

BHANDERI INFRACON LIMITED

Code of conduct of Board of Directors and Senior Management Personnel

BHANDERI INFRACON LIMITED (“the Company”) is committed to being an ethical and responsible member of the business communities in which it operates. The Company always endeavors to ensure that highest standards of honesty, integrity and ethics are maintained. While the Company has instituted a general Code of Conduct applicable to all employees, this Code provides fundamental and broad general standards for the Company, particularly for its Directors and Senior Management.

1. The Company shall operate within all applicable laws and regulations of the land. The Board and the Directors shall act in accordance with powers granted to them by the Articles of Association. The duty of the Directors is to act bona-fide in the Company’s interest, to the best of their ability to use the powers and information available to them for proper purposes and not for any collateral purpose. The Directors take care that the Company’s senior executives take due care and diligence, and shall have regard to interests of all stakeholders and essentially for the benefit of all its shareholders.
2. The Board shall meet regularly, maintain effective control over the Company and monitor the executive management. The Board’s prime attention shall be on strategic issues and their approval, policy and control, delegation of powers, specifying issues that remain in the Board’s domain and in defining the role of the management.
3. The Directors and senior executives shall conduct business and develop its relationships in a dignified, honest and responsible manner. The Management intends that it shall be progressive, competent and trustworthy, creating and enhancing value for stakeholders of the Company. Integrity, transparency and accountability should be highlights of all operations of the Company.
4. This Code is essentially a set of values and principles expected to be maintained and to serve as a guideline to corporate and individual behaviour in conduct of business and discharge of duties of all concerned. The underlying values reflected in the various codes followed by the Company are accountability, compliance, credibility, fairness, honesty, and mutual respect. It must be recognized that corporate integrity is dependent on individual integrity. As in any area of ethics, individual discretion and thought about the implicit value system is needed.

APPLICABILITY

1. All Directors (Executive, Non-executive, Nominee directors or Independent directors), members of the Senior Management (all Executives from the rank of General Manager and above), all persons reporting to the level of Directors and any other appropriate person that the Board may determine are expected to abide by these guidelines at a minimum. They are also expected to lead other employees by example.
2. The Board of Directors of the Company shall be the final internal authority as far as any interpretation of the Code or its applicability, violation and consequential actions are concerned.
3. The Code may be expanded and/or improved upon and/or altered and/or varied from time to time.

COMPLIANCE

POSITIVE WORK ENVIRONMENT

All Directors and Seniors are expected to uphold a culture emphasizing honesty, integrity, fairness, trust, competence, professionalism, discipline, teamwork, as well as truthfulness and high moral standards in day-to-day dealings and conduct, both within and outside.

b. All are expected to treat each other and their juniors with respect for individual dignity and rights, not to discriminate on grounds of race, ethnicity, caste, marital status or gender, and maintain a work environment free of sexual harassment.

c. All are expected to provide an open, motivating work environment which is conducive to upholding and achieving the Company's vision, targets and goals.

d. Entry into and progression within the Company shall be determined on merit and needs of the business and Seniors shall support the principles of proper, fair and transparent evaluation processes and professional growth in line with individual capabilities.

e. Any appointment or extension, dismissal, increment or promotion (including the making of any promise towards appointment, extension, increment or promotion) requires that procedures in the Rules of the Company be followed.

- Promotions and/or increments shall not be automatic or time bound but performance and merit based.

f. Pride of place shall be given to the best of social, cultural and intellectual values, in behavior and conduct.

g. All are expected to act objectively and constructively while exercising their duties

h. All are expected to undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company.

i. All are expected to ensure that 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.

CONFIDENTIALITY

- a) All Directors and Seniors shall respect the sanctity of confidential and other business information they may receive or acquire in the course of their professional activities whether from internal or external sources. Such information shall not be conveyed to anyone, inside or outside the Company, who is not authorized to receive it. Where disclosed a similar obligation for confidentiality may be required by the Company. Disclosure of business, technical, commercial, proprietary or other information in the public domain shall be made only by specifically authorized persons.
- b) No Director or Senior may reveal to any third party any confidential data including but not limited to business strategies, marketing plans, sales or contract information, customer lists and information, proprietary, pricing or costing information or any other data unless the performance of the job inherently requires the sharing of such information. Confidential information may not be used or disclosed even after a person ceases to be a Director, Senior or an employee of the Company.
- c) Non-public information obtained by any Director, Senior may not be used either for personal gain or by any third party as a result of association with the Director or Senior. Use for personal gain includes taking advantage of such information by trading (or providing others for them to trade) in Company shares or in shares of other companies with which the Company has any price-sensitive contact, including but not limited to acquisition evaluation or negotiation or acquiring property or assets of any kind.

CONFLICT OF INTEREST

- a. All Directors and Seniors shall avoid situations in which any conflict may arise between their private interests and those of the Company. Such conflicts could involve, but are not limited to, customers, suppliers, contractors, competitors and present or prospective employees.
- b. Directors and Seniors must not make improper use of the resources of the Company or that of any of its suppliers or customers, nor permit others in the Company to do so. All concerned shall be personally accountable for proper expenditure of Company funds and also responsible for proper use of Company assets over which they exercise control. It is expressly forbidden to (either directly or indirectly) grant any official favour for personal collateral interests or to spend money of the Company for personal benefit or purpose.

LEGAL COMPLIANCES:

All Directors and Seniors are required to comply with all laws and regulations applying in the jurisdictions in which they operate.

All Directors and Seniors shall abide by any insider trading code of the Company.

The Director and senior management (including Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Secretary, etc.) has additional responsibilities in the preparation and release of financial and other information into the public domain. In addition to ethical requirements of this Code they shall have a special responsibility for ensuring :

- Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company may file with or submit to various Stock Exchanges, Securities & Exchange Board of India, and other public communications made by the Company;
- Maintenance of proper accounting and other records and details in accordance with all laws and regulations.

SOCIAL RESPONSIBILITY

- a) All concerned shall maintain respect for the environment generally, and the Company shall conform to all environmental laws.
- b) All concerned shall endeavor to ensure total industrial safety.
- c) All covered shall use their best efforts to preserve a healthy work environment in all Company offices.
- d) The Company shall make efforts to extend support to employee and community welfare, health and education. It is committed to being a good corporate citizen.

CORPORATE GOVERNANCE

The Directors and Senior Management will assist in implementing the best governance practices. The Audit Committee shall oversee the effectiveness of the audit and internal audit tasks, to assist the Board in providing useful supervision of the overall financial reporting process.

- a. Due emphasis shall be laid on the audit/internal audit process, as necessary to safeguard the interests of shareholders. Every Director and Officer of the Company must extend his full cooperation to the Auditors and ensure that all information as may be required by them is made available. The Audit Committee may also have propriety audit conducted from time to time.

FAIR DEALING

Each Director of the Company should endeavour to deal fairly with customers, consumers, suppliers, competitors, employees, the public and one another at all times and in accordance with ethical business practices. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

No bribes, kickbacks or other corrupt payments in any form shall be made directly or indirectly to or for anyone for the purpose of obtaining or retaining business or obtaining any other favorable action.

PROTECTION OF COMPANY'S ASSETS

The Companies assets shall be protected from theft, loss, damage or misuse and shall not be employed for conducting any illegal activity or for purpose other than of conducting the business of the Company. The Directors and the Employees shall not use the Company's tangible assets such as equipment and machinery, systems, facilities, materials etc. or intangible assets such as proprietary information, relationships with customers and suppliers, etc. for their personal benefit or for the benefit of a related party.

INTELLECTUAL PROPERTY RIGHTS

Intellectual Property Rights (IPR) broadly covers patented or potentially patentable inventions, trademarks, service marks, trade names, copyrightable subject matter, and trade secrets. Directors / Senior Management shall make their best efforts to protect all such Intellectual Properties related to the Company, as it is critical to the Company's overall success. It is advisable to highlight and consult the Chairperson for determining the appropriate course of action whenever there is lack of clarity and issue of any kind related to IPR.

CONFLICTS OF FIDUCIARY OBLIGATIONS IN CONNECTION WITH OTHER DIRECTORSHIPS AND POSITIONS

If a Director is also a Director or executive officer of another organization and encounters any situation where her or his role with that other organization may be in conflict with the Company's interests, the Director must

- a. inform the Company's Chairperson of the Board, Compliance officer and Board of the potential conflict and
- b. take appropriate action, including to recuse herself or himself from participation in the Board's consideration of the matter giving rise to the conflict and such other action necessary under the circumstances.

CORPORATE OPPORTUNITIES

Board of Directors and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Directors are prohibited from taking for themselves business opportunities that are discovered through the use of corporate property, information or position. No Director may use corporate property, information or position for personal gain, and no Director may compete with the Company. Competing with the Company may involve engaging in the same line of business as the Company or any situation where the Director takes away from the Company opportunities for sales or purchases of products, services or interests.

POLITICAL CONTRIBUTION AND ACTIVITIES

Any political contributions made by or on behalf of the Company and any solicitations for political contributions of any kind must be lawful and in compliance with the Companies Act and Company policies. This policy applies solely to the use of Company assets and is not intended to discourage or prevent individual Directors from making political contributions or engaging in political activities on their own behalf. No one may be reimbursed directly or indirectly by the Company for personal political contributions.

COMPLIANCE AND DISCLOSURES:

- a) This Code should also be read in conjunction with Company policies and procedures may be laid down from time to time and all concerned are required to comply with the same. This Code does not intend to replace or limit any other applicable requirements, nor is it suggested that any set of rules could be preferable to the basic notions of propriety and common sense by which all are expected to regularly operate and conduct themselves.
- b) Where a conflict, potential conflict or apparent conflict with the Code exists, that matter should be reported to the Compliance Officer who will initiate steps as may be necessary for appropriate resolution of the matter.
- c) This Code of Business Conduct shall also be placed on the website of the Company.

COMPLIANCE OFFICER

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

NO RIGHTS CREATED

This Code does not intend to nor does it create any kind of right in respect of any Director or Senior Executive, or any stakeholder including client, supplier, customer, shareholder, employee, or any other person or entity.

WAIVER

A waiver in respect of a Director or Senior Executive from any provision of this Code of Business Conduct shall require unanimous approval of the Board of Directors and Compliance officer. Such will be promptly disclosed to the Company's shareholders (by posting on our website or other means of public disclosure).