Code of Conduct for Board Members and Senior Management Personnel

- c. *conduct themselves in a professional, courteous and respectful manner and not take improper advantage of their position;*
- d. *act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;*

Conflict of Interest

A conflict of interest situation would be deemed to have arisen, when an individual's interest is perceived to be inconsistent with or is in conflict with the business interest of the Company. One should avoid such conflict of interest with the Company. However, in case such a situation arises, he shall, on becoming aware of the same, make full and true Disclosure of all facts and circumstances thereof to the Company. Some of the situations wherein a conflict of interest may be deemed to have arisen are elucidated below:

- a. *Pecuniary benefit: Where one's conduct is likely to confer a pecuniary benefit to oneself or in favour of any relative(s) or in favour of any company, body corporate or firm where one or one's relative is an employee, member, director or partner.*
- b. *Related Party Transactions: Where one enters into transaction(s)/arrangement(s) (directly or indirectly through relatives) with companies, bodies corporate or firms, for personal gain, which may conflict with the business interest of the Company.*
- c. *Corporate Opportunities: Where one uses and/or exploits for personal gain, opportunities that rightly belong to the Company or are discovered through the use of one's position or through the Company's image, property or information.*
- d. *Outside directorships: 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.*

Outside Directorships

Unless specifically permitted by the Board, the Board Members shall not serve as Director of any other Company or as Partner of a Firm that is engaged in a competing business with the Company. This clause is not applicable to Independent Directors.

Senior Management Personnel shall obtain prior approval of the Chairman and Managing Director/ Competent Authority for accepting Directorship of any other company or partnership of a firm.

Disclosure of Interest

The Directors shall promptly Disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws.

The Directors and Senior Management Personnel shall also promptly Disclose their relationships with other individuals, firms or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

Honesty, Integrity, Fairness and Accountability

The Directors and Senior Management Personnel are entrusted with the responsibility to oversee and formulate the policies for the management and affairs of the Company. Therefore in the interest of good corporate governance they shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. All of them must act in good faith with honesty and accountability and with due care, competence and diligence.

The Directors and Senior Management Personnel shall encourage employees of the Company to report violations of laws, rules, regulations or this Code to the appropriate personnel.

Insider Trading

The Directors and Senior Management Personnel shall comply with the Code of Conduct for Prevention of Insider Trading or Insider Trading Policy and adhere to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, in dealing with the securities of the Company as applicable from time to time.

Confidentiality

The Directors and Senior Management Personnel should maintain the confidentiality of information entrusted to them by the Company.

The Company's confidential and proprietary information shall not be inappropriately Disclosed or used for the personal gain or advantage of the Director/ Senior Management Personnel or anyone other than the Company.

Confidential information includes any information relating to the Company's business, Financials, customers, suppliers, employees etc., which is not available in the public domain and to which the Director/Senior Management Personnel has access or they possess such information because of their position in the Company.

Company Property

Directors and Senior Management Personnel have a fiduciary relationship with the Company and they should act like a trustee for the Company's property/ assets as well as the property/ assets of other organizations that have been entrusted to the Company. They are responsible for its safe custody and accountable for its use. The Directors and Senior Management Personnel shall not use these assets/ properties except as specifically authorised and that too only for the purpose of Company business.

Corporate Business Opportunities

Corporate Business Opportunities here means those opportunities, which are made available to the Company and which are known to the Directors/ Senior Management Personnel due to the position held by them in the Company. The Directors/ Senior Management Personnel shall not utilise such opportunities for their personal benefit. However once an opportunity is fully and properly Disclosed to the Board and after consideration rejected by them then it ceases to be a Corporate Business Opportunity.

Compliance with Applicable Laws & Company's Policies

Every person to whom the Code is applicable and others directly or indirectly associated with the Company shall comply with all applicable laws, rules, regulations and guidelines issued by the Government of India from time to time.

Further they shall also comply with the various policies, guidelines and codes formulated by the Company in compliance with the Listing Regulations

and other applicable provisions including the Company's policy on insider trading and procedures for fair Disclosure.

Amendments to The Code

The provisions of this Code can be amended/ modified by the Board of Directors of the Company from time to time in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise and all such amendments/ modifications shall take effect from the date stated therein. All Directors and Senior Management Personnel shall be duly informed of such amendments and modifications. The Code and subsequent amendment(s) thereto, shall be published on the website of the Company.

Declaration for Compliance with the Code

All Directors and Senior Management Personnel shall sign the acknowledgment form at "Annexure-II" and return the form to the Company Secretary indicating that they have received, read and understood the provisions of the Code, and agree to comply with the same.

All Directors and Senior Management Personnel shall be required to affirm compliance with this Code on an annual basis, within 30 days of close of every financial year to the Company Secretary, in the form annexed at "Annexure-III".

The annual report of the Company shall carry a declaration signed by the CEO/ Managing Director of the Company stating that the members of Board and Senior Management have affirmed compliance with the Code.

Consequences of Non-Compliance of This Code

Suspected violations of the Code must be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated and action will be taken on the conclusion of the enquiry by the Board which may even include a request to resign as Director or Senior Management of the Company, if permitted by applicable laws and is in the best interest of the Company.

Code of Conduct for Board Members and Senior Management Personnel

Annexure – I

Duties of Independent Directors

The duties of the Independent Director as laid down in Schedule IV to the Companies Act, 2013 are as follows:

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; and*
12. *acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.*

Annexure -IV

ANDHRA CEMENTS LIMITED

Code of Conduct for Board Members and Senior Management Personnel

Acknowledgement Form

I..... , have received and read the Company's "CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL ("this Code"). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature:

Name:

Designation:

Date :

Place :

Code of Conduct for Board Members and Senior Management Personnel

Annexure - III

ANDHRA CEMENTS LIMITED

Code of Conduct for Board Members and Senior Management Personnel

Acknowledgement Form

I..... 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 :

** To be submitted by 30th April each year.*

Annexure -IV

Code of Conduct for Board Members and Senior Management Personnel

Extract of Section 2(77) of the Companies Act, 2013 and Rules thereunder

Meaning of “relative”

“relative”, with reference to any person, means anyone who is related to another, if—

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed;

The Companies (Specification of definitions details) Rules, 2014-para 4 prescribed as under:

List of relatives in terms of clause (77) of section 2.- A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely: -

- (1) *Father: provided that the term “Father” includes step-father.*
- (2) *Mother: Provided that the term “Mother” includes the step-mother.*
- (3) *Son: Provided that the term “Son” includes the step-son.*
- (4) *Son’s wife.*
- (5) *Daughter.*
- (6) *Daughter’s husband.*
- (7) *Brother: Provided that the term “Brother” includes the step-brother;*
- (8) *Sister: Provided that the term “Sister” includes the step-sister*

BUSINESS RESPONSIBILITY POLICY

(Effective date of implementation: 29th May 2020)

1. Scope & Purpose

2. Principles

Ethics Transparency & Accountability

Business Lifecycle Sustainability

Wellbeing of all Employees

Stakeholder Engagement

Human Rights

Protection of Environment

Responsible advocacy

Inclusive growth and equitable development

Customer Value

1. Scope, Purpose and Applicability:

This Policy on Business Responsibility ('BR Policy' or 'Policy') has been framed in line with the requirements of Regulation 34 and other applicable provisions of the Listing Regulations and is intended to ensure that the Company contributes towards sustainable development and fulfills its social, environmental and economical responsibilities.

This Policy confirms the Company's commitment to follow the principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs towards conducting its business.

This policy is applicable to all departments and the personnel associated with them. The Company will also make its efforts to persuade other entities under the various chain and its subsidiaries to participate in this initiative subject to their means and resources.

2. Principles and policies:

Principle 1: Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable

Policy:

- 1) *The company shall develop necessary governance structures, procedures and practices to ensure ethical conduct at all levels; and to promote the adoption of this principle across the value chain.*
- 2) *The Company shall assure access to information about its decisions that impact relevant stakeholders.*
- 3) *The company shall not engage in practices that are abusive, corrupt, or anti-competition.*
- 4) *The company shall truthfully discharge its responsibility on timely Disclosure of financial and other mandatory information.*
- 5) *The company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.*
- 6) *The Company shall encourage its business associates and third parties with whom it conducts business to abide by this policy.*
- 7) *The Company shall report on the status of adoption of these Guidelines, as may be necessary.*

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Policy

The Company strives to:

- 1) *Ensure resource-efficient and sustainable manufacturing processes and technologies to produce the various grades of cement*
- 2) *Focus on product stewardship throughout the life cycle of the Company's products and provide information on their safe use and recycling*
- 3) *Review and implement new developments in cement making technologies, practices and sourcing, which have lower impact on environment and will boost community development.*
- 4) *Ensure optimum utilization of natural resources viz. water, raw materials, energy while focusing on reduction, re-use and recycling opportunities of these resources., wherever possible, further ensuring that there is no over consumption of planet's resources.*
- 5) *Assure safety and optimal use of resources over the business lifecycle and ensure that everyone connected with it is aware of his responsibilities;*
- 6) *Continue to progressively factor in relevant social and environmental considerations during its manufacturing process.*
- 7) *Continue upgrading its manufacturing process ensuring that the processes and technologies required for the purpose are resource efficient and sustainable.*
- 8) *Work with supply chain members who comply with applicable laws and regulations related to labour practices, human rights, bribery and corruption, occupational health, safety and environment;*
- 9) *Work towards building capacity such that all the value chain partners, namely the third party service providers including transporters and suppliers of significant raw materials, are sensitised and empowered to fulfill their respective roles and responsibilities towards sustainability;*

10) *Encourage its business associate and third parties with whom it conducts business to abide by this policy.*

11) *Regularly review and improve upon the technological advancement and commercialization, incorporating Social, Ethical & Environmental consideration.*

Principle 3: Businesses should respect and promote the well-being of all its employees, including those in their value chains.

Policy

- 1) *The Company respects the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.*
- 2) *The Company shall provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.*
- 3) *The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.*
- 4) *The Company shall take cognizance of the work-life balance of its employees, especially that of women.*
- 5) *The Company shall Provide facilities for the wellbeing of the employees including those with special needs and ensure timely payment of fair living wages to meet basic needs and economic security of the employees.*
- 6) *The company would provide a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees. The Company shall create awareness of these provisions to the employees while training them on a regular basis.*
- 7) *The Company would ensure continuous skill and competence up-gradation of all its employees by providing them with access to necessary learning opportunities, on an equal and non-discriminatory basis*

BUSINESS RESPONSIBILITY POLICY

and promote employee morale and career development through enlightened human resource interventions.

- 8) *The company shall implement necessary systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.*

Principle 4 : Businesses should respect the interests of and be responsive to all their stakeholders

Policy

- 1) *The Company would systematically identify its stakeholders, understand their concerns, define the purpose and scope of their engagement, and commitment to engage with them.*
- 2) *The company would acknowledge responsibility and be transparent about the impact of the policies, decisions, product and services and associated operations on the stakeholders.*
- 3) *The Company would resolve differences with stakeholders in a just, fair and equitable manner.*

Principle 5: Businesses should respect and promote human rights.

Policy

- 1) *The company shall integrate respect for human rights in its management systems, in particular through assessing and managing human rights impacts of its operations ensuring that all individuals impacted by the business have access to grievance mechanisms.*
- 2) *The company shall recognize and respect the human rights of all relevant stakeholders and groups, including that of communities, consumers and other vulnerable and marginalized groups.*
- 3) *The company shall, within its sphere of influence, promote the awareness and realization of human rights across its value chain.*

- 4) *The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.*

Principle 6 : Businesses should respect and make efforts to protect and restore the environment.

Policy

- 1) *The company shall utilize natural and man-made resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste, wherever possible..*
- 2) *The Company shall take appropriate steps to check and prevent pollution and assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.*
- 3) *The company shall continuously seek to improve environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.*
- 4) *The company shall develop Environment Management Systems and contingency plans and processes that shall help it in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations.*

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Policy

- 1) *The Company,, while pursuing policy advocacy, shall ensure that its advocacy positions are consistent with these Policies and Sub policies.*
- 2) *To the extent possible, the company shall, utilize the trade and industry chambers and associations and other such collective platforms to undertake policy advocacy.*

Principle 8: Businesses should promote inclusive growth and equitable development.

Policy

- 1) *The company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.*
- 2) *The company shall make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.*
- 3) *The company shall be sensitive to local concerns while operating in regions that are underdeveloped.*
- 4) *The company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 as per the recommendation of its CSR committee and as per its CSR policy.*

Principle 9 : Businesses should engage with and provide value to their consumers in a responsible manner.

Policy

- 1) *The company shall take into account the overall well-being of the customers and the society.*
- 2) *Company shall ensure that it does not restrict the freedom of choice and free competition in any manner while designing, promoting and selling its products.*
- 3) *The company shall make full Disclosures of all information truthfully and factually, through proper labeling and other means, including the risks to the individual to society and*

- a. *to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, the Company should also educate the customers on the safe and responsible usage of its products and services.*
- (iv). *The Company shall ensure that promotion and advertisements of its products do not mislead or confuse the consumers or violate any of the principles in these policies.*
- (v). *The Company shall exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.*
- (vi). *The Company shall provide adequate grievance handling mechanisms to address customer concerns and feedback.*

Implementation

The policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's website.

The implementation of the above policies shall be monitored by a committee consisting of one of the whole-time directors as its Chairman and such number of functional heads as members as may be determined by the Board of Directors.

Compliance with the Policy shall be monitored and evaluated by the Board of Directors on an annual basis.

Any grievances/ complaints with respect to violation of the policy shall be reported to the Chairman of the Committee.

WHISTLE BLOWER POLICY

Preamble

The objective of this policy is to provide a genuine opportunity to the employees of the Company to bring any unethical and improper practices or any other wrongful conduct in the Company to the notice of the Audit Committee and to prohibit the managerial personnel from taking any adverse personnel action against those employees who have brought such practices and conduct to the notice of the Audit Committee

Applicability

This policy applies to all the permanent employees of the Company.

Policy

No adverse personnel action shall be taken or recommended against an employee in retaliation to his Disclosure made in good faith of any unethical and improper practices or alleged wrongful conduct. This policy protects such employees from unfair termination and unfair prejudicial employment practices. However, this policy does not protect an employee from an adverse action which may be taken against him for reasons like poor job performance or from any other disciplinary action, unrelated to the Disclosure made by him pursuant to this policy.

Definitions

Adverse Personnel Action

An employment-related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

Alleged Wrongful Conduct

Alleged Wrongful Conduct shall mean violation of law, infringement of Company's Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

Audit Committee

Audit Committee shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company

Company means, "Andhra Cements Limited"

Compliance Officer

Compliance Officer means, "Company Secretary" of the Company.

Employee

Employee means any employee or director of the Company.

Good Faith

An employee shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct.

Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

Managerial Personnel

Managerial Personnel shall include Directors and all officers at the level of Manager and above, who have authority to make or materially influence significant personnel decisions.

Policy or This Policy

Policy or This Policy means, "Whistle Blower Policy."

Unethical and Improper Practices

Unethical and improper practices shall mean –

- *An act which does not conform to approved standard of social and professional behaviour;*
- *An act which leads to unethical business practices;*
- *Improper or unethical conduct;*
- *Breach of etiquette or morally offensive behaviour, etc*

Whistle Blower

An employee of the Company who Discloses in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or in case it involves Heads of Department and above to the Managing Director and in exceptional cases to the Chairman of the Audit Committee in writing.

Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

Guidelines

Internal Policy & Protection under Policy

This Policy is an internal policy on Disclosure by employees of any unethical and improper practices or wrongful conduct and access to the Head of Department or in case it involves Heads of Departments and above access to the Managing Director and in exceptional cases access to the Chairman of the Audit Committee of Directors constituted by the Board.

This Policy prohibits the Company to take any adverse personnel action (i.e. any kind of discrimination, harassment, victimization or any other unfair employment practice) against its employees for Disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or to the Managing Director or to the Audit Committee. Any employee against whom any adverse personnel action has been taken due to his Disclosure of information under this policy may approach the Audit Committee.

False Allegation & Legitimate Employment Action

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defence by an employee against whom an adverse personnel action has been taken independent of any Disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

Disclosure & Maintenance of Confidentiality

An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may report the same to the Head of Department or in case it involves Heads of Departments and above to the Managing Director and in exceptional cases to the Chairman of the Audit Committee through appropriate means. Confidentiality of whistle blower shall be maintained to the greatest extent possible.

Procedures

Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make a Disclosure to the Head of Department or in case it involves Heads of Departments and above to the Managing Director and in exceptional cases to the Chairman of the Audit Committee as soon as possible but not later than 30 consecutive calendar days after becoming aware of the same.

Whistle Blower Policy

The Departmental Head shall immediately forward Whistle Blower Report to the Managing Director of the Company. The Managing Director may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Audit Committee.

Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Audit Committee, if the circumstances so suggest, may appoint a senior executive or a committee of senior executives to investigate into the matter and prescribe the scope and time limit there for.

Audit Committee shall have right to outline detailed procedure for an investigation.

Where the Audit Committee has designated a senior executive or a committee of Senior Executives for investigation, they shall mandatorily adhere to scope and procedure outlined by the Audit Committee for the investigation.

The Audit Committee or the Senior Executive or the Committee of Senior Executives, as the case may be, shall have right to call for any information/document and examine any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

A report shall be prepared after completion of investigation and the Audit Committee shall consider the same.

After considering the report, the Audit Committee shall determine the cause of alleged Adverse Personnel action and may order for remedies which may inter-alia include:

- Order for an injunction to restrain continuous violation of this policy;
- Reinstatement of the employee to the same position or to an equivalent position;
- Order for compensation for lost wages, remuneration or any other benefits, etc.

The decision of Audit Committee shall be final and binding.

If and when the Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Audit Committee may –

- recommend to Board to reprimand, take disciplinary action, impose penalty / punishment, order recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved.
- recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

Notification

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employees in his department. The new employees shall be informed about the policy by the Administration department and statement in this regard should be periodically submitted to the Compliance Officer.

This policy as amended from time to time shall be made available at the Web site of the Company.

Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action.

The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

Revision No: 0

CORPORATE SUSTAINABILITY POLICY

Andhra Cements Limited (ACL) is committed to:

- *Adapting and implementing state-of-the-art technologies in mining, manufacturing, and logistics.*
- *Protecting environmental and social well-being in the areas in which it conducts its business.*
- *Exerting continuous and sustained efforts to conserve natural resources, such as limestone and gypsum, by minimising their use, avoiding rejections, and using alternative raw materials.*
- *Taking necessary steps towards energy and water conservation, as well as the reduction of carbon, energy, and resource intensity.*
- *Educating employees on environmental and social initiatives and incorporating these as an integral aspect of its sustainable business efforts.*
- *Keeping its stakeholders updated and ensuring business practices are aligned with the Company's decisions and environmental targets.*
- *Raising the goals for sustainability indicators, monitoring performance, and producing reports to keep stakeholders informed.*
- *Ensuring compliance with all relevant laws, standards, and regulations pertaining to the environment, energy, and use of resources.*

Revision No: 0

CORPORATE ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) POLICY

Andhra Cements Limited (ACL) is committed to including ESG principles within its core values and to achieving continuous improvements across all ESG parameters with concerted, appropriately focused, and sustained efforts.

The Company's ESG policy objectives are to

- *Minimise environmental impact*
- *Enhance quality of life among all communities it serves*
- *Become an exceptional employer and an excellent company to do business with*
- *Make its business resilient and attain the capacity to navigate risks and changes*

ACL's approach

- *Comply with current environmental regulations and other requirements that may be put in force from time to time*
- *Ensure ESG activities are in line with industry benchmarks and the Company's own targets while aligning with the United Nations Sustainable Development Goals to achieve a sustainable future*
- *Promote an environmentally aware and friendly culture among employees and throughout the entire value chain*

Corporate Environmental, Social & Governance (Esg) Policy

Environment

- Reduce CO2 emissions by adopting the best technologies and practices across all business operations, from manufacturing to distribution, and increasing the use of zero emission vehicles in the transportation of raw materials and products
- Reduce energy intensity while continuously increasing the use of green electrical energy and alternative raw materials
- Improve efficiency to conserve natural resources while enhancing the use of waste materials to move towards becoming eco-friendly
- Practise the reduce, reuse, recycle principles to reduce freshwater consumption, achieve high levels of water harvesting, and become water positive across the Company's operations

Social

- Be an equal opportunity employer and treat all stakeholders fairly, with no discrimination based on any ground, including gender, religion, and ethnicity
- Develop a safe, stress-free working environment to promote skill development, education, career growth, and work-life balance, and nurture a healthy, happy working life and retirement for all employees
- Make efforts to ensure ACL's operations do not prevent communities from continuing with everyday life
- Strive to enhance quality of life in neighbouring communities by way of improved highway infrastructure, preventive healthcare, safe drinking water, sanitation systems, education and skill development, on-site training opportunities, etc

- Increase wealth in communities by improving farming infrastructure to provide alternative sources of income, such as livestock development and cottage industries

Governance

- Comply with all legal and regulatory requirements without exception and implement updates as required to adhere to new requirements and principles
- Ensure the Board membership is diverse, qualified, skilled, and knowledgeable. Remuneration shall be competitive to attract and retain suitable directors whose dedication, qualifications, and sense of responsibility align with the Company's values. The Board shall promote innovation, development, and continuous improvement across all of the Company's operations
- Infuse strength at all levels to ensure the Company is resilient and capable of navigating risks that may arise from regulations, technological advancements, consumer preferences, and such
- Regularly interact with all stakeholders to understand their needs and expectations and develop a framework to ensure equitable treatment, protect their rights, and enhance shareholder confidence in the Company
- Take measures to ensure employees and others acting on the Company's behalf adhere to ACL's 'Code of Conduct'
- Apply fair practices to ensure customers receive quality products and services at equitable prices

Revision No: 0

STAKEHOLDER DATA PROTECTION POLICY

Andhra Cements Limited (ACL) is committed to protecting and securing all the data it collects, stores, and uses, to respecting the privacy of all individuals, including employees and other stakeholders such as vendors, dealers, and consumers, and to fully complying with data protection laws and regulations.

All the Company's data management activities are coordinated by its Data Protection Officer, who ensures the protection, privacy, and security of data by using all necessary systems and tools and following stringent procedures and practices, which are regularly reviewed and updated as required.

ACL believes that every individual has the right to data privacy and places the utmost importance on ensuring and securing the data of its stakeholders through the use of the appropriate security measures.

ACL commits to

- *Collecting data exclusively in accordance with its specific business needs as required by law, ensuring this data is accessible only to authorised persons, and taking measures to prevent all forms of data theft*
- *Sharing its practices and policies regarding personal data security and the existence, nature, and principal uses of personal data*
- *Ensuring appropriate backup and recovery procedures, including disaster recovery, are in place as part of its data protection strategy*
- *Identifying and assessing all risks that may affect data security and take action to mitigate these risks*
- *Ensuring appropriate controls are in place such that only authorised users can access the Company's data and systems.*
- *Educating employees and other stakeholders on best practices for data protection, privacy, and security.*
- *Making the identity of the Data Protection Officer known and ensuring this person addresses any grievances that arise.*

Revision No: 0

INNOVATION POLICY

Andhra Cements Limited (ACL) has, from the beginning, been open to innovative thinking and remained at the forefront of adapting new technologies and early use of new products and processes.

New technologies that the Company has pioneered include the installation of a fully automated laboratory, static cooler, and a new-generation classifier, and the development of a wholly functional cement and concrete laboratory .

The cement industry currently faces enormous challenges, including reducing emissions and becoming sustainable, circular, and regenerative. Therefore, the efforts to innovate are even more vital.

Innovation will bring economic value to the company while enhancing its overall efficiency, resulting in low-emission products and highly effective operations.

Sustainability will strengthen the Company's survivability.

The Company's policy objectives are as follows

- *To become one of the most highly innovative and sustainable business entities in the cement sector*
- *To develop a well-functioning ecosystem conducive to innovation*
- *To implement the requisite infrastructure and conditions to achieve the set objectives*
- *To initiate cultural change and encourage open and creative methods of thinking and working*
- *To advance towards a circular, regenerative model focused on greater knowledge and fewer materials*

ACL's approach

- *Make a company-wide effort, not confined to hierarchy, to host regular group discussions to exchange ideas*
- *Develop a bottom-up approach to involve members across all levels, alongside continuing to extend the support provided by management to their teams*
- *Attract talent and provide training to develop competency and capability*
- *Inspire and impart the belief that the challenges of today could be the future normal and that solutions can be found, and promote the implementation of ambitious, demanding objectives*
- *Devise a system of evaluation and remuneration relative to contribution*
- *Provide necessary financial capital in the form of a separate budget for innovation projects*
- *Promote strategic thinking to identify and develop innovative R&D projects*
- *Channel efforts into all areas, including products, materials, processes, and technologies*
- *Develop the capacity to evaluate opportunities and select the most appropriate options to pursue*
- *Spread awareness that innovation and efforts in R&D must be long-term and sustainable and must result in the retention of talent and capital*
- *Put in place a mechanism for identifying a project and developing its estimated budget, predicted outcome, milestones, timeline, etc*
- *Devise a periodical system for monitoring projects in terms of progress, spend, comparison of results, timeline, etc. and submitting a report to the Board for review and approval*
- *Strive to develop technologies that can provide solutions to social and environmental issues and help grow income sources in local communities*
- *Collaborate with stakeholders to strengthen and promote traditional skills in local communities*
- *Actively collaborate with academia, start-ups, research organisations, architects, designers, builders, etc. to promote low-emission products and solutions*

Revision No: 0



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