



AFCONS INFRASTRUCTURE LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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VERSION CONTROL

| Version | Description | Adoption Date | Approval by |
|----------------|------------------------|----------------------|--|
| 1.0 | Adoption of New Policy | 12/09/2024 | Nomination and Remuneration Committee and Board of Directors |

A. INTRODUCTION

1. Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”) requires listed entities to lay down a code of conduct for all members of the board of directors and senior management.
2. Pursuant to this requirement, Afcons Infrastructure Limited (the “**Company**”) has formulated this code of conduct for directors and senior management (“**Code of Conduct**” or “**Code**”) applicable to each member of the board of directors of the Company (“**Director(s)**”) and officers and personnel of the Company who are members of its core management team excluding the Directors, as described in more detail in Regulation 16(1)(d) of the Listing Regulations and defined herein below (“**Senior Management**”).
3. This Code is a guide to help Directors on the Board & Senior Management of the Company to live up to Company’s ethical standards in managing the affairs of the Company and thus sustain the trust and confidence reposed in them by the Stakeholders of the Company.

B. DEFINITION

1. “**Board**” or “**Board of Directors**” shall mean the board of directors of the Company.
2. “**Company**” shall mean Afcons Infrastructure Limited.
3. “**Compliance Officer**” shall mean the Company Secretary of the Company and in his absence any senior officer, so designated by the Board for the purpose of compliance with the Code.
4. “**Director**” shall mean a member of the Board of Directors.
5. “**Listing Regulations**” shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
6. “**Senior Management**” shall mean officer and personnels of the Company who are members of its core management team, excluding the Board of Directors and shall comprise of all the members of the management one level below the Chief Executive Officer or Managing Director or Whole-time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads by whatever name called and the Company Secretary and Chief Financial Officer.

C. APPLICABILITY OF THE CODE

1. The Code applies to all the Directors and Senior Management personnel of the Company.
2. All the Directors and Senior Management personnel are expected to read, understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in the performance of his / her duties, functions and responsibilities.

3. The rules and principles set forth in this Code are general in nature and set out in broad standards of compliance and ethics, as required by the Listing Regulations and other applicable laws, policies and procedures of the Company.
4. This Code is in addition to the Rules and Regulations of Service and the terms of appointment and conduct as applicable to the Directors and Senior Management.

D. GUIDELINES OF PROFESSIONAL CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

1. Each Director and Senior Management personnel shall:

- a. act with authority conferred upon them;
- b. exercise authority and power with due care and diligence and discharge the fiduciary responsibility of office in the best interest of the Company and all the stakeholders;
- c. act in accordance with the highest standards of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing his/her duties;
- d. act objectively and constructively and exercise due diligence while discharging his/her duties;
- e. assist the Company in implementing the best corporate governance practice;
- f. disclose to the Board of Directors of the Company any personal interest (financial or otherwise), whether directly or indirectly or on behalf of third parties, in any matter relating to the business of the Company;
- g. protect the Company's assets and resources (including information and intellectual property rights) and shall use the same only for the Company's business and not for a personal gain /advantage;
- h. observe strict confidentiality of the information acquired in the course of discharging his/her duties of the office and shall not use the same for any personal purpose or advantage;
- i. conduct himself/herself 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;
- j. comply with applicable laws, rules and regulations and all applicable policies adopted by the Company, with the highest standard of personal and professional integrity, honesty and ethical conduct;
- k. not allow personal interest to conflict with the interests of the Company or to come in the way of discharge of duties of office;
- l. exercise his/her responsibilities in a bona fide manner in the best interests of the Company;
- m. not abuse his/her 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;

- n. adhere to the Code of Prevention of Insider Trading for dealing in shares of the Company;
- o. preserve and protect the environment;
- p. deal fairly with customers, suppliers, employees and other business partners;
- q. provide equal opportunities to all employees, respect the safety and health of all employees, provide them with proper working conditions and encourage them to acquire new skill, knowledge and training to expand their area of professional specialization; and
- r. Not take up any activities competing with the business of the Company.

2. **Additionally, each Director shall:**

- a. not allow any extraneous considerations that will vitiate his/her 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; and
- b. maintain transparency in their actions in the conduct of the business of the Company through appropriate policies, procedures, and maintaining supporting and proper records, except where the confidentiality of the business requires otherwise.
- c. Furthermore, each Director referred to under Section 149(6) of the Companies Act, 2013 and the rules formulated thereunder, as amended (the “**Act**”) (such Director referred to as, “**Independent Director**”) shall:
 - i. refrain from any action that would lead to loss of his/her independence;
 - ii. safeguard the interests of all stakeholders; and
 - iii. where circumstances arise which make an Independent Director lose his/her independence, the Independent Director shall immediately inform the Company and its Board of Directors accordingly.

E. DUTIES OF ALL THE DIRECTORS OF THE COMPANY

Pursuant to section 166 of the Act, every Director of the Company is required to perform the following duties;

- 1. act in accordance with the articles of association of the Company;
- 2. 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. exercise their duties with due and reasonable care, skill and diligence and exercise independent judgment;
- 4. not get involved 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. 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, they he/she shall be liable to pay an amount equal to that gain to the Company; and
6. not assign his/her office to any other person and any such assignment, if so made, shall be void.

F. ROLE, FUNCTIONS AND DUTIES OF AN INDEPENDENT DIRECTOR

1. Roles and Functions

The Independent Directors shall:

- a. bring an objective view in the evaluation of the performance of the Board and the management;
- b. scrutinize the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance;
- c. satisfy themselves on the integrity of financial information, and that the financial controls and systems of risk management are robust and defensible;
- d. safeguard the interests of all stakeholders, particularly the minority shareholders;
- e. balance the conflicting interest of the stakeholders;
- f. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest;
- g. 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; and
- h. 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. DECLARATION BY INDEPENDENT DIRECTORS

- a. Every Independent Director shall at the first meeting of Board in which he/she participates as a Director and thereafter at the first meeting of Board in every financial year or wherever there is any change in the circumstances which may affect his/her status as an Independent Director, give a declaration that he/she meets the criteria provided in Section 149(6) of the Act and Regulations 16(1)(b) of the Listing Regulations and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his / her duties with an objective independent judgment and without any external influence.

G. DUTIES

The Independent Directors shall abide by duties as laid down under Schedule IV [Code for Independent Directors] of the Companies Act, 2013 which is set out as under:

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company and its businesses;
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 and of the committees of the Board of which they are members;
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 meeting of the Board;
7. keep themselves well informed about the Company and the external environment in which it operates;
8. not 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 behavior, actual or suspected fraud or violation of the Company's policy on Code of Conduct;
12. acting within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees; and
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; and disclose to the Board the directorship proposed to be taken in any other body corporate.

H. RESIGNATION OR REMOVAL:

1. The resignation or removal of a Director (including an Independent Director) shall be in the same manner as is provided in Sections 168 and 169 of the Act, respectively.

I. DISQUALIFICATION FROM APPOINTMENT:

A person shall not be eligible for appointment, and if appointed shall forthwith resign or be liable to be removed as a Director if:

1. he/she is of unsound mind and stands so declared by a competent court;
2. he/she is an undischarged insolvent;
3. he/she has applied to be adjudicated as an insolvent and his/her application is pending;
4. he/she has been convicted by a court or any governmental authority of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;
5. he/she has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more;
6. an order disqualifying him/her for appointment as a Director has been passed by a court or tribunal and the order is in force;
7. he/she has not paid any calls in respect of any shares of the company held by him/her, whether alone or jointly with others, and six months have elapsed from the last day fixed for the payment of the call;
8. he/she has been convicted of the offence dealing with related party transactions under Section 188 of the Act at any time during the last preceding five years;
9. he/she has not complied with Section 152(3) of the Act;
10. he/she has not attended three consecutive Board Meetings nor sought a leave of absence; or
11. he/she is not in compliance with any provisions of the Act, including Sections 164, 165(1) and 167.

J. EVALUATION MECHANISM OF INDEPENDENT DIRECTORS:

1. The performance evaluation of Independent Directors shall be done by the entire Board, excluding the Independent Director being evaluated, in terms of the Company's Policy on Evaluation Framework of the Board of Directors.
2. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of the appointment of an Independent Director.

K. AFFIRMATION OF THE CODE OF CONDUCT

1. All Directors and Senior Management shall affirm compliance with the Code of Conduct on an annual basis within 30 days of close of every financial year ending on 31st March and shall sign a confirmation to that effect as per the format set out in **Annexure I**.
2. The annual affirmation shall be forwarded to the Company Secretary of the Company within the said period of 30 days.
3. The Annual Report of the Company shall carry a declaration signed by the

Chief Executive Officer / Managing Director of the Company stating that the members of the Board and Senior Management have affirmed compliance with the Code.

L. ENFORCEMENT OF THE CODE OF CONDUCT

1. Violations of this Code of Conduct or other Company Policies or procedures by Directors and/or Senior Management personnel shall be promptly reported to the Board.
2. The Board has the power to investigate, in such manner as it may deem fit, any breach or violation or alleged breach or violation of the Code of Conduct and take appropriate action against such Director and/or Senior Management personnel.
3. The Board has, at its absolute discretion, the power to waive compliance with any or all of the provisions of the Code.

M. DISSEMINATION OF THE POLICY

1. This Code of Conduct shall be disclosed by the Company under Regulation 46 of the Listing Regulations or any amendment thereto on its Website.

N. REVIEW AND AMENDMENT

1. Notwithstanding anything contained in this Code of Conduct, the Company shall ensure compliance with additional requirements as may be prescribed under applicable laws, either existing or arising out of any amendment to such applicable laws or otherwise and applicable to the Company from time to time.
2. This Code of Conduct is intended to be in conformity with the Listing Regulations and the Companies Act, 2013 as on the date of its adoption. However, if due to subsequent modifications in the Listing Regulations, the Companies Act, 2013 or any other applicable law, a provision of this Policy or any part thereof becomes inconsistent with the Listing Regulations, the Companies Act, 2013 or any other applicable law, then the provisions of such laws, as modified, shall prevail.
3. This Code may be reviewed by the Board of Directors from time to time to keep in pace with the regulatory environment and any amendments to this Code, and if deemed fit, shall be approved by the Board of Directors.

O. EFFECTIVE DATE

1. This Code of Conduct is approved by the Nomination and Remuneration Committee and Board of Directors of the Company on 12th September, 2024 respectively.
2. The Code of Conduct shall be effective from the date of the listing of the Equity Shares of the Company.

ANNEXURE I

**ANNUAL COMPLIANCE REPORTING UNDER CODE OF CONDUCT
FOR
BOARD OF DIRECTORS & SENIOR MANAGEMENT**

I, Mr./Ms. _____, <Designation> of Afcons Infrastructure Limited, do hereby affirm that I have received and read Code of Conduct for Board of Directors & Senior Management of the Company, and affirm the compliance of the same for the financial year ended March 31, 20_____

Date:-

Name of the Employee/Director

Place:

Designation