

Montecarlo Limited

Code of Conduct

HR -

CONTENTS

1. INTRODUCTION	2
1.1 OBJECTIVE	2
1.2 COVERAGE	2
2. POLICY	2
2.1 EVERY EMPLOYEE SHALL AT ALL TIMES –	3
2.1.1 HONEST & ETHICAL CONDUCT	3
2.1.2 CONFLICT OF INTEREST	3
2.1.3 CONFIDENTIALITY OF INFORMATION	4
2.1.4 EMAIL AND INTERNET	4
2.1.5 PROTECTION AND PROPER USE OF THE COMPANY’S ASSET	4
2.1.6 COMPLIANCE WITH LAWS AND REGULATIONS	4
2.1.7 CLEAN ENVIRONMENT, SAFETY & HEALTH	5
2.1.8 EMPLOYMENT OFFERS FROM CLIENTS	5
2.1.9 ACCEPTANCE OF GIFTS FROM CLIENTS / SUPPLIERS / DISTRIBUTORS	5
2.2 MISCONDUCT	5
2.3 OTHERS	7
2.4 COMMUNICATING WITH THE PUBLIC, MEDIA AND THE INVESTORS	8
2.5 USE OF THE MCL BRAND / TRADEMARK	9
2.6 WHISTLE BLOWER PROTECTION AND VIGIL MECHANISM	9
2.7 ETHICAL CONDUCT	9
3. PENALTIES	10
3.2 MINOR PENALTY	10
3.3 MAJOR PENALTY	10
3.4 DEPARTMENTAL ENQUIRY	
3.5 REVIEW AND MODIFICATIONS	
3.6 COMPLIANCE WITH LAW	



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1. Introduction

1.1 Objective

To maintain discipline within and among the employees and avoid any misconduct which is against the administrative rules. The Code of Conduct / code of Business Ethics (herein after referred as “Code / Policy”) sets tone of the organization’s behavior as a sustainable business and fosters a desirable culture. All the employees are expected to understand the theme of Code of Conduct, uphold the standards set out herein; in day to day working and comply with all policies and procedures, as laid down from time to time.

This Code of Conduct establishes the principles that guide our daily actions. Whether we are working with customers, vendors, business partners or neighbors, it is essential that we always act with integrity. That means being honest, following the letter and spirit of the law, honoring our commitments and doing what is right – without compromise.

Montecarlo Limited is a flagship Company of the Montecarlo Group, which has business interests in infrastructure, construction, water, energy, railway businesses (“MCL Group”). As Montecarlo Group representatives, we all share the important work of protecting our Group Company’s reputation for ethical behavior and sound conduct.

1.2 Coverage

This code of conduct is applicable to all Group companies, affiliates and sister concern of Montecarlo Group (MCL Group Company). All MCL Group employees including contract employee and those on training, probation, deputation etc. (“Employees”) are covered under this Code.

2. Policy

All Employees shall strictly abide by the clauses of this policy

2.1 Every Employee shall at all times –

2.1.1 Honest & Ethical conduct

- All the Employees shall act honestly, fairly, ethically with loyalty and conduct themselves in a professional, courteous and respectful manner
- Maintain the highest levels of integrity
- All the Employees shall act in good faith, with responsibility, due care, competence, Diligence and independence
- Conduct himself/ herself in a manner which will enhance the reputation of the company
- All the Employees shall treat their colleagues and other associates of the Company with Dignity and shall not misbehave with them in any manner

2.1.2 Conflict of Interest

- Employee shall avoid any relationship, influence or activity that may impair the ability to make objective and fair decisions
- No Employee should use his / her position or influence directly or indirectly to secure employment for a family Employees or acquaintance in the company
- All the Employees are expected not to accept any position of influence, or pecuniary interests in any other organization whose business is in direct competition with the Company
- All the Employees are responsible for effective control and appropriate use of all the resources of the company entrusted to them in the official discharge of their duty
- No Employee should operate / manage / work as a proprietor or partner of a business or for a business as a legal entity during the period of his/ her employment with the company
- Employees should promptly disclose to their immediate supervisor any personal situation or transaction which is or may be in conflict with the intent or spirit of this code

2.1.3 Confidentiality of information

- All the Employees shall secure, preserve, safeguard and use discreetly, confidential information in the best interest of the Company. They should not divulge or communicate such information to third party except when authorized for business reasons
- Upon resignation of services, employee must return all documents, papers, files or any other electronic media tool to the company, which contains confidential information of the company on or before last working day.
- All Employees shall ensure data privacy and security of the Company's and third Party information which are private and confidential.
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2.1.4 EMAIL AND INTERNET

The Company provides email and internet facilities for the purpose of the Company's business. Posting and disseminating Company's information and data on Internet or voice mail or on private networks except for business exigencies is prohibited. The use of Internet facilities for accessing unauthorised, immoral websites from the computers provided by the Company is barred.

2.1.5 PROTECTION AND PROPER USE OF THE COMPANY'S ASSET

All Employees of the Company should protect the Company's assets from theft, carelessness, and waste which will have direct impact on the Company's profitability and to ensure their efficient use and restrain from using the Company's property or position for personal gain.

2.1.6 Compliance with Laws and regulations

- Confirm to and abide by the rules, regulations and policies made by the Company
- Comply with and obey all lawful and reasonable orders and instructions, verbal or written, of superiors
- Every employee holding a supervisory position shall take all possible steps to ensure the integrity and devotion to duty of employees under his control and authority

- All Policies of the Company are available on Company's website. All Employees should carefully read and strictly follow the same.

2.1.7 Clean environment, Safety & Health

- In all aspects of company's operations for its Employees, customers and society, it will be of prime importance to ensure safe, healthy and clean environment.
- Each of us has a responsibility of maintaining a safe and healthy working environment, avoiding the wasteful use of natural resources. Employees of MCL should comply with all applicable health, workplace, and environmental laws, including those related to workplace safety and the emission of pollutants into the environment, water, and air.

2.1.8 Employment offers from clients

- Employees should not solicit client personnel for employment. If an employee is interested in considering clients offer, they must immediately inform their head of department and JMD

2.1.9 Acceptance of Gifts from clients / suppliers / distributors

- To avoid conflict of interest, Employees should refrain from accepting gifts, from suppliers or distributors.
- Gift of Food (that may arrive during festivals when giving gifts is traditional) would belong to the entire staff even if addressed to a single employee. Under no circumstances should an employee take such gifts home.
- If the value of the gift appears to be unjustified, employees are expected to declare the gift to their reporting manager and accept it only after his/her approval.
- No gifts in form of cash or gold coins etc. should be accepted.
- Employees should avoid accepting frequent entertainment invitations & hospitality from suppliers /distributors / retailers / clients

2.2 Misconduct

The following will be considered as Misconduct by Employee(s) :

- Theft, fraud and dishonesty in connection with the business or property of the company or of property of another person within the premises of the company



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- Taking or giving bribes or any illegal gratification
- Acting in a manner prejudicial to the interests of the company
- Furnishing false information regarding name, age, fathers name, dependents, qualifications, previous service, health, competence or any other matter relevant at the time of employment.
- Absence from duty without leave or overstaying the sanctioned leave without information to the reporting manager / supervisor
- Habitual lateness or early departure or irregular attendance from normal place of work
- Phony registering of attendance or registering the attendance of another employee or assisting in doing so
- Negligence in work or performance including slowing down of work or willful interference in the work of another employee or employees
- If any employee is found guilty of receiving, viewing, downloading or distributing objectionable / pornographic materials. Such action will lead to deduction of 10% of monthly gross salary from the employee's salary and/or other penalties as deemed suitable by the management.
- Changing any system settings without prior authorization
- Providing wrong information or withholding of information from colleagues/ team Employees
- Threatening, abusing or assaulting any employee or any disorderly behavior within the premises and any such action at any other place if it has any connection with the company affairs
- Indulging in any act of sexual harassment at workplace
- Gambling within the premises of the company
- Usage of banned drugs, alcohol, smoking and chewing tobacco within the premises
- Sleeping while on duty
- Habitual absence from the employees appointed place of work without sufficient clause
- Misuse of any cash advance or non – compliance with the provisions of the rules for grant of any cash advance
- Unauthorized possession of any lethal weapon within the premises of the company
- Refusal of reasonable request to work on another job or another machine
- Refusal to accept and acknowledge charge sheets, orders or any other communication addressed to an employee
- Abet or attempt to abet any act, which amounts to misconduct



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- Commission of any act, which amounts to a criminal offence involving moral turpitude
- Disregard or conscious unwillingness to comply with company safety rules or safe working practices
- Commission of any act subversive of discipline in the course of duty
- Conviction or criminal charge/s by a competent court of law
- Willful damage or sabotage to property of the company or sabotage of the interests of the company. Commission of any irresponsible act resulting in damage to any work or property or interests of the company
- Interference or tampering with any safety devices installed or violating the safety or environment regulations in or about the premises of the company
- Falsification of company's records, manuals or electronic, impersonation or forgery
- Purchasing properties, machinery, stores etc. From the company or selling properties, machinery, stores etc. to the company by the employee or his family Employees / relative without permission in writing from competent authority.
- Making representation to person or bodies outside the company whether official or otherwise on matters connected with the affairs of the company or personal grievances against the management
- Unauthorized sharing or disclosure of confidential information of the company
- Allowing unauthorized persons to operate company vehicles or equipment
- Violation of any provision of these rules or any other habitual act or omission, which the company considers as misconduct.
- Preparation or forging of incorrect financial reporting.
- May result in leakage of Unpublished Price Sensitive Information;
- Involvement in any instance of bribery, embezzlement or misappropriation;
- Instigating for strike and creating nuisance in or near office premises or camps.
- Breach of any Policies available / listed on Company's website.

2.3 Others

- No employee shall engage himself or participate in any demonstration, which involves incitement to an offence
- No employee shall communicate, directly or indirectly, to any official confidential document or any part thereof or information to any person to whom he is not authorized to communicate such document or information



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- No employee of the company shall concurrently engage directly or indirectly in any trade or business or undertake any other employment, except with the previous sanction of the CFO / JMD / Director(s)/Head Corporate HR
- Every employee of the company shall report to the CFO / HR Head if any Employees of his family is engaged in any trade or business or owns or manages any agency having business dealing with the company
- No employee shall attempt to bring any outside influence to further his interests in respect of matters pertaining to his service in the company
- Absence from duty or overstaying leave for more than 7 days will be deemed to have voluntarily abandoned service and will be liable for termination of employment without any further reference to him. However, the company reserves the right to recover the amount in lieu of notice period, in case of voluntary abandonment of service. Employees shall support the management in adjusting the manpower and re-shuffling the workload and work allotment for increased efficiency and productivity
- There shall be no discrimination or harassment against any person on the grounds of race, color, religion, disability, age, sex or marital status
- Any discriminatory action against full time employees, contractual employees, clients or vendors shall be met with disciplinary action.
- Employee shall not involve in unfair trade practices and misuse the competition laws of India.

2.4 **Communicating with the Public, Media and the Investors**

In order to protect the reputation of MCL, it is important that Employee shall restraint from communicating to Media sources without prior written permission of HOD or Directors. If at all, Employee is required to communicate, he / she shall communicate accurately and consistently with the external audiences including media, investors and Employees of the general public. With the rise of social media and social networking sites, it is important to understand that any information shared, becomes public. Employees should be cautious when discussing company matters in public forums or with anyone outside of the Company. As discussed elsewhere in the Code, employees should never share confidential information with outsiders unless authorized to do so. Information should be shared with media, public forums or social networking sites only by personnel who are duly authorized to do so by the MCL.



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2.5 Use of the MCL Brand / Trademark

The use of the Company name and trademark shall be governed by manuals, Codes and agreements to be issued by MCL. No employee, third party or joint venture shall use the MCL brand to further its interests without specific authorization.

2.6 Whistle blower protection and Vigil Mechanism

Every director/employee/ stakeholder of MCL should promptly report to the Vigilance Officer or the Chairman of the Audit Committee, as the case may be, when she / he becomes aware of any actual or possible violation of the Code or a violation of applicable law, event of misconduct, manipulation, negligence causing danger to public health and safety or act of misdemeanor or act not in the Company's interest. Such reporting is made available to suppliers and partners, too. Any director, employee or stakeholder of MCL can choose to make a protected disclosure under the whistle blower policy and vigil mechanism of the Company. Such a protected disclosure shall be dealt with in the manner contemplated under the Company's Vigil Mechanism/ Whistle Blower Policy. For further details and provisions, employees are advised to refer to the Company's Vigil Mechanism / Whistle Blower Policy as uploaded on the website of the Company.

The complainant must act in good faith and have reasonable grounds to believe that the said violation has taken place. Attempts to use this Code as a tool for victimization with malafide intention shall be met with disciplinary proceedings.

2.7 Ethical conduct

MCL is committed to upholding the highest legal and ethical standards, regardless of when and where the business is conducted. This Code lays down the basic guidelines which assist the Employees and Directors to make good business decisions on behalf of the Company. The Employees and Directors must conduct themselves in a manner that is fair and transparent and be perceived to be so by third parties.

Every Employee of MCL shall preserve the human rights of every individual and the community, and shall strive to honour commitments.

However, no set of guidelines can anticipate every question or concern and hence each Employee is expected to use good judgment and seek assistance whenever required.



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Every Employee shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of employment.

3. Penalties

3.1 The following penalties may be imposed on an employee for any misconduct committed by him. The penalties shall be decided by the JMD/Head HR.

3.2 Minor Penalty

- Verbal Warning
- Warning Letter
- Censure
- Holding monthly salary
- Recovery of the whole or part of the monetary loss caused to the company by negligence or breach of orders from the salary or any amount due to the employee.
- Suspension from duty without pay up to a maximum of 3 days.

3.3 Major Penalty

- Reduction of salary
- Demotion in grade and designation
- Holding/ Reduction of annual increment/ performance pay.
- Dismissal or termination of services

3.4 Departmental Enquiries

Any Employee violating / breaching the Policy of the Company or engage in any Misconduct shall be show caused to appear before the Disciplinary Committee at Head Office in Ahmedabad. In case the Employee fails to appear or fails to file its defense within the stipulated period provided in show cause notice shall be terminated with no further notice.

Presently Disciplinary Committee consists of HOD – HR and HOD – Internal Auditor. The Board of Directors may at their discretion can revise the constitution of the Disciplinary Committee.



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3.5 REVIEW AND MODIFICATIONS

This Code of Business Conduct & Ethics may be reviewed, modified by the Company's Audit Committee/Board of Directors as and when required or deemed necessary.

3.6 COMPLIANCE WITH LAW

Directors and Employees of the Company must respect and comply with all laws, rules and regulations of India and other countries in which the Company conducts its business. They should strive to keep themselves updated in relation to laws/statutory compliances applicable to their scope of work.