

CODE OF CONDUCT

for

DIRECTORS AND SENIOR MANAGEMENT

Dalmia Cement (Bharat) Ltd. (DCBL) is committed to maintain sound standards of Business Conduct and Corporate Governance.

The Board of Directors (the “Board”) and the senior management of DCBL undertake to abide by following Code of Conduct adopted by the Board and affirm compliance with this Code on an Annual basis by acknowledging the same as provided in the end.

The Code is named as Code of Conduct for The Board of Directors and Senior Management and is framed in terms of Clause 49 of the Listing Agreement with the Stock Exchanges.

APPLICABILITY

The Code is applicable to all the members of The Board of Directors and Senior Management of the Company.

Senior Management shall mean personnel of the Company in level JX and above, excluding Board of Directors. Such personnel shall hereinafter treated as members of its core management team,

THE CODE

Conflicts of Interest : The Directors and senior management should be scrupulous in avoiding ‘conflicts of interest’ with the Company. This is an area in which it is impossible to provide comprehensive guidance but the guiding principle is that any event, activity or situation involving conflict or potential conflict of interest must be disclosed to Board for guidance and appropriate action.

Honest and Ethical Conduct : The Directors and senior management shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct and use their powers of office, in good faith and in the best interests of the Company as a whole.

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Corporate Opportunities : The Directors and senior management owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises and are expressly prohibited from improper use of information/property or taking improper advantage of their position.

Confidentiality: The Directors and senior management shall maintain the confidentiality of confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated. The Confidential information includes all non-public information (including private, proprietary, and other) that might be of use of competitors or disclosure of which might be harmful to the company or its associates. The use of confidential information for his/her own advantage or profit is also prohibited.

Protection and Proper Use of Company's Assets: The Directors and senior management should protect Company's assets and property. Company's assets should be used only for legitimate business purposes.

Compliance with Laws, Rules, and Regulations: The Directors and senior management shall endeavor to ensure compliance with all applicable laws, rules, and regulations applicable to the Company, Transactions, directly or indirectly, involving securities of the Company should not be undertaken without complying with Code of Conduct for Prohibition of Insider Trading.

COMPLIANCE WITH CODE OF CONDUCT

Each Director and senior management personnel shall adhere to this code of conduct and affirm compliance with the code as of 1st April 2005 and thereafter on an annual basis. Violation of this Code will lead to appropriate action.

The above code of conduct was adopted by the Board of Directors of the Company in its Meeting held at New Delhi on 26-July-2005