



HGIEL
We Make People Move...

H.G. INFRA ENGINEERING LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

1. Introduction

This 'Code of Conduct for Directors and Senior Management Personnel' (the "Code") has been framed and adopted by H.G. Infra Engineering Limited (the "Company" or "HGIEL") in compliance with the provisions of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable provisions of the Companies Act, 2013.

Regulation 46(2) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") requires every listed company to publish a code of conduct for its board of directors and senior management personnel on its website.

The Code is in alignment with the Company's objectives, corporate governance policy and aims at enhancing an ethical transparent process in managing the affairs of the Company.

2. Applicability

The Code applies to all members of the Board of Directors (the "Board") and Senior Management Personnel (the "Senior Management") of the Company and its unlisted subsidiaries.

The Company Secretary shall be the Compliance Officer for the purpose of this Code.

3. Definitions

In the Code, unless the context otherwise requires:

- a. "Act" shall mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof;
- b. "Applicable Laws" shall mean the Companies Act, 2013 and the rules made thereunder, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- c. "Board or Board of Directors" shall mean all the members of the Board of Directors of the Company;
- d. "Code" shall mean this Code of Conduct for the Board of Directors and Senior Management of the Company;
- e. "Company or HGIEL" shall mean H.G. Infra Engineering Limited;
- f. "Insider Trading Regulations" mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- g. "Listing Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, together with the circulars issued thereunder, including any modifications, amendments or re-enactment thereof;
- h. "Senior Management Personnel" shall mean officers/personnel of the listed entity who are members of its core management team, excluding the 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 the functional heads (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

In line with the above, the Company has defined Senior Management as personnel of the Company who are at the President and above level and the Chief Financial Officer (CFO), Chief Technical Officer (CTO) and Company Secretary (CS).

4. Conduct Specifications

Every person to whom the Code is applicable, shall conduct the affairs of the Company and perform his/her duties with due care, diligence, dignity, honesty and integrity and shall conform to the highest moral and ethical standards at all time, be loyal to the Company and act in good faith and in the best interest of the Company.

The Board Members and Senior Management Personnel of the Company:

- Shall devote their greatest efforts to achieve the goals of the Company and ensure compliance with the company's policies and applicable laws.
- Shall adhere to the highest standards of honest conduct, including proper and ethical procedures in dealing with actual or apparent conflicts of interest between personal and professional relationships.
- Shall not engage in any business, relationship, or activity that detrimentally conflicts with the interests of the Company/ HG Group or brings discredit to it. Any situation that creates a conflict of interest between personal interests and the Company and its stakeholders' interests must be avoided at all costs.
- Shall not exploit for his/her own personal gain opportunities that are discovered through the use of corporate property, information, or position unless the Company declines to pursue such opportunity for its business interest(s).
- Shall perform their roles with competence and diligence, in good faith, and in the best interests of the Company.
- Shall ensure compliance with the prescribed safety and environment-related norms and other applicable codes, laws, rules, regulations, and statutes, which, if not complied with, may disqualify him/ her from his/ her association with the Company.
- Shall maintain confidentiality of information entrusted by the Company or acquired during the performance of their duties.
- Shall not seek, receive, accept, or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments, and comparable benefits that are intended or perceived to be intended to obtain business (or uncompetitive) favours or decisions for the conduct of the business.
- Shall protect the Company's assets (including properties, information, and intellectual properties) from loss, damage, misuse or theft and ensure that the assets are only used for business purposes and other purposes specifically approved by management and never be used for unauthorized purposes.

- Shall not communicate with any member of the press or publicity media or any other outside agency on matters concerning the Company, except through the designated spokespersons or persons authorized otherwise.
- Shall, in conformity with applicable legal provisions, disclose personal and/ or financial interest in any business dealings concerning the Company and shall declare information about their relatives (spouse, dependent children and dependent parents), including transactions, if any, entered into with them.
- Shall not, without the prior approval of the Board of Directors or the Nomination and Remuneration Committee, as the case may be, accept employment or a position of responsibility with any other organization for remuneration or otherwise that is prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.
- Shall pursue healthy Human Resource policies without any discrimination on the basis of caste, sex or religion, upholding human dignity to motivate a sense of belonging to the organization.
- Shall not engage by themselves or on behalf of the Company in any activity detrimental to or against national interest.
- Shall ensure compliance with the Insider Trading Code framed and adopted by the Board of Directors in compliance with the Insider Trading Regulations.

5. Obligations with respect to Directors and Senior Management Personnel

A director shall not be a member in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a director, which shall be determined as follows:

- a. the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included, and all other companies, including private limited companies, foreign companies, and companies under Section 8 of the Companies Act, 2013, shall be excluded;
- b. for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

Senior management Personnel shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

For the purpose of this, conflict of interest relates to dealing in the shares of the listed entity, commercial dealings with bodies which have a shareholding of management and their relatives, etc.

6. Duties of Directors

The Directors shall abide by the duties of directors as laid down under Section 166 of the Act and Regulation 4(2)(f) of the Listing Regulations. The Independent Directors shall also abide by the duties as laid down under Schedule IV of the Act and Rules made thereunder.

The duties of directors, as aforesaid, are prescribed in **Annexure- I**.

7. Violations of the Code

It shall be the duty of Directors and Senior Management Personnel to help the enforcement of the Code and any breach if communicated/noticed is to be reported to the Board. In case of breach of this Code by Directors and Senior Management Personnel, the same shall be considered by the Board for initiating appropriate action, including disciplinary action such as termination of employment, suspension and/ or penalty, as deemed necessary.

8. Affirmation of the Code

All Directors and Senior Management Personnel should sign the acknowledgement form annexed as **Annexure- II** hereto and return the form to the Compliance Officer indicating that they have received, read and understood and agree to comply with the Code.

All Directors and Senior Management Personnel shall affirm compliance with the Code on an annual basis, within 30 days of close of every financial year to the Compliance Officer, in the form annexed hereto as **Annexure-III**. The Company's Annual Report shall contain a declaration to this effect signed by the Chief Executive Officer/Managing Director.

9. Disclosure

This Code will be displayed on the Company's website at www.hginfra.com

10. Amendment and Waiver of the Code

The Board reserves the right to modify and/or amend the Code at any time.

Further, as a general policy, the Board will not grant waivers to this Code. However, in an extraordinary situation and for reasons to be recorded in writing, the Board may waive or grant exemption from any one or more provisions of this Code.

In case there are any inconsistency between any of the provisions of this Code and applicable law, the applicable law shall prevail and any subsequent amendment/modification in applicable laws in this regard shall automatically apply to this Code and this Code shall be deemed to have been amended accordingly.

Effective Date: 08-05-2024

Date of the approval by the Board: 08-05-2024

Version: 05

ANNEXURE - I

DUTIES OF DIRECTORS UNDER SECTION 166 OF THE COMPANIES ACT, 2013, REGULATION 4(2)(F) OF THE LISTING REGULATIONS AND CODE FOR INDEPENDENT DIRECTORS UNDER SCHEDULE IV OF THE COMPANIES ACT, 2013 (THE "ACT")

Duties of directors under Section 166 of the Companies Act, 2013:

- 1) subject to the provisions of the Act, 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, the community and for the protection of environment.
- 3) a director of a company shall exercise his/her 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/she 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/herself or to his/her relatives, partners, or associates and if such director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the company.
- 6) a director of a company shall not assign his/her office and any assignment so made shall be void.

Duties of directors under Regulations 4(2)(f) of the Listing Regulations:

- 1) Disclosure of information:
 - a. members of board of directors and key managerial personnel shall disclose to the board of directors whether they, directly, indirectly, or on behalf of third parties, have a material interest in any transaction or matter directly affecting the listed entity.
 - b. the board of directors and senior management shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.
- 2) Key functions of the board of directors:
 - a. reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.
 - b. monitoring the effectiveness of the listed entity's governance practices and making
 - c. changes as needed.
 - d. selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
 - e. aligning key managerial personnel and remuneration of board of directors with the longer term interests of the listed entity and its shareholders.
 - f. ensuring a transparent nomination process to the board of directors with the diversity of thought, experience, knowledge, perspective and gender in the board of directors.
 - g. monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

- h. ensuring the integrity of the listed entity's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- i. overseeing the process of disclosure and communications.
- j. monitoring and reviewing board of director's evaluation framework.

3) Other responsibilities:

- a. the board of directors shall provide strategic guidance to the listed entity, ensure effective monitoring of the management and shall be accountable to the listed entity and the shareholders.
- b. the board of directors shall set a corporate culture and the values by which executives throughout a group shall behave.
- c. members of the board of directors shall act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the listed entity and the shareholders.
- d. the board of directors shall encourage continuing directors training to ensure that the members of board of directors are kept up to date.
- e. where decisions of the board of directors may affect different shareholder groups differently, the board of directors shall treat all shareholders fairly.
- f. the board of directors shall maintain high ethical standards and shall take into account the interests of stakeholders.
- g. the board of directors shall exercise objective independent judgement on corporate affairs.
- h. the board of directors shall consider assigning a sufficient number of non-executive members of the board of directors capable of exercising independent judgement to tasks where there is a potential for conflict of interest.
- i. the board of directors shall ensure that, while rightly encouraging positive thinking, these do not result in over-optimism that either leads to significant risks not being recognized or exposes the listed entity to excessive risk.
- j. the board of directors shall have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.
- k. when committees of the board of directors are established, their mandate, composition and working procedures shall be well defined and disclosed by the board of directors.
- l. members of the board of directors shall be able to commit themselves effectively to their responsibilities.
- m. in order to fulfil their responsibilities, members of the board of directors shall have access to accurate, relevant and timely information.
- n. the board of directors and senior management shall facilitate the independent directors to perform their role effectively as a member of the board of directors and also a member of a committee of the board of directors.

Duties of independent directors under Schedule IV of the Companies Act, 2013:

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 his 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, and unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Effective Date: [.]

Date of approval by the Board: [.]

Version: 05

SD/-

Chairman's Signature

ANNEXURE – II

To
The Compliance Officer,
H.G. Infra Engineering Limited
14, Panchwati Colony, Ratanada, Jodhpur-342001, Rajasthan

Dear Madam/Sir,

Sub.: Acknowledgement pursuant to the Company's code of conduct for directors and senior management personnel

I, _____ being a Director/ Senior management personnel of H.G. Infra Engineering Limited (the "Company"), hereby acknowledge and confirm that:

I have received, read and understood the Company's Code of Conduct for Directors and Senior Management Personnel (the "Code").

I agree to comply with the Code.

Signature:

Name:

Designation:

Date :

Place :

ANNEXURE - III

To
The Compliance Officer,
H.G. Infra Engineering Limited
14, Panchwati Colony, Ratanada, Jodhpur-342001, Rajasthan

Dear Madam/Sir,

Sub.: Affirmation for compliance of the Company's code of conduct for directors and senior management personnel

I, _____ being a Director/ Senior management personnel of H.G. Infra Engineering Limited (the "Company") do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Company's Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31 _____, and

I am not a party to any non - compliance with the said Code to the best of my information.

Signature:

Name:

Designation:

Date : Place :