

Code of Conduct for Board Members and Senior Management

PREAMBLE

All Directors and Senior Management i.e. personnel who are members of the core management team excluding Board of Directors which would comprise members of management one level below the Executive Directors, including all functional heads must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders/stakeholders.

The Code is intended to serve as a basis for ethical decision-making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint pertaining to violation of professional ethical standards.

It is understood that some words and phrases in the Code are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.

The code is applicable to the following persons referred to as "Officers"

- Chairman & Managing Director
- All Directors
- All Executive Directors
- All General Manager

Officers should sign the acknowledgement form at the end of this Code and return the form to the HR Department indicating that they have received, read and understood and agree to comply with the Code. The signed acknowledgement form will be located in the respective Officers personnel files. Each year, as part of their annual review, officers shall sign an acknowledgement indicating their continued understanding of the Code. ED/GM (HR) shall confirm receipt of acknowledgement from all Officers to CEO and the annual report of the Company shall contain a declaration to this effect signed by the CEO i.e. the Chairman & Managing Director.

With a view to maintain high standards that HMT Limited requires, the following rules/code of conduct should be observed in all activities of the Board for the purposes of the code. The Company Secretary as a Compliance Officer will be available to Directors and Senior Management (hereafter referred to as Officers) to answer questions and to help them comply with the code.

1. HONESTY & INTEGRITY

All Directors/Officers shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. All Directors/ Officers shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. The Directors/Officers will act in the best interests of the Company and fulfill their fiduciary obligations.

2. CONFLICT OF INTEREST

The Directors on the Board of the Company and the Officers shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company or the group.

Conflicts can arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between proper and improper activity. Set forth, are some of the common circumstances that may lead to a conflict of interest, actual or potential:

- Directors/Officers should not engage in any activity / employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- Directors and their immediate families should not invest in a Company, customer, supplier, developer or competitor and generally refrain from investments that compromise their responsibility to the Company.
- Directors should avoid conducting Company business with a relative or with a firm / Company in which a relative / related party is associated in any significant role.
- If such related party transaction is unavoidable, it must be fully disclosed to the Board or to the CEO of the Company.

3. COMPLIANCE

The Directors/Officers are required to comply with all applicable laws, rules and regulations, both in letter and in spirit. In order to assist the Company in promoting lawful and ethical behaviour, Directors/Officers must report any possible violation of law, rules, regulation or the code of conduct to the Company Secretary.

4. OTHER DIRECTORSHIPS

The Company feels that serving on the boards of directors of other companies may raise substantial concerns about potential conflict of interest. And therefore, all directors must report/disclose such relationships to the Board on an annual basis. It is felt that service on the board of a direct competitor is not in the interest of the Company.

5. CONFIDENTIALITY OF INFORMATION

Any information concerning the Company's Business, its customers, suppliers etc., which is not in the public domain and to which the Director/Officer has access or possesses such information, must be considered confidential and held in confidence, unless authorised to do so and when disclosure is required as a matter of law. No director/officer shall provide any information either formally or informally to the press or any other publicity media, unless specially authorised.

6. PREVENTION OF INSIDER TRADING

No Director/Officer of the Company shall derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in Public domain and therefore constituting insider information. All directors/officers will comply with the prevention of insider trading guidelines as issued by SEBI.

7. GIFTS & DONATIONS

No Director/Officer of the Company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or competitive) favours or decisions for the conduct of business. Normal gifts of commemorative nature, for special events may be accepted and reported to the Board.

8. PROTECTION OF ASSETS

Directors/Officers must protect the Company's assets and information and may not use these for personal use, unless approved by the Board.

9. PERIODIC REVIEW

Once every year or upon revision of this code, every director must acknowledge and execute an understanding of the code and an agreement to comply. New Directors/Officers will sign such a deed at the time when their directorship begins.

10. Co-operate with Government, Trade and Industry Associations for and in the development of economic legislations concerning the business of the Company.

11. Attend Board/Shareholders/Committee/Senior Management meetings and seek prior leave of absence from such meeting(s)

12. Preserve and protect the environment with due concern for ecology, clean air, control the levels of pollution and emission and ensure that standards prescribed/fixed by the Constituted Authority be adhered to.

13. Deal fairly with customers, suppliers, employees and other business partners.

14. Respect safety and health of all employees and provide working conditions, which are not harmful to health.

15. Provide equal opportunities to all employees and aspirants for employment in the Company irrespective of gender, caste, religion, race or colour, merit being the sole differentiating factor.

This code of conduct is in addition to the Rules and Regulations of Service and Conduct applicable to Managerial & Superintending Staff of the Company and the code shall be posted on the website of the Company.

VIOLATIONS OF THE CODE

Part of an Officers' job, and of his or her ethical responsibility is to help enforce this code, Officers should be alert to possible violations and report this to the HR department. Officers must cooperate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a suspected violation of law, this code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation is prohibited.

The Company will take appropriate disciplinary action against any officer whose actions are found to violate the code or any other policy of the Company. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.

The provisions of the Code shall apply to Executive and Non-Executive Directors including Independent Directors only to such extent, as may be applicable depending on their respective roles and responsibilities.

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ACKNOWLEDGEMENT OF RECEIPT OF CODE

I have received and read the Company's Code of Conduct for officers (the "Code"). I understand the standards and policies contained in the code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult the Company Secretary, and that my questions or reports to these sources will be maintained in confidence.

Further, I undertake to provide the following Affirmation on an Annual basis to the Company within 30 days from the end of 31st March every year.

Officer's Name :

Signature :

Designation :

Ticket No. :

Date :

(Note: Please sign and return this form to the Corporate HR Department)

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AFFIRMATION

I, _____ (name), _____ (Designation),
having read and understood the Code for Board Members and Senior Management
Personnel ("Code"), hereby solemnly affirm that I have complied with and have not
violated any of the provisions of the Code during the year ended 31st March_____.

Signature :

Officer's Name :

Designation :

Ticket No. :

Date :

(Note: Please sign and return this form to the Corporate HR Department)