



**CENTURY PULP & PAPER,  
LALKUA, DISTT: NAINITAL, UTTARAKHAND, PIN-262402**

**CODE OF CONDUCT**

Our group has grown over the past few decades through the dedication, hard work, mutual trust, meaningful contribution and disciplined conduct of our people.

These are challenging times... and we have to be proactive, flexible and responsive to the changes that need to be made. We also have to preserve our rich heritage, which includes sound ethical business principles and time tested values to guide our personal and corporate behavior.

To ensure that all employees have a shared understanding, acceptance of these principles and values to foster an ethical working environment that enhances the moral and emotional well being of all, a Code of Conduct has been articulated and presented separately. I urge every member of the staff to read this document and uphold the standards of corporate and personal behavior enshrined in this Code of Conduct.

No code can provide an answer to each and every possible situation and ethical dilemma. There may be cases not covered by the code-each with their own peculiarities, which will also have to be dealt with. Therefore, your acceptance of and adherence to the spirit and the letters of this document should provide a sound moral foundation to guide your actions objectively in such situation as well.

I am sure, with your commitment to abide by this Code, our Group shall discharge its responsibility ethically while conducting business, and in our relationships with our stakeholders and society at large.

**1. OBJECTIVE**

The objective of the document is to communicate the Code of Conduct of the B.K.Birla Group to all its employees. It is intended to serve as a guideline and to strengthen the value foundation of our Group. Each employee is expected to practice the Code while dealing with different stakeholders.

**2. DEFINITION**

For: Century Pulp & Paper

  
Head (I.R. & Admin.)



Code of Conduct is a set of values, ethics and business principles expected from a Company / Employee.

“The Group” shall denote “The B.K.Birla Group of Companies” and “We” shall denote “The Group and all its employees”.

### 3. **APPLICABILITY**

The Code of Conduct applies to all employees, irrespective of their level, across all units and offices of the Group.

### **NATIONAL INTEREST**

The Group and its employees shall ensure that their activities give a fillip to the economic development of the country. It shall work within the framework of the economic and development policies of the Government of India.

### **QUALITY OF PRODUCTS AND SERVICES**

We shall be committed to meet customers' requirement of product quality and services at competitive prices.

We shall strive towards a value enhancing relationship with our customers based on quick response and simplicity.

### **EQUAL OPPORTUNITIES**

The Group shall provide equal opportunities to all its employees and shall not discriminate on grounds of race, caste, creed, community, religion, colour, sex, etc. Employees shall respect the rights and dignity of each other and shall maintain a work environment free of sexual harassment. We shall believe in the inherent potential of all employees and shall be fully committed to setting up fair and transparent processes for their development. The Group shall encourage its employees to grow professionally to their full potential. We shall provide in open and conducive work environment.

### **INTERNAL AUDIT**

The Group lays emphasis on the process of internal audit for safeguarding the interests of its shareholders. Every employee must extend full co-operation to the internal auditors and ensure that all information is made available to them.

For: Century Paper & Paper

Head (F.R. & Admin)



Any willful misrepresentation, manipulation and mis-information of the financial accounts and reports shall be regarded as a violation of this Code of Conduct apart from inviting legal action.

## **ETHICS**

All employees are expected to demonstrate professionalism, integrity, trust, fairness, honesty, discipline and high moral and ethical standards in their day-to-day dealings and behaviour. Each employee will conduct himself in a manner that will enhance the image of his position, unit / company and the Group.

Employees shall be courteous when dealing with each other and with stakeholders including customers, suppliers, government and financial bodies.

All seniors shall practice exemplary behaviour to inspire colleagues.

## **GIFTS AND DONATIONS**

We shall neither accept nor give any gift that is meant for or may be perceived as being meant for favours. However, we may accept or give gifts of nominal value which are customarily given on special occasions.

## **INFORMATION**

We shall always share all work related information among ourselves to help each other perform our job in the best possible manner and thus avoid confusion, misunderstanding and distrust.

However, no employee shall, except in accordance with any general or special order of the company or in the performance of the duties, assigned to him, communicate directly or indirectly any official document or any part thereof, or information to any employee or to any person to whom he is not authorized to communicate such information.

We shall not indulge in insider trading nor assist any outsiders to derive advantage from possession of information that is not in public domain. We shall not leak or divulge any information to anybody that adversely affects the business or competitive edge of the company.

The Group understands the information requirement of its stakeholders. In all its appearance with respect to disclosing business information to the public, it shall be represented by specifically authorized employees.

## **MISUSE OF RESOURCES**

For: Century Pulp & Paper

  
Head (I.R. & Adm.)



## **INTERNAL**

No employee of The Group shall use office resources for his personal business purposes or for family / relatives, and / or friends, except for permitted amenities.

No employee should be asked to do personal business work of any other employee, officer or manager, etc. Similarly, expenses whether of one's own or of one's personal business account shall not be changed or paid for on the Group account.

All employees must attempt to economize expenses, such as in the use of stationery, telephone, fax, computer and internet facilities, conveyance, traveling, entertainment, miscellaneous expenses, etc. in their day today work and avoid misuse in any form.

## **EXTERNAL**

All concerned employees shall explicitly specify the criteria for appointing an external resource (e.g. supplier, contractor, consultant) and evaluate several options objectively.

## **CONFLICT OF INTEREST**

No employee or spouse shall engage in any business activity or any other occupation outside their employment which may take up any part of their office time or which is in direct conflict with the business interests of the Group.

An employee of The Group shall not have financial interest in any group company and / or in any company, which is associated or potentially associated with the Group. Owning of less than 1% subscribed share capital will not constitute financial interest.

An employee of The Group who is in a position to influence business decision with regard to a supplier or customer or which a relative of his is a principal or representative shall constitute conflict of interest.

If any conflict of interest exists due to historical reasons, the same must be brought to the notice of the head of the unit/ company / group. However, if any such conflict of interest is suppressed and the management of the Group later becomes aware on its own accord, the management shall take action it deems fit.

## **INTELLECTUAL HONESTY**

The Group and its employees shall explicitly acknowledge and also give due credit to the colleagues from whom they have borrowed an idea. Nobody should attempt to project other member's ideas and efforts as their own.

For Century Paper Co. Ltd.

  
Head (I.R. & Admin.)



## **HEALTH, SAFETY AND ENVIRONMENT**

The Group shall have respect for the environment and shall provide a healthy and safe work environment while conforming to environmental and safety Laws. It shall endeavor to prevent wastage of natural resources while remaining committed to the development of the community in which it operates.

## **INTRA GROUP CO-OPERATION**

Each Group company shall share its physical, human and management resources with other companies of the Group.

In procurement of products and services, a B.K.Birla Group company shall give rate preference to another company of the Group as long as it provides these on competitive terms and guidelines, and, if technical parameters are in order.

## **PUBLIC REPRESENTATION**

While participating in the democratic process, an employee of The Group shall remain non-political and shall not stand for elections for any legislative body without prior approval of the authorities.

Personal publicity, photographs in newspapers, etc. with the objective of personal propaganda should be avoided.

## **RESPONSIBILITY TOWARDS SOCIETY**

The Group shall extend every possible support for community welfare, education, literacy and application of modern techniques of science, technology and management.

It shall be committed to be a model corporate citizen.

## **REPORTING CONCERNS ON ACTS OF MISCONDUCT / VIOLATIONS OF CODE OF CONDUCT.**

Every employee of The Group shall report, in writing, to the management any acts of misconduct or actual or possible violation of the Code of Conduct.

However, in keeping with the spirit of the Code, no action shall be taken against the 'reporter' which can be construed as vindictive, prejudicial or in relation against him.

## **ILLUSTRATIVE EXAMPLES OF CODE OF CONDUCT**

For: Century Pulp & Paper

  
Head (I.R. & Adm.)



## **NATIONAL INTEREST**

- Not to undertake any project or activity that harms the nation's interests and / or has an adverse impact on the social / cultural life of the country.

## **QUALITY OF PRODUCTS AND SERVICES**

- To convey customer's feedback to the concerned authority who should take quick action.
- To treat a customer complaint as an opportunity for improvement and not as a "complaining customer".

## **EQUAL OPPORTUNITY**

- Everybody should always recognize past performance, merit and competency, potential to handle higher responsibility, behaviour, integrity and ethical conformity as criteria for promotion of subordinates.
- Seniors will hold appraisal and will give honest and unbiased feedback about subordinates in a constructive manner.

## **INTERNAL AUDIT**

- Not debiting personal expenses as business expenses except those authorized as perquisites.
- Not inflating bills.

## **ETHICS**

- Not to deal with a person, firm, supplier, buyer, contractor, who indulges in unethical practices, including bribes, to win favour.
- Not to reprimand in public.
- To focus on positive aspects of the company while conversing with outsiders.
- Not to induce others to harass colleagues.
- Not to indulge in backbiting and irresponsible utterances.
- Not to make a commitment which can not be honoured.

## **GIFTS AND DONATIOS**

For: Century Pulp & Paper

  
Head (I.R. & Admn.)



- If anyone sends a gift, it should be politely returned to the sender informing him that it is against our policy. Customary gifts such as calendars, diaries, sweet boxes, chocolates, fruits, dry fruits, or such similar items may be accepted. If it does not put anybody under any obligation.

However, such gifts should be accepted at the office only.

## **INFORMATION**

- Departmental heads shall hold regular meetings to communicate all relevant information to employees.

## **MISUSE OF RESOURCES**

- Not to use office computer, telephone and cards for own business.

## **REPORTING CONCERNS**

- The person reporting violations shall provide the following :
  1. Nature of violation
  2. Description of violation
  3. Documentary evidence (where available)
  4. Action taken by you, if any
  5. Suggested course of action, if any
  6. Name, department of the complainant and persons against whom the complaint is being made.
  7. Any other information you consider useful for further investigation.

## **PROCEDURES TO FOLLOW**

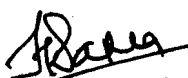
### **FOR VIOLATIONS CAUSING PERSONAL GRIEVANCES**

The employee shall follow the Grievance Handling Procedure currently followed by the unit / company.

### **FOR VIOLATIONS COMPROMISING PERSONAL INTEGRITY**

These violations have to be reported, in writing, directly to the head of the unit / company. COO or CEO.

**For: Century Pulp & Paper**

  
**Head (I.R. & Adm.)**



### FOR VIOLATIONS RELATING TO ORGANISATIONAL ISSUES

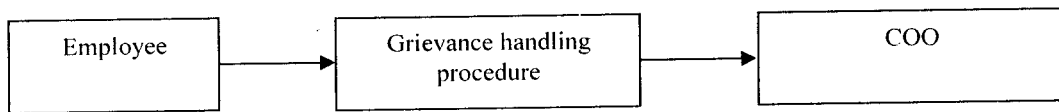
These violations have to be reported to the senior / unit head who should respond with the course of action proposed, within two weeks.

If the employee is not satisfied, he may approach the COO, Senior COO.

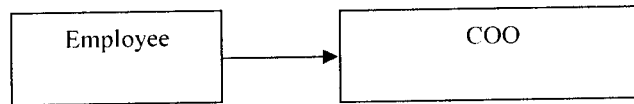
### FOR VIOLATIONS BY PRERESIDENT OR SENIOR COO

The matter can be reported, in writing giving full details to the Group Chairman.

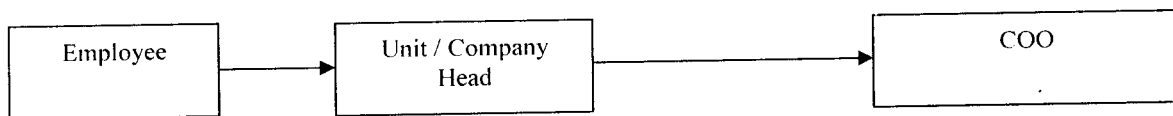
#### VIOLATIONS CAUSING PERSONAL GRIEVANCES



#### VIOLATIONS COMPROMISING PERSONAL INTEGRITY



#### VIOLATIONS RELATING TO PERSONAL ISSUES



#### OTHER VIOLATIONS RELATING



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Head (T.R. & Admin)

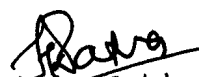




## ILLUSTRATIVE EXAMPLES OF ACTS OF MISCONDUCT

1. Theft, damage, fraud or dishonesty in connection with the business or property of the Company or the property of a another person.
2. Seeking or encouraging bribes or any illegal gratification.
3. Possession of pecuniary resources or property disproportionate in the known sources of income by the officer or members of his family or on his behalf by another person, which the officer cannot satisfactorily account for.
4. Furnishing false information regarding name, age, father's name, qualification, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.
5. Acting in a manner prejudicial to the interests of the Company / Group.
6. Willful insubordination, or disobedience, whether or not in a combination with others, of any lawful order of his superior.
7. Absence without leave or over-staying the sanctioned leave without sufficient grounds or proper or satisfactory explanation.
8. Habitual late or irregular attendance.
9. Neglect or work or negligence in the performance of duty including malingering or slowing down of work.
10. Damage to any property of the company / group.
11. Interference or tampering with any safety devices installed in or about the premises of the Company.
12. Drunker, riotous, disorderly or indecent behaviour in the premises of the Company.
13. Gambling within the premises of the establishment.
14. Collection, without the permission of competent authority, of any money except as sanctioned by any law of the land for the time being in force or rules of the company.
15. Commission of any act that amount to a criminal offence involving moral turpitude.
16. Sexual harassment.

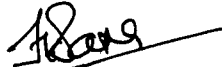
**For: Century Pulp & Paper**

  
Head (I.R. & Admn)



17. Absence from work place without permission or sufficient cause.
18. Purchase of properties, machinery, stores, etc. from or selling properties, machinery, stores etc. to the Company without the express permission in writing from the competent authority.
19. Commission of any act subversive of discipline or of good behaviour.
20. Abetment of or attempt at abetment of any act, which amounts to misconduct.
21. Knowingly furnishing false particulars to the Company in respect of any return or information, which the Company has called for.
22. Violation of any rules or regulations including Code of Conduct that have been prescribed.
23. Transactions in the shares and debentures value exceeding 1% of the subscribed share capital of the Company or of any of its subsidiaries or associates, by the officer in his own name or to the name of any member of his family or of any other person without the express sanction of the competent authority.
24. Making undue use of one's position in the Company to influence parties associated with or others connected with the Company's business, for personal gain.
25. Going on illegal strike or abetting, inciting, instigating or acting in furtherance thereof.
26. Engaging in trade within the premises of the establishment including lending, or borrowing money to and from other employees of the company.
27. Unauthorized use of Company's premises, quarters, land, transport, equipment, material or financial resources and services of business associates.
28. Threatening, abusing or assaulting and / or obstructing employees in the discharge of their duties or instigating other employees to act against the Company.
29. Taking part in subversive activities.
30. Malicious and false allegations against an employee / Company/ Company's Director / Group.

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