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## **CODE OF CONDUCT POLICY**

### **1. OBJECTIVE**

- 1.1 The objective of this code of conduct policy is to deter the wrong doing and to promote the ethical conduct in the business of the Octavius Plantations Limited (hereinafter referred as“**Company**”) and to establish and clarify the standard for behaviour in the Company.
- 1.2 This Code of conduct policy is aimed to help the management of the Company to ensure the compliance with our standard of business conduct and also with the regulatory requirement.

### **2. APPLICABILITY**

- 2.1 This code of conduct policy shall be applicable to:
- a. All the Directors of the Company which inter alia include Executive or Non-Executive Directors
  - b. All Senior Management Executives which include all the employees of the Company, reporting directly to the Managing Director/Manager/Executive Directors irrespective of their grade.

### **3. KEY REQUIREMENTS**

- 3.1 The Directors and the Senior Management Executives shall act within the authority conferred upon them and in the best interest of the Company and observe the following code of conduct:
- a. Honesty, Integrity and Ethical Conduct**
    - The Directors and Senior Management Executives shall act in accordance with the highest standard of honesty, integrity, fairness and ethical conduct while discharging their duties. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated.
  - b. Conflict of Interest**
    - All Directors and Senior Management Executives shall avoid situations in which their personal interest could conflict with that of the Company;
    - In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of Directors and the approval of the Board of Directors is required to be obtained.

**c. Related Party Transactions**

- Any Director or Senior Management Executive or any of their relatives (here the term relative shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013) should not derive any undue personal benefit by virtue of his position or relationship with the Company. Directors and Senior Management Executives should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required by applicable law and this code.

**d. Regulatory Compliance**

- The Company is committed to high standards of corporate governance and believes in compliance with all the laws and regulations both in letter and spirit. The Company is committed to provide in time, accurate and complete information as required, to all concerned including its stakeholders;
- All Directors and Senior Management Executives must comply and where applicable, check compliance by employees with all the laws, rules and regulations applicable to the Company and its employees. Each Senior Management Executive must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential non-compliance issues and to know when to seek advice from the Legal Department on specific Company policies and procedures.

**e. Confidentiality**

- Any information related to the Company's business, its customers, suppliers, etc, and to which the Board Members and Senior Management Executives have access or possesses such information, shall be considered as confidential information and keep in confidence. No Board Members and Senior Management Executive shall provide any information either formally or informally, to the press, any other public media or to any outsider or third party, except as required in the performance of the duties.
- However, the Board Members and Senior Management Executive shall be free to disclose such information which is:
  - Part of the public domain at the time of disclosure;
  - Authorized or required to be disclosed according to the decision of the Board;
  - Required to be disclosed in accordance with applicable laws, rules, regulations or guidelines.

**f. Gift and Donations**

- No Director and Senior Management Executive shall under any circumstances receive any payment, remuneration, gift, donation or any benefit which is indented to pass on undue benefit to an outsider and which affect the position and goodwill of the Company. Similarly, the Director and Senior Management Executive shall not make, offer, provide or gives any payment, remuneration, gift, donation or any benefit to any person pertaining to Company business or for any other reason, shall be considered as unethical conduct of the business.

**g. Protection of Assets**

- The Directors and Senior Management Executives shall protect the Company's assets including physical assets, information and intellectual rights and shall use the same only in the interest of the Company and not for personal gain.

**h. Transparency and Accountability**

- The Directors and Senior Management Executives shall be transparent in all their dealings with any person except in cases where the needs of business security dictate otherwise and shall hold themselves accountable to the Board or Managing Director/Compliance Officer as the case may be.

**i. Equal Opportunity**

- The Company shall provide equal opportunities to all its employees and all qualified applicants for employment irrespective of their race, caste, gender, religion, sex, age, marital status, national origin, or any other thing made unlawful by applicable laws and regulations. The Directors and Senior Management Executives shall encourage women employees to report any harassment concerns and be responsive to any complaints of harassment or other unwelcome and offensive conduct. Sexual harassment or exploitation is specifically prohibited.

**j. Relationship with Suppliers and Customers**

- The Directors and Senior Management Executives shall never compromise with the interest of the Company in all their dealings with suppliers and customers. The Directors and Senior Management Executive shall not accept gifts, presents or receive gratuitous or other payments or treatments from suppliers or customers which could lead to compromising the Company's interests.

**k. Corporate Social Responsibility**

- The Company is committed to serve the community around its area of operations. The Company shall continuously take requisite community development initiatives around the areas of its operations.

- The Directors and Senior Management Executives shall in their decisions respect the necessity of environment protection and pollution control consistently with the need of sustainable development.

#### **4. DUTIES OF DIRECTORS AS PER SECTION 166 OF THE COMPANIES ACT, 2013**

- 4.1 The Directors of the Company, in addition to the compliance with this code of conduct policy, shall also be required to comply with and adhere to the duties of the director as laid down in the Companies Act, 2013 which is enclosed herewith as “**Annexure – I**”.

#### **5. CODE FOR INDEPENDENT DIRECTORS**

- 5.1 The Independent Directors, in addition to the compliance with this code of conduct policy, shall also be required to comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this Code enclosed as “**Annexure – II**”.

#### **6. ENFORCEMENT OF CODE OF CONDUCT**

- 6.1 Each Board Member and Senior Management Executive shall be accountable for complying with this code of conduct policy.
- 6.2 Penalty for breach of this code of conduct policy by Senior Management Executive shall be determined by the Chairman and Managing Director of the Company. In case of breach of this Code of conduct policy by the Whole-time or Non-Executive Directors, the same shall be examined by the Board of Directors of the Company for initiating appropriate action as deemed necessary.

#### **7. AMENDMENT, MODIFICATION AND WAIVERS**

- 7.1 This code of conduct policy may be amended, modified or waived by the Board of Director of the Company, subject to applicable provisions of laws, rules, regulations and guidelines.
- 7.2 The Board shall not grant any waiver to this code of conduct policy. However, in extraordinary circumstances and for the reason to be recorded in writing, the Board may grant exemption from any one or more of the provisions of this code of conduct policy.

Yours Sincerely,

**For Octavius Plantations Limited**



Director

## **Annexure I**

### **Duties of Director**

As laid down in the Companies Act, 2013 under Section 166, the duties of Directors are:

- 1) Subject to the provisions of Companies Act, 2013, a Director of a Company shall act in accordance with the articles of the Company.
- 2) A Director of a Company shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, and the community and for the protection of environment.
- 3) A Director of a Company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- 4) A Director of a Company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- 5) A Director of a Company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- 6) A Director of a Company shall not assign his office and any assignment so made shall be void.

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## **Annexure II**

### SCHEDULE IV (of the Companies Act, 2013)

#### **CODE FOR INDEPENDENT DIRECTORS**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

#### **I. Guidelines of professional conduct:**

An independent director shall:

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

#### **II. Role and functions:**

The independent directors shall:

- 1) Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

- 2) Bring an objective view in the evaluation of the performance of Board and management;
- 3) Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- 4) Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- 5) Safeguard the interests of all stakeholders, particularly the minority shareholders;
- 6) Balance the conflicting interest of the stakeholders;
- 7) Determine appropriate levels of remuneration of executive directors, key managerial personnel and Senior Management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- 8) Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

### **III. Duties:**

The independent directors shall—

- 1) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 2) Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- 3) Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) Participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) Strive to attend the general meetings of the Company;
- 6) Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- 7) Keep themselves well informed about the Company and the external environment in which it operates;
- 8) Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

- 9) Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
- 10) Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- 11) Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- 12) Acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- 13) Not disclose confidential information, including commercial secrets, technologies advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

#### **IV. Manner of appointment:**

- 1) Appointment process of independent directors shall be independent of the Company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- 2) The appointment of independent director(s) of the Company shall be approved at the meeting of the shareholders.
- 3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Companies Act, 2013 and the rules made thereunder and that the proposed Director is independent of the management.
- 4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out :
  - a) the term of appointment;
  - b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
  - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - d) provision for Directors and Officers (D and O) insurance, if any;
  - e) the Code of Business Ethics that the Company expects its Directors and employees to follow;

- f) the list of actions that a Director should not do while functioning as such in the Company; and
  - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- 5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member during normal business hours.
- 6) The terms and conditions of appointment of independent directors shall also be posted on the Company's website.

#### **V. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

#### **VI. Resignation or removal:**

- 1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.
- 2) An independent director who resigns or is removed from the Board of the Company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- 3) Where the Company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

#### **VII. Separate meetings:**

- 1) The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the Company shall strive to be present at such meeting;
- 3) The meeting shall:
  - a) review the performance of non-independent directors and the Board as a whole;
  - b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
  - c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **VIII. Evaluation mechanism:**

- 1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- 2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

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Yours Sincerely,  
**For Octavius Plantations Limited**



Director