HBL POLICIES

[Adopted by the Board of Directors on February 07, 2024]

POLICY	Page No.
Board Diversity Policy	**02**
Enterprise Risk Management Policy	**04**
Environment, Social and Governance Policy	**14**
Familiarization Programme for Independent Director	**20**
Policy for Preservation of Documents	**22**
Succession Policy	**24**
Vigil Mechanism (Whistle Blower) Policy	**26**

Board Diversity Policy

[Adopted by the Board on February 07, 2024]

This Board Diversity Policy (the "**Policy**"), which is in terms of Schedule II Part D (A)(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**SEBI Listing Regulations**"), sets out the approach to diversity on the Board of Directors ("**the Board**") of HBL Power Systems Limited (the "**Company or HBL**"). The basic essence of the Policy is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business.

SCOPE OF APPLICATION:

The policy applies to the Board of Director of the Company.

POLICY STATEMENT:

The Company believes that Board appointments should be based on merit and from the diverse which includes fields such as accounts, management, legal, technical and finance that complements and expands the skills, experience and expertise of the Board considering knowledge, professional experience and qualifications, gender, age, cultural and educational background, and such factors to review and guide 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 function effectively.

HBL believes that a diverse Board will contribute to the achievement of its strategic and commercial objectives, including to:

1. Drive business results;
2. Make corporate governance more effective;
3. Enhance quality and responsible decision making capabilities;
4. Ensure sustainable development; and
5. Enhance the reputation of the Company.

COMPOSITION OF THE BOARD:

EXECUTIVE AND NON-EXECUTIVE DIRECTORS:

The Board of Directors shall have optimum combination of executive and non-executive Directors. Not less than 50% of the directors on the Board shall be Non-executive Directors.

INDEPENDENT DIRECTORS:

If the Chairman of the Board is non-executive director, non-promoter and is not related to the promoters or person occupying management positions at the Board level or at one level below the Board, at least one-third of the Board should comprise of Independent Directors.

In any other case, at least 50% of the directors on the Board shall be Independent Directors. An Independent director shall hold office for a term of up to five consecutive years on the Board of a Company, but can be appointed as Independent director for second term of five consecutive years with the approval of shareholders obtained by way of special resolution.

No Independent director shall be appointed for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.
For the purpose of this policy, Independent Director means the Independent Director as defined in regulation 16 (b) of the SEBI Listing Regulations.

WOMAN DIRECTOR:

Subject to the provisions of the applicable laws from time to time, the Board of Directors of the Company shall

comprise of at least two woman director.

DISCLOSURES

The Board's composition (including gender, ethnicity, age etc.) will be disclosed in the Annual Report.

EXPERIENCE AND EXPERTISE:

(a) The Board shall have optimum combination of directors having experience in various fields.
(b) The Board should comprise of at least one director having experience in the relevant Industry.
(c) The Board should have at least one director having financial/ accounting expertise.
(d) The Board should have at least one director having reasonable knowledge in the administration.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

PROCESS FOR IDENTIFYING THE SUITABLE PERSON

The Nomination and Remuneration Committee of the Board ("**Committee**") will review and assess the composition and performance of the board, as well as identifying suitable qualified persons to occupy Board positions.

In identifying suitable candidates for appointment to the Board, the Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, child birth or related conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a board member.

The Committee shall also review the Board composition in terms of the size of the Board, the composition of executive and non-executive directors and the composition of independent directors, each of which shall be in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013, SEBI Listing Regulations and other statutory / regulatory requirements.

AMENDMENTS AND UPDATIONS

The Nomination and Remuneration Committee will review the Policy on periodic basis and recommend revisions to the Board for consideration and approval

INTERPRETATION

Any words used in this policy but not defined herein shall have the same meaning ascribed to it in the Articles of Association of the Company and /or the Companies Act, 2013 or Rules made thereunder. In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee and the decision of the Committee in such cases shall be final.

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Enterprise Risk Management Policy

[Adopted by the Board on February 07, 2024]

Section A - Purpose and Scope

Purpose

The purpose of the Enterprise Risk Management policy (ERM Policy) is to provide guidance regarding the management of risk to support the achievement of business objectives and comply with applicable regulations. The policy enables a pro-active approach in identifying, evaluating, reporting and managing risks associated with the business. In order to achieve the key business objectives, the policy establishes a structured and comprehensive approach to identify, mitigate and manage risk related issues.
The broad objectives of the ERM Policy are:

- To enable visibility and oversight to HBL Board on risk management system and material risk exposures of the company.
- To ensure all risks across the organisation are identified, evaluated and consolidated through standardized process to identify and prioritise the key and material risks to the organisation
- To ensure mitigation plans for key and material risk are agreed upon, assigned to risk owners and reviewed on a periodic basis.
- To ensure and enable transparency in risk management activities those are reported to internal & external stakeholders appropriately.
- To ensure that risk governance structure is aligned with organisational structure and risk profile of the company with well-defined and delineated roles, responsibility and delegation of authority.
- To enable compliance to appropriate regulations, wherever applicable, through the adoption of leading practices.

Scope

This policy forms part of the HBL's governance framework. Scope of the policy shall cover:

- All businesses of HBL
- All material subsidiaries of HBL
- All functions and locations of the Company
- All events, both external and internal which shall have significant impact on the business objectives of the organization.

Revision

This policy shall be reviewed at least once in every 2 years or at frequency defined by the applicable regulations or as decided by the risk management committee to assess need for any revision or update.

Section B – Context

Making sure the Company meets its business and statutory requirements

Multiplicity and interconnectivity of risks has given rise to a persistent and disruptive volatility in business operations. Given the integrated nature of operations in a globalised era, risks faced by organisations are intertwined, regardless of their location or source.

Uncertainties arising from recent developments, especially events like the COVID-19 pandemic, has aggravated the level of risk exposure to organisations. Governments and regulatory bodies across the world have responded to this challenge by reinforcing risk management as a critical paradigm of business governance.

The foundation of the risk management process for listed companies in India was laid down by Clause 49 of the listing agreement which assigned responsibilities related to this on the Company and the Board. The importance of risk management is further increased by the amendment in the SEBI LODR in May'21 for listed Companies. Some of these are detailed below:

a. **The Companies Act, 2013:** Provisions of the Section 134(3) requires a report by its Board of Directors indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company to be attached to financial statements laid before a company in general meeting. Further, it enhances role of audit committee to include evaluation of internal financial controls and risk management systems.

b. **Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021:** Per amendment dated 5th May 2021, the regulator has laid down additional requirements and emphasised the need of holistic risk management to improve corporate governance standards of listed companies in India. Schedule V (Para C, 5A) requires listed companies to disclose the following about risk management committee (RMC) in the annual report:

    - Brief description of terms of reference
    - Composition, name of members and chairperson
    - Meetings and attendance during the year

As part of the robust governance framework, the Company had established and rolled out the risk management policy. In view of the recent amendment in SEBI LODR, the existing risk management policy has been revised to further strengthen its focus on risks management at enterprises level.

HBL's Risk Management Policy

The Company aims to develop appropriate organisation capabilities in risk management so as to ensure a consistent, efficient, and effective assessment of risks in the achievement of the company objectives. The Company views risk management as integral to its objective of successful execution of its strategies. Risk management requires the consideration of the risk and reward relationship in the management of all activities.

This manual has been developed to provide guidance on how we can implement a risk management process for our business. It should be understood that risk management is not a new and separate task that needs to be performed. Risk is part of each business process and activity, but we now need to formally manage our risks using a consistent approach across all aspects of our business.

The critical elements of the risk management policy are as follows:

- **Risk Management Framework**
  - Risk Management Structure… ..... *(refer Section C)*
  - Risk Management Process ..... *(refer Section D)*
  - Risk Reporting ..... *(refer Section E)*
- **Enterprise Risk Register**..... *(refer Appendix I)*
- **Business Continuity Plan (BCP)** ..... *(refer Appendix II)*

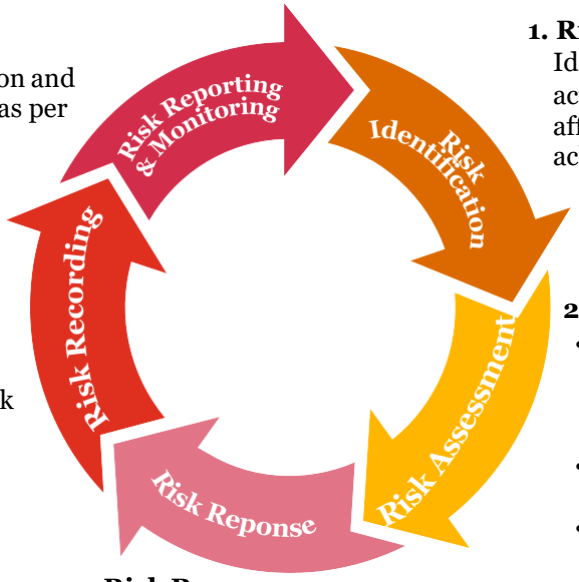
Risk Management Framework

Risk Management process of the Company consists of systematic steps of identifying, assessing and mitigating risks. The Risk Management process is intended to improve management of risks by:

- Introducing specific methodology and practices, in particular a regular and systematic risk analysis,
- The use of a common language and criteria, and
- The systematic implementation of action plans where risks are considered to be too high

The risk management process can be represented in a systematic 5-step process:

5. Risk Reporting
Aggregate risk information and share with stakeholders as per governance structure



1. Risk Identification
Identification of potential events or actions, the occurrence of which will affect an organization's ability to achieve its business objectives

2. Risk Assessment
- Involves quantification of the impact of risks to determine potential severity, probability and velocity.
- Measures the relative importance of each risk
- Enables decision making and allocation of resources in line with organizational priorities

4. Risk Recording
- Risks are recorded in Risk Register which acts as repository
- Ensure all categories of organizational risks are captured

3. Risk Response
- Determine actions to mitigate risks
- Assign accountabilities
- Determine monitoring activities and metrics

Section C - Risk Management Structure, Roles and Responsibilities

Risk Management Structure, Roles and Responsibilities

Development of a formal risk management structure helps ensure that person responsible understand their responsibilities and are accountable with regard to risk management.

The Risk Management structure adopted by the Company is as follows:



** Presently, Chief Financial Officer is appointed as the Risk Coordinator. He shall be responsible to coordinate and support ROC.*

Roles and Responsibilities

Risk Management Committee (RMC):

The composition and quorum of the RMC shall be governed by the applicable regulation. In line with the current regulation (SEBI LODR), the Company has constituted a 5 member committee with independent directors and Executive Director. Their responsibilities includes:

- Formulate and approve detailed Risk Management Policy
- Ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with business of the company
- Monitor & oversee implementation of the risk management policy, including evaluation of the adequacy of risk management systems
- Monitor company's risk appetite and strategy relating to key risks
- Keep the board of directors informed about nature & content of RMC discussions & recommendations, as well as the actions to be taken
- Half yearly review of risk management process
- Periodic review of risk management policy (atleast once in 2 years)

RMC has powers to seek information from any employee, obtain outside legal or other professional advice, and secure attendance of outsiders with relevant expertise, if required. Audit committee has additional oversight in the area of financial risks and controls

Risk Oversight Committee (ROC): The ROC is an internal committee comprising of Finance, operation and Marketing. ROC shall work towards establishing and implementation of risk management process effectively in the company. Further, ROC shall nominate additional members for ROC meetings as and when the requirement for more departments' representation arises.

Their responsibilities include:

- Communicate the importance of risk management and foster a risk culture within the organisation
- Manage the establishment and ongoing maintenance of risk management policy
- Review and assess the current & planned approach to manage key business risks
- Induct holistic enterprise view to risk management process and ensure inter department dependencies are addressed.
- Approve appointment of risk owners – Ensure approved risk owners are adequately senior in organizatin hierarchy to undertake the responsibilities for this role
- Ensure risk owners are discharging their responsibilites w.r.t. identification, assessment and reporting of relevant risks for respective functions or areas on a regular basis
- Assess ratings of identified enterprise risks and priortize them for its presentation to the RMC

- Assess and evaluate the key risks anticipated and associated mitigation measures for the organization and suggest new mitigation measures as necessary
- Ensure that effective risk mitigation plans are in place and the results are evaluated and acted upon
- Acts as custodian of Risk register and coordinate with Risk Owners for its periodic update
- Provide periodic update on risk management process to the RMC
- Approve risks and mitigation measures identified by risk owners

Risk Owner(s):

Risk Owners shall be the Heads of respective functions or personnel nominated by functional heads and approved by the ROC on time to time basis depending on the organisational structure and business imperatives so as to ensure that all critical and significant enterprise risks are captured while identifying, assessing and managing risks. He / she will be responsible for identification of risks emerging from these decisions, ensuring discussions on these risks and measures for mitigation of these risks in this meeting.

Their responsibilities include:

- Ensure that risks for their respective functions / departments are identified.
- Ensuring that the risk assessment is done as per the risk assessment framework
- Ensure risk mitigating plans are mapped against identified risks
- Reporting risks along with assessment and mitigation on half yearly basis to the ROC ahead of RMC updates
- Participate and contribute in periodic ROC meetings
- Facilitate implementation of risk mitigation plans approved and other inputs provided by the ROC and RMC.

Section D - Risk Management Process

Identify Risks

Risk identification is a continuous process by which management and staff identify risks, from the strategic level to day-to-day operational level and vice versa.

It involves determining risks that could potentially prevent the organization from achieving its objectives. It includes documenting and communicating the concern. External and internal risk factors that could potentially affect performance vis-à-vis the stated objectives are identified through various forums such as:

- Workshops, / Interviews / Surveys,
- Desktop research,
- Business review meetings, etc.

The Company conducts periodic workshops with all functional heads to identify any emerging internal or external risks applicable to the Company. In line with the SEBI LODR, the Company shall classify all applicable enterprise risks for the Company in below stated broad categories:

Risk Classification	Risk drivers	Indicative Risk Factors
Sectoral Risks	Key sectoral risks applicable to all entities in the sector	Geographic concentrations in Lithium, Cobalt, and nickel markets.
		Geopolitical disruption
		Absolute Technology
		Intellectual property
Operational Risks	Inadequate or failed processes or people capabilities	Supply chain disruptions
		Competition Intensity
		Customer satisfaction
		Talent retention including leadership
		Inadequate BCP / DR procedures
Financial Risks	Related to Financing / financial transactions	Credit risk
		Liquidity risk
		Forex fluctuations

Risk Classification	Risk drivers	Indicative Risk Factors
		Equity risk
Information	Possible information / data leakage, misuse or loss	Information security
		Data leakage
Cyber security	Cyber threats / frauds	Phishing attacks
		Cyber threats
		Technology breakdowns
Sustainability (ESG)	Related to environment, social and governance	Climate change
		Labor welfare
		E-Waste Compliance
		Regulatory Compliance
Others	Risks not covered above and any other risks determined by the RMC	

Since risk identification is a continuous process, management is encouraged to identify and report significant risks that may exist or likely to occur.

Assess Risks

Once risks have been identified, risks should be evaluated to determine which are of an unacceptable nature and which should be targeted for mitigation. In order to do this, risks must be prioritised by evaluating the potential impact on business objectives if a risk were to materialise, together with the likelihood of occurrence.

Risks should be assessed by evaluating the uncertainty of events or conditions in terms of:

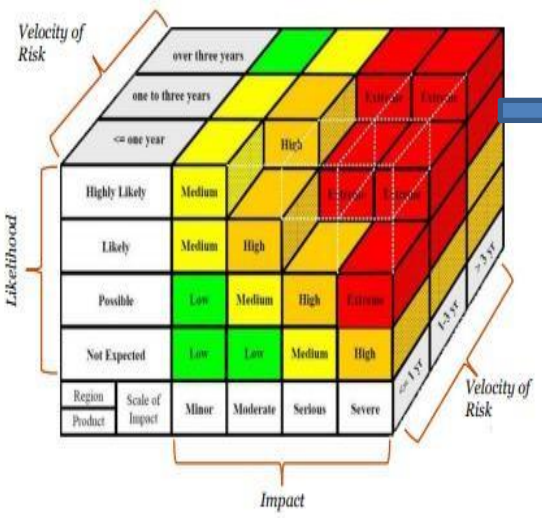
- Potential ***impact*** if it does occur
- ***Likelihood*** of a risk occurring
- ***Velocity*** *speed at which risk might impact the organization*

The parameters for impact and likelihood laid down by the Company for the purpose of risk assessment are as follows:

Risk Exposure (using the rating scale)

The risk exposure determines what risks are reported at the Senior Management level including Risk Management committee. For the Company, 5x5 rating scale is suggested to capture management's assessment of the Impact of a risk, potential likelihood and velocity of the risk.

Impact, Likelihood and Velocity – the probability of risk occurring and speed at which it happens along with severity of impact if a



Risk Exposure denotes significance of risk and is measured using risk score. Risk Score= impact * likelihood * velocity

Critical (100-125)	Critical risk exposure which requires continuous attention and immediate response from management and needs to be reported to Board on periodic basis
Major (48-99)	Very high level of risk exposure which requires continuous attention and immediate response from management and needs to be reported to Board on a quarterly basis
Moderate (10-47)	Acceptable level of risk exposure which requires regular active monitoring and measures to be put in place to reduce exposure
Minor (1-9)	Acceptable level of risk exposure which requires regular passive monitoring measures

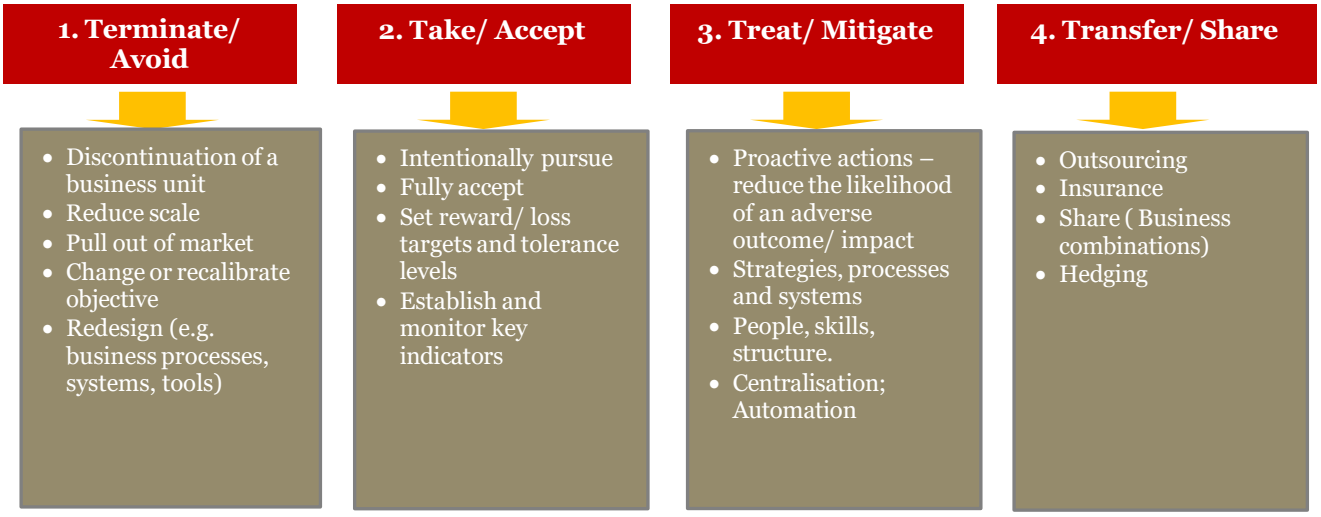
Risk Response

Management should identify risk response options and consider their effect on likelihood and impact, with the intent of bringing the risk exposure within acceptable limits. In many cases, management may also need to consider cost-benefit analysis before designing the risk responses.
Scientifically, each risk response could be categorized into 4Ts – Termination, Treatment, Transfer or Take – also called the **4T's risk strategies**.

Risk response categories can be summarised as follows:

Category	Risk Responses
Termination/ Avoid	Actions to exit the activity that causes the risk. For example, risks classified with High Impact as well as High Likelihood could be handled in this manner.
Take/ Accept	Take no action to affect likelihood and impact; accept and live with the risk exposure. For example, risks classified with Low Impact and Low Likelihood could be handled in this manner.
Treat/ Reduce	Actions to reduce the risk exposure by reducing the likelihood, impact, or both
Transfer/ Share	Actions to reduce the likelihood or impact by transfer the full or portion of the risk

Examples of the 4Ts are:



Monitoring/ Reporting

Monitoring is a process that assesses both the presence and functioning of Risk Management Process. As the risk exposure of the company may undergo change from time to time due to continuously changing environment, the risks with their mitigation measures shall be updated on a regular basis.

Monitoring activities provide a basis for learning, corrective action, and improvements. Few examples of monitoring activities are:

- Surveys / benchmarking
- Incident investigation and reporting
- ROC periodic meetings

Key aspects in monitoring are:

- Awareness and understanding of the process within the Company
- Assessment of the quality and appropriateness of risk responses and control activities
- Implementation of mitigation plans

Monitoring is performed at multiple levels to ensures that risk management continues to be applied within the Company.

A. **Risk Owners:** Risk Owners shall be first person responsible for monitoring risks related to their function or span or specially assigned to them. Risk owners shall review and report the status of risks and mitigation plan actions to the Risk Oversight Committee (ROC) on periodic basis.

B. **Risk Oversight Committee (ROC):**

- **Enterprise Risks:** ROC shall meet and discuss enterprise risks at least on a semi-annual basis. The objectives of these meetings shall be as follows:

  - Identify any new enterprise risks that may have emerged
  - Assess significant change in risk rating of identified enterprise risks (impact or probability)
  - Measures undertaken by the company to mitigate identified business risks
  - Review status of implementation of mitigation plans
  - Establishing whether actions have been completed or are on target for completion

  The results of the exercise should be communicated on half yearly basis or at earlier frequency defined by the applicable regulation to the Risk Management Committee (RMC) of the Company.

- **Risk Management Framework:** The ROC shall review the existing risk management framework and policy at least once in two years to consider the changing industry dynamics and evolving complexity. This review may be conducted by in-house team or through an outsourced agency to assess the design and operating effectiveness of risk management framework set up by the Company.

Section E - Risk Reporting

Risk Management Reporting

The Company shall internally review its risk profile periodically, which will be presented to the Risk Management Committee in such a manner that on a continuous basis, not more than 180 days shall elapse between any two consecutive meetings. The objective of the periodic review will be to assess the movement in existing risks and identification of any new/ emerging risks.

Under this process, the following steps shall be performed:

- Risk Coordinator shall present the updated risk register to the ROC wherein the identified risks shall be deliberated upon. ROC shall take stock of the previous risks and provide necessary guidance on the mitigation of new risks.
- Basis the results of the ROC meeting, Risk coordinator shall update the risk register and prepare the risk profile.
- The updated risk profile shall be presented to the Risk Management Committee for their review and inputs.

Section F - Embedding Risk Management

Process

Successfully embedding Risk Management process into our governance and working practices is vital to the overall effectiveness of this policy. It requires us to consider actively the ways in which we act, behave and articulate risk so that we ensure that Risk Management process becomes a core element of our culture. Embedding risk leads to a desired risk culture. A strong risk culture that evolves to accommodate the structures, responsibilities and processes described in this document is essential so that the risks identified do not result in financial or reputational loss to the Company.

Successfully embedding the Risk management process requires the right People, Processes, Technology and Culture. The embedding of Risk Management process is formulated in a number of business processes, behaviours, and actions within the Company. Some of the factors involved in embedding risk management are as follows:

- **Clearly documented & easily understandable framework**. The Policy should provide clarity in terms of the following:

  What has to be done
  Who has to do it
  How it has to be done
  What Frequency

- **Risk management objectives are considered** while setting the Corporate and business strategies of the organisation.
- **Assignment of responsibilities** and accountability to relevant stakeholders.
- **Defined Monitoring framework**. A successful Risk Management Process involves regular monitoring by senior level management.
- **Equip people with right tools**. Automation should be used as much as possible.
- **Impart awareness & training** to employees of the organisation. There are three steps involved in the process
  - One time training to all concerned employees to better understand the steps involved in the risk management process
  - Risk management training should be provided to Board of Directors before induction to the Board
  - Executing annual training programmes to all concerned employees on importance of risk management and risk processes in operation
- **Communication** of clear, consistent, and appropriate risk and compliance messages.

Section G - Appendix

Appendix I: Enterprise Risk Register

Following template shall be used to periodically update the risk register basis inputs received from the ROC and presented to the RMC at frequency defined by the applicable regulations.

Appendix II: Business Continuity Plan (BCP)

A business continuity plan (BCP) is a document that outlines how a business will continue operating during an unplanned disruption in service. It's more comprehensive than a disaster recovery plan and contains contingencies for business processes, assets, human resources, and business partners – every aspect of the business that might be affected.

The Company is in the process of formally documenting Business Continuity Plan (BCP) for critical business functions and the finalized document shall form part of this policy.

Others

Risk Management Concepts

What is Risk?

Risk(s) is/are any uncertain future event(s) that might prevent the Company from achieving its business objectives. Employees commonly use the word 'Risk' but are often unclear on what they exactly mean by that. Therefore, the starting point for achieving a common approach to managing risk it to have a common understanding of the term 'Risk'.

Nature of Risk: Risk can be thought of in three distinct senses:

Hazard	The threat of **BAD** things happening	• Natural disasters like earthquake at printing facilities • Business interruptions due to IT disaster
Uncertainty	The possibility that actual results **WILL NOT MEASURE UP** to their anticipated expectations.	• Economic growth rates • Irrational competitive behaviour • Changing customer wants
Opportunity	The chance of **GOOD** things not happening. Or the **EXPLOITATION** of identified **OPPORTUNITIES** in the marketplace that will deliver an effective competitive advantage and increase *shareholder* value.	• New and growing geographical areas • New Technologies

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Environment, Social and Governance Policy

[Adopted by the Board on February 07, 2024]

Objective and scope

In view of the requirements of Securities and Exchange Board of India (SEBI) for Business Responsibility and Sustainability Report ("BRSR"), **HBL Power Systems Ltd (HBL)** has formulated the Business Responsibility and Sustainability Policy ("Policy"). The Policy is based on nine principles enunciated in the National Guidelines on Responsible Business Conduct (NGRBC) by the Ministry of Corporate Affairs (MCA). The main objective of the Policy is to align and ensure adherence of all business activities in line with each principle's core NGRBC requirements. HBL Power Systems Ltd recognizes that its current policies adequately meet the requirements of the NGRBC principles. However, the company has developed this new Policy to ensure a more comprehensive approach to addressing the core requirements. By periodically reviewing and enhancing its company-level policies, HBL aims to strengthen its commitment to the Business Responsibility and Sustainability Report (BRSR).

Business Responsibility and Sustainability Report Framework

HBL Power Systems Ltd has adopted the following 9 principles of the BRSR framework as per the SEBI guidelines

Principle 1 Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable	**Principle 2** Businesses should provide goods and services in a manner that is sustainable and safe	**Principle 3** Businesses should respect and promote the wellbeing of all employees, including those in their value chain
Principle 4 Businesses should respect the interests of and be responsive to all its stakeholders	**Principle 5** Businesses should respect and promote human rights	**Principle 6** Business should respect and make efforts to protect and restore the environment
Principle 7 Business, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	**Principle 8** Businesses should promote inclusive growth and equitable development	**Principle 9** Businesses should engage with and provide value to their consumers in a responsible manner

Mapping of existing policies with NGRBC principles

The following table illustrates HBL's existing policies that already address requirements of BRSR (NGRBC guided) principles, and such policies have been operational for some duration already.

BRSR Principle Description	HBL Policies
P1- Businesses should conduct and govern themselves with integrity, and in an Ethical, Transparent and Accountable way.	Code of Ethics
	Investors grievance redressal policy
	Code of conduct for Directors and Senior Management
	Whistle blower policy
P2 - Businesses should provide goods and services in a manner that is sustainable and safe	Vendor Code of Conduct
P3 - Businesses should respect and promote the well-being of all	Code of Ethics

employees, including those in their value chains	Prohibition of child labour (Internal)
	Policy on Prevention of Sexual Harassment at Workplace
	HR Mandate (Internal)
P4 - Businesses should respect the interests of and be responsive to all its stakeholders	Code of Fair Practices & Disclosure
	Code of Ethics
	Whistle blower policy
	Policy on Related party transactions
P5 - Businesses should respect and promote human rights	Policy on Prevention of Sexual Harassment at Workplace
	Whistle blower policy
	Code of Ethics
	Equal opportunity of employment (Internal)
	Prohibition of child labour (Internal)
P6 - Businesses should respect and make efforts to protect and restore the environment	EHS Policy (Internal)
	Code of Ethics
	CSR Policy
P7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	Code of Ethics
P8 -Businesses should promote inclusive growth and equitable development	CSR Policy
	Code of Ethics
	HR Mandate (Internal)
P9 -Businesses should engage with and provide value to their consumers in a responsible manner	Code of Ethics

Principle 1: Business ethics, transparency, and accountability

Philosophy

HBL focuses on the essence of the Principle by being transparent in its disclosures. The Company consists of a strong grievance redressal mechanism used to redress any complaint related to unethical behavior received from stakeholders.

Our Policy

- HBL maintains consistency in its values, means and actions in conducting its business.
- All members of the organization are expected to uphold integrity and demonstrate leadership by adhering to the provisions outlined in the Code of Business Conduct, the company's policies and all relevant laws and regulations.
- Adherence to the Code, company's policies, applicable laws and regulations is a condition of employment, engagement, and retention of all personnel.
- To ensure transparency and accountability, the company has established a secure mechanism that allows stakeholders to report any unethical or improper practices within the organization. This mechanism enables stakeholders to disclose such incidents, which are then appropriately addressed and reported.
- The Company operates with a strong commitment to ethical practices and ensures fair competition by strictly prohibiting any actions that are anticompetitive or violate relevant competition or anti-trust laws.
- Our Employees cannot solicit, encourage or actually receive any bribe or other payment, contribution, gift or favour that could influence our or another's decision.
- We comply with all laws that prohibit money laundering which involves disguising funds derived from criminal or illegitimate activities.

Principle 2: Product responsibility and sustainability

Philosophy

The organization focuses on reviewing the supplier's base on parameters such as environmental regulations, labour laws, and health & safety parameters. The Vendor Code outlines the same. Keeping in mind the compliances such as EPR, the organization has started streamlining its waste management efforts.

Our Policy

- HBL strives to maintain the highest standards in all our products and processes.
- The Company remains committed to sustainable development and maintains high standards of health and safety at the workplace and is sensitive to protection of the environment at large by responsible management of waste.
- The Company carries out its operations in a manner that does not cause any adverse harm to the people or damage to the environment or the communities in and around its workplaces. The Company complies with applicable laws and regulations with respect to the Environment, Health & Safety.
- The Company implements effective practices to manage water resources, handle waste responsibly, mitigate climate change, and protect biodiversity and ecosystems. Additionally, the Company maintains open communication with all stakeholders, including suppliers, to enhance environmental, health, and safety performance.
- The Company integrates investments in procuring new equipment for pollution control, harnessing solar energy and resource efficient practices in its manufacturing operations.
- HBL Vendor Code of Conduct accentuates its vision and expresses expectation from its Supplier(s), to adhere when conducting business. All Suppliers are expected to conduct their business in an ethical manner and act with integrity.

Principle 3: Employee wellbeing

Philosophy

HBL focuses on the well-being of the employee and provides benefits, providing equal opportunity to all its employees. Training and upskilling programs are rolled out for all employees and workers with a strong data tracking mechanism. HBL has a stringent Health and safety system which is ISO certified.

Our Policy

- The Company is committed to fostering a supportive work environment that enables employees to thrive and achieve their full potential in both their professional and personal growth. We prioritize creating a conducive atmosphere where employees feel valued, motivated, and empowered to excel.
- The Company encourages continuous skill upgradation of everyone employed within the organization by providing access to necessary learning opportunities and promoting career development.
- The Company is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in the operations of the company and prohibits unlawful discrimination by any employee of the Company, including supervisors and co-workers.
- Everyone is entitled to human rights without discrimination. We respect all employment and immigration laws and do not allow engagement of any form of forced labour and child labour.
- HBL is committed to a workplace free of harassment, including sexual harassment at the workplace, and has zero tolerance for any such conduct.
- The Company places a high priority on ensuring a safe and healthy work environment for all employees. Each person is entrusted with maintaining workplace safety by adhering to safety rules and practices.

Principle 4: Stakeholder engagement and inclusiveness

Philosophy

At HBL, we understand the interdependent nature of our relationship with stakeholders and engage with them regularly. This ongoing engagement allows us to continuously address their concerns and priorities within the dynamic regulatory and Environment, Social, and Governance (ESG) framework.

Our Policy

- In accordance with legislative recommendations, the Company continuously works to communicate and disclose material information to its stakeholders.
- In addition to the legislative requirements, the company ensures appropriate communication with stakeholders like customers, vendors and communities.
- The Company strives to promptly disclose to the public any unpublished price sensitive information(s) that may affect price discovery, as soon as verifiable and credible information is developed.
- The Company offers stakeholders a secure channel via which they can report any unethical or improper behavior occurring inside the Company and request that the relevant measures be taken.
- The Company's Risk Management Framework establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

Principle 5: Human Rights

Philosophy

As a responsible company, we have integrated the principles and norms of Human Rights into our business practices to safeguard the interests of our employees, workers, and value chain partners. We are committed to upholding and complying with all relevant policies and regulations pertaining to Human Rights.

Our Policy

- The Company demonstrates a strong commitment to upholding Human Rights principles both internally and throughout its value chain.
- The Company prohibits unlawful discrimination based on race, colour, creed, gender, age, nationality, marital status, national origin or ancestry, physical or mental disability, medical condition including genetic characteristics, sexual orientation or any other consideration made unlawful by Central, State or local laws.
- HBL does not allow engagement of any form of forced labour and child labour and has an internal policy for the same.
- HBL has an effective whistleblower mechanism enabling employees to communicate their concerns about illegal or unethical practices freely.
- The Company is dedicated to maintaining a work environment that is free from sexual harassment. We prioritize the sensitization of our employees through training programs, fostering awareness and understanding of the importance of preventing and addressing sexual harassment.

Principle 6: Environment

Philosophy

At HBL, we understand the impact of our business activities on the environment and society. Through regular assessments, we identify potential risks and opportunities for improvement. We strategically implement initiatives to reduce our environmental footprint, conserve resources, and drive sustainable progress.

Our Policy

- The Company implements best practices regarding water management, waste management, emissions control, climate change mitigation, and the protection of biodiversity and ecosystems.
- We are committed to maintaining strict adherence to environmental standards and actively monitor and manage our operations to mitigate any potential environmental impacts. By incorporating robust governance and control measures, we aim to ensure that our activities are always conducted in an environmentally responsible manner.

- We recognize the significance of water resources and implement measures to effectively manage and conserve water throughout our operations. Our waste management practices prioritize reduction, reuse, and recycling, ensuring responsible handling and disposal of waste materials.
- We take steps to minimize emissions, including greenhouse gases, and actively contribute to climate change mitigation efforts.
- The Company maintains open and transparent communication channels with all key stakeholders, including suppliers, service providers, contractors, and key business partners, to enhance environmental, health, and safety (EHS) performance.

Principle 7: Responsible advocacy with public and regulatory bodies

Philosophy

At HBL, we uphold the principles and guidelines set forth by regulators and legislative bodies concerning social, environmental, and economic parameters. As a responsible organization, we prioritize ethical conduct and place great importance on equity, integrity, and transparency in all our policy advocacy positions.

Our Policy

- HBL has been associated with certain trade organizations to promote policies and regulations.
- Integrity is at the core of our operations, driving us to consistently uphold high ethical standards in all aspects of our business. We are committed to conducting ourselves honestly, ethically, and responsibly, treating all stakeholders with fairness and respect.

Principle 8: Inclusive growth and equitable development

Philosophy

At HBL, uplifting communities is integral to our business strategy. We aim to co-create a holistic, equitable, and inclusive society, generating long-term value across our activities. We prioritize creating meaningful impact, particularly addressing the needs of vulnerable and marginalized groups. Through targeted initiatives and partnerships, we strive to empower communities and drive sustainable development.

Our Policy

- The Company is committed to minimizing adverse impacts on social, cultural, and economic aspects resulting from our business operations.
- We strive to operate responsibly and sustainably, considering the diverse needs and values of the communities we engage with. By proactively addressing potential negative effects and promoting shared value, we aim to contribute to positive social, cultural, and economic outcomes.
- The Company's CSR programs target local communities, particularly vulnerable groups, providing support and opportunities for development to foster social inclusion and equity.
- The Company receives community grievances and provides timely resolutions.

Principle 9: Consumer welfare

Philosophy

At HBL, we prioritize responsible growth and delivering superior products and services to our valued consumers. We maintain transparent and responsible communication across various aspects including product pricing, quality, and accessibility. Our commitment is to build trust, exceed expectations, and meet the evolving needs of our consumers.

Our Policy

- The Company strictly adheres to ethical and legitimate competition practices and prohibits any actions that are anti-competitive or in violation of applicable competition or anti-trust laws.
- The Company maintains a commitment to transparency and clarity in its offerings. We prioritize timely, factual, and responsible marketing and communication to ensure that our customers receive accurate and reliable information.
- The Company highly values personal privacy and dignity. We treat this information with utmost confidentiality and disclose it only to those with a legitimate need to know.
- The Company guides its customers on the safe and responsible usage of products, including sensitizing them about product quality, safety, and responsible storage and consumption.
- The Company is committed to ongoing engagement with customers, actively recognizing and addressing their concerns responsibly. We consistently strive to maintain open lines of communication and ensure that customer feedback is heard and responded to effectively.

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Familiarization Programme for Independent Director

[Adopted by the Board on February 07, 2024]

PREAMBLE

Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, inter alia requires the company to familiarize the independent directors with the Company, their roles and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes. HBL Power Systems Limited (the "**Company**") at its meeting held on February 07, 2024, has approved and adopted this Familiarization Programme for Independent Directors ("**Familiarization Programme**").

OBJECTIVES

The objective of the Familiarization Programme is to help the independent directors understand the Company, the operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company shall familiarize the independent directors about the Company, including the following:

(a) Nature of the industry in which the Company operates;
(b) Business model of the Company;
(c) Roles, rights, responsibilities of independent directors; and
(d) Any other relevant information.

The Company shall follow a structured orientation and training programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis.

The Program aims to provide insights into the Company to enable the Independent Directors understand their roles, rights and responsibilities and to get updated on the Company' Business & Operations so that they may contribute significantly to the Company.

ORIENTATION PROGRAMME FOR NEW DIRECTORS:

The Company shall conduct an orientation programme for the new independent director, which may include familiarization of director with the following:

1. Roles, rights and responsibilities of the Director and the Board as a whole;
2. Company's vision, core values, ethics and Corporate Governance practices;
3. Board evaluation process and procedures.
4. Business Structure and Overview, Corporate strategy, annual budgets;
5. Familiarization with Company its subsidiaries, joint ventures and associates Business operations, performance, Internal control processes and Statutory Compliances;
6. Visits to the Company's business locations and manufacturing units.
7. Technical sessions by external consultants/ experts outlining the roles, duties and responsibilities of Independent Directors from Companies Act, 2013 and listing Regulations.
8. Code of Business Ethics and Conduct, Insider Trading Code, Fair Disclosure Code and others policies as may be formed by the Company from time to time.
9. Presentation by the business heads about the performance.

ON GOING ORIENTATION

The Company shall also have a regular updation programme for its Independent Directors to help them keep abreast of the regulatory and other changes, as follows:

1. Internal presentations on topics of relevance, changes in the regulatory / tax laws etc.

2. Presentations by external faculties on the topic of relevance
3. Changes in policies of the Company

PROGRAMME AND DISCLOSURE

1. Familiarization Programme will be conducted for new and continuing Independent Directors on "as need" basis during the Year.
2. The details of the Familiarization Programme shall be disclosed on the Company's website i.e. www.hbl.in and a web link thereto shall also be given in the Annual Reports of the Company. Further the number of programmes attended by the independent directors along with the number of hours spent by such independent director in the programmes (during the year and on cumulative basis till date) shall also be disclosed by the Company.

REVIEW AND AMENDMENT:

The Board of Directors will review the Familiarization Programme and make necessary amendments as and when required.

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POLICY FOR PRESERVATION OF DOCUMENTS

[Adopted by the Board on February 07, 2024]

1. PREFACE AND OBJECTIVE

The Board of Directors (the "**Board**") of the HBL Power Systems Limited (the "**Company**") has approved the following policy for preservation of documents in terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("**SEBI Listing Regulations**").

As per Regulation 9 of the SEBI Listing Regulations, the listed entity shall have a policy for preservation of documents, approved by its Board of Directors, classifying them in at least two categories i.e. (a) documents whose preservation shall be permanent in nature; and (b) documents with preservation period of not less than eight years after completion of the relevant transactions. The listed entity may keep such documents in electronic mode. The Policy has been approved by the Board of Directors in its meeting held on February 07, 2024.

2. EFFECTIVE DATE

The Policy shall be effective from the date of approval of the Board.

3. DOCUMENTS TO BE PRESERVED

The responsibility of maintaining the records would be with the concerned Departments/division/product specific/branch/ within the Company. Records will be maintained for the periods stipulated in the concerned legislation/regulations applicable to the Company, after which they may be destroyed in the manner provided in this Policy. Where there is no statutory period prescribed for maintenance, such record shall be preserved for 5 years from the date of its creation.

4. ROLES & RESPONSIBILITY

The Heads of respective Departments of the Company shall be responsible for preservation of the documents in terms of this Policy, in respect of the areas of operations falling under the charge of each of them.

5. DESTRUCTION OF DOCUMENTS

After the expiry of the statutory retention period, the preserved documents may be destroyed in such mode and procedure, if any prescribed under the relevant legislations or under the instructions approved by the Board of Directors in accordance with the law / concerned Functional Director / Business head, as the case may be. This applies to both physical and electronic documents. The documents may be destroyed as follows:

(i) Recycle non-confidential paper records;
(ii) Shred or otherwise render unreadable confidential paper records; or
(iii)Delete or destroy electronically stored data.

Further, where any preserved document is destroyed under the instructions of the Functional Director / Business head, as the case may be, after expiry of the statutory retention period, a declaration, under the signature of the Functional Director / Business head be furnished to the Compliance Officer to effect that the destruction of the documents has been carried out in accordance with the relevant legislation/regulations applicable, as applicable.

6. GENERAL

Notwithstanding anything contained in this Policy, the Company shall ensure compliance with any additional requirements as may be prescribed under any laws/regulations either existing or arising out of any amendment to such laws/regulations or otherwise and applicable to the Company, from time to time.

7. PRESERVATION OF DATA OR DOCUMENTS COVERED UNDER THE PERSONAL DATA PROTECTION ACT

Notwithstanding anything prescribed under any law or legislation with regard to protection of documents in the nature of personal data of any person, the conditions of this policy so far as not in violation of provisions of The Digital Personal Data Protection Act, 2023, as amended from time to time, may be destroyed in accordance with the terms of this policy.

8. AMENDMENT TO THE POLICY

The Board of Directors may, subject to the applicable laws amend any provision(s) or substitute any of the provision(s) of this Policy with new provision(s) or replace this Policy in entirety.

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SUCCESSION POLICY

[Adopted by the Board on February 07, 2024]

A. Introduction

In accordance with the provision of Regulation 17(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, the board of directors (the "**Board**") of HBL Power Systems Limited(the "**Company**") has adopted this policy ("**Succession Policy**") on February 07, 2024 upon the recommendation of the Nomination and Remuneration Committee ('**NRC**'). The Board based on the recommendation of the Nomination and Remuneration Committee may amend this Policy from time to time with respect to matters covered under this Policy or otherwise.

B. Objective

The objective of this Succession Policy is to ensure the orderly identification and selection of new Directors or Senior Management in the event of any vacancy, whether such vacancy exists by reason of an anticipated retirement, an unanticipated departure, the expansion of the size of the Company, or otherwise.

C. Definitions

"**Nomination and Remuneration Committee**" or "**Committee**" means the committee of the Board constituted/ re-constituted under the provisions of the Companies Act, 2013.

"**Board of Directors**" or "**Board**" means the board of directors of the Company, constituted/re-constituted from time to time.

"**Senior Management**" means personnel of the Company who are members of its core management team exclusive Board of Directors. Generally, this would comprise all members of management one level below the executive directors, including all functional heads.

D. Policy

Planning and review: The Nomination and Remuneration Committee shall periodically review and determine if there is reason to believe that one or more Director slots/ Senior Management position shall became vacant within the next twelve months and accordingly report its finding to the Board.

1. Procedure

i) If the Nomination and Remuneration Committee anticipate that a Director /Senior Management position shall become vacant within the next twelve months (whether by reason of an announced intent to retire or otherwise), or if such position suddenly becomes vacant (whether by death or otherwise), the Committee shall as soon as reasonably practicable recommend to the Board, sufficient number of candidates for selection.

ii) While identifying candidates for nomination as Director or Senior Management, the Committee may consult whatever sources it deems appropriate, including, but not limited to, referrals from existing Directors or Senior Management, recommendations from third-party search firms etc.

iii) The Committee shall have the authority to engage whatever advisors (including attorneys and search firms) it believe appropriate in its efforts to identity and evaluation potential candidates.

iv) The Committee shall also periodically review the list of high performer employees within the Company that may be potential candidates for elevation to the position of Senior Management position.

2. Assessment of candidates

The Committee shall make an initial assessment of potential candidates for the vacancy. It shall select

from such pool, candidates for an initial interview by one or more members of the Committee. No candidate shall be recommended to the Board for selection without such candidate having been interviewed by all the members of the Committee. When the Committee identifies individuals that it believes meet the criteria mentioned in the Nomination & Remuneration Policy of the Company, it shall recommend them to the Board for selection.

3. Emergency Succession

If a Director slot/ Senior Management position suddenly becomes vacant by reason of death or other unanticipated occurrence, the Committee shall convene a special meeting as early as possible to implement the process described herein

E. Review and Monitoring

The Nomination and Remuneration Committee shall review and monitor from time to time the implementation of this Policy to ensure its effectiveness and may also recommend changes, if any, to the Board for ensuring effective succession planning.

F. Disclosures

The Company shall disclose this Policy on its website of the Company www.hbl.in/investor and a web link thereto shall be provided in the Annual Report.

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VIGIL MECHANISM (WHISTLE BLOWER) POLICY

[Adopted by the Board on February 07, 2024]

PREAMBLE

HBL Power Systems Limited (the "**Company**") is committed to adhere to the highest standards of professionalism, honesty, integrity, ethical, moral and legal principles for the purpose of ensuring efficiency in the conduct of its business operations in a fair and transparent manner. The Company has adopted the Code of Conduct for Directors and Senior Management ("**Code of Conduct**") which lays down the general principles and standards that should govern the actions of the Company and its Employees and lays emphasis on adoption of the highest standards of personal ethics, integrity, confidentiality and discipline in dealing with matters relating to the Company. Any actual or potential violation of the Code of Conduct would be a matter of concern for the Company. The role of the Employees in pointing out such violations of the ethical behavior cannot be undermined. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

PRELIMINARY

Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("**SEBI Listing Regulations**"), *inter-alia*, requires all listed companies to establish a vigil mechanism/whistle blower policy for Directors and Employees to report to the management genuine concerns, instances of Unethical behavior, actual or suspected fraud, transgression of legal or regulatory requirements or violation of the Company's code of conduct.

Pursuant to Section 177 (9) of the Companies Act, 2013, it is obligatory for listed companies to establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as prescribed vide the Rules framed thereunder. Further, Section 177 (10) of the Companies Act, 2013 provides that the Vigil Mechanism under sub-section (9) shall provide for adequate safeguards against victimization of Director(s) or Employee(s) or any other person who use such mechanism and make provisions for direct access to the Chairperson of the audit committee in appropriate or exceptional cases.

POLICY

In compliance of the above requirements, HBL Power Systems Limited , being a Public Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy (the "**Policy**") in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

POLICY OBJECTIVES

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and Employees of the Company to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its Employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and Employees or any other person who avail of the mechanism and also provide for direct access to the Executive Director and in the event of failure of or no redressal from the Executive Director, Chairperson of the Audit Committee in appropriate or exceptional cases.

This neither releases Employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

DEFINITIONS

"Audit Committee" means the Audit Committee of the Board which as on date complies with the provisions of Section 177 of the Act read with applicable Rules and Regulation 18 of the SEBI Listing Regulations.

"Chairperson" means Chairperson of the Audit Committee of the Board.

"**Protected Disclosure"** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title "SCOPE OF THE POLICY" with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

"Subject" means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

"Vigilance Officer/Vigilance Committee or Committee" is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

"Mr. MSS Srinath" President of the Company shall be the Vigilance Officer for the purpose.

"Whistle Blower" is a Director or Employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

SCOPE OF THE POLICY

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority.
2. Breach of the Company's Code of Conduct.
3. Breach of Business Integrity and Ethics.
4. Breach of terms and conditions of employment and rules thereof.
5. Intentional financial irregularities, including fraud or suspected fraud.
6. Deliberate violation of laws/regulations.
7. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment.
8. Manipulation of company data/records.
9. Any unlawful act, whether civil or criminal, the latter having repercussions on the Company and its reputation
10. Pilferage of confidential/propriety information.
11. Gross Wastage/misappropriation of Company funds/assets.
12. Any other Unethical, biased, favored, imprudent act or behavior

ELIGIBILITY

All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

PROCEDURE

All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as **"Protected disclosure under the Whistle Blower policy"** or sent through email with the subject **"Protected disclosure under the Whistle Blower policy".** If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Executive Director of the Company..

INVESTIGATION

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/ herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

DISQUALIFICATIONS

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

ACCESS TO CHAIRPERSON OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

COMMUNICATION

Directors and Employees shall be informed of the Policy by publishing on the notice board and the website of the Company.

RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

DISCLOSURE

The details of establishment of the Whistle Blower Mechanism will be disclosed on the website of the Company and in the Board's report.

AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is not communicated in the manner described as above.

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HBL POLICIES

[Adopted by the Board of Directors on May 25, 2023]

Policy	Page No.
Code of Conduct for Prevention of Insider Trading	02
Policy for Procedure of Inquiry in case lf leak of unpublished price sensitive information ("UPSI")	20
Policy for determination of materiality of events and information	25
Policy on prevention of sexual harassment at workplace	32
Code of conduct for Director's & senior management	36
Dividend distribution policy – amended w.e.f. November 2025	37
Policy on Related Party Transactions(RTP)	39
Archival policy for any material event / information disclosed to the Stock Exchanges	46
Policy on Corporate Social Responsibility (CSR)	47
Risk Management Committee - policy and terms of reference	49
Nomination and Remuneration Committee (term of reference, procedure and policies)	51

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. Introduction

Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (hereinafter referred to as **"PIT Regulations"**) requires *inter alia* every listed company and board of directors or heads of every intermediary shall ensure that the Chairman and Managing Director or the Whole Time Director to formulate a code of conduct with their approval to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these regulations and enforce a code of internal procedures and conduct based on the Model Code in accordance with the Regulations. Further, Regulation 7 of the PIT Regulations requires every promoter, member of the promoter group, key managerial personnel, directors and connected person of listed companies to disclose their shareholdings and changes to such shareholding to the respective companies.

In compliance with the above requirements, HBL Power Systems Limited (hereinafter referred to as "**the Company**") has introduced a code for Prohibition of Insider Trading (hereinafter referred to as the "**Code**").

2. Objective

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairnessin dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every Designated Person of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No Designated Person may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating/ counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

To achieve these objectives, the Company hereby notifies that this Code is to be followed by all Designated Persons.

3. Definition of terms

3.1 '**Act'** means the Securities and Exchange Board of India Act, 1992 as amended from time to time.

3.2 '**Code'** means this Code of Conduct to regulate, monitor and report trading by Insiders in securities of the Company as amended from time to time.

3.3 '**Compliance Officer'** means the Company Secretary of the Company. If there is no Company Secretary, any other senior level employee who shall report directly to the Managing Director and appointed by the Company as compliance officer.

3.4 '**Designated Persons**' shall include person identified by the Board of Directors in consultation with the Compliance Officer based on his/her role and function in the organization and the access to UPSI and shall also include:

(i) The Promoters of the Company;
(ii) Members of the Board of Directors of the Company;
(iii) Key Managerial Personnel of the Company;
(iv) Auditors of the Company, both statutory and internal auditors;
(v) All support staff of the Corporate Accounts & Finance, Legal, Information technology and Secretarial Department of the Company;
(vi) Key Managerial Personnel of the material subsidiary of the Company;
(vii) Secretaries/Executive assistants reporting to the Directors and the Key Managerial Personnel;
(viii) Any other Person designated by the Company on the basis of their functional role and such function would provide access to UPSI; and

For the purpose of this Code, the aforesaid persons are individually or collectively referred to as "**Designated Persons**".

3.5 '**Generally Available Information**' means information that is accessible to the public on a non-

discriminatory basis.

3.6 '**Immediate Relative**' means the spouse of a person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

For the purpose of this Code, the declaration given by a Designated Person of an Immediate Relative who is either dependent financially on the person or who consults such person in taking decisions relating to trading in securities will be considered.

3.7 '**Insider**' means any person who is

(i) a designated Person; or

(ii) in possession of or having access to unpublished price sensitive information.

3.8 "**Key Managerial Personnel**"

"Key Managerial Personnel" shall have the meaning assigned to it under the Companies Act, 2013.

3.9 '**Pre-Clearance of Trade**' means prior approval for trading/ dealing in the securities of the Company.

3.10 '**Promoter**' shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

3.11 '**Securities**' shall have the meaning assigned to it under the Securities Contracts Regulation Act, 1956 or any modification thereof except units of a mutual fund.

3.12 '**Trading**' means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy,sell, deal in securities and 'trade' shall be construed accordingly.

3.13 '**Trading Day**' means a day on which recognized stock exchanges are open for trading.

3.14 '**Unpublished Price Sensitive Information/ UPSI**' means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities of the Company and shall, ordinarily including but not restricted to, information relating to the following:

(i) Periodical financial results of the Company;
(ii) Dividends (both interim and final);
(iii) Change in capital structure;
(iv) Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
(v) Changes in Key Managerial Personnel; and
(vi) Such other information as may be deemed to be constituted as UPSI by the Board and the Compliance Officer from time to time.

3.15 '**Trading Window**' refers to the period during which the Company's securities can be traded by the Designated Person as provided in this Code.

3.16 '**PIT Regulations**' means Securities and Exchange Board of India (Prohibition of Insider Trading)Regulations, 2015 as amended from time to time.

Words and expressions used and not defined in this Code but defined in SEBI Act, 1992, the SCRA Act, 1956, the Depositories Act, 1996 or Companies Act, 2013 and Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

4. Compliance Officer

4.1. The Board of Directors of the Company has appointed the Company Secretary of the Company as the Compliance Officer for the purposes of this Code.

4.2. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Unpublished Price Sensitive Information", pre-clearing of Designated Persons, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of Directors.

4.3. The Compliance Officer shall maintain a record of persons and shall make changes to such record as and when the intimation of changes from the P&A Department is received.

4.4. The Compliance Officer shall assist all the employees in addressing any clarifications regarding the PIT Regulations and the Company's Code of Conduct.

4.5. The Compliance Officer shall maintain records of all the declaration(s) given by the Designated Persons for a minimum period of three years.

4.6. Reviewing the trading plan, if any and assessing the potential of the plan for violation of the PIT Regulations, if any;

4.7. Notify the trading plan, if any to the stock exchanges where the securities are listed, onapproval of the plan.

5. Prohibition on Dealing, Communicating or Counseling on Matters relating to Insider Trading.

No insider shall:-

(i) either on his own behalf, or on behalf of any other person, deal in securities of the Company when in the possession of any unpublished price sensitive information;

(ii) communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

6. Preservation of 'Unpublished Price Sensitive Information'

Designated Persons shall maintain the confidentiality of all Unpublished Price Sensitive Information. Designated Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities. To this end, no Designated Person shall:

a. pass on Unpublished Price Sensitive Information to any person; or
b. disclose Unpublished Price Sensitive Information to their Immediate Relatives and any other person; or
c. discuss Unpublished Price Sensitive Information in public places where others might overhear; or
d. disclose Unpublished Price Sensitive Information to any other Designated Person or any other person who does not need to know the information to do his or her job; or
e. give others the perception that he/she is trading on the basis of Unpublished Price Sensitive Information.

Following practices should be followed in this regard.

6.1 Need to know

Unpublished Price Sensitive Information is to be handled on a 'need to know' basis i.e., Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information. No Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, or in any other manner which is contrary to Regulation 3 of the PIT Regulations. It is clarified that the term 'legitimate purpose', shall have the same meaning as provided under the Company's policy on '**Code of Fair Practices & Disclosure'**.

While communicating or allowing access to the Unpublished Price Sensitive Information, the Designated Person(s) is required to give due notice to such person(s) with whom the Unpublished Price Sensitive Information is shared, to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Regulations and the Code.

6.2. Limited access to Unpublished Price Sensitive Information

Files containing Unpublished Price Sensitive Information shall be kept secure. Computer files must have adequate security of login and password. Without prejudice to the above, Designated Persons shall follow such guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time to time after consultations with the person in charge of the IT teams.

6.3. Restrictions on Designated Persons and their Immediate Relatives

No Designated Person, their Immediate Relatives shall –

i. communicate, provide, or allow access to any Unpublished Price Sensitive Information;
ii. procure from or cause the communication by any other person of Unpublished Price Sensitive Information;

iii. either on his own behalf, or on behalf of any other person, Trade when in possession of any Unpublished Price Sensitive Information unless made in accordance with the Trading Plan. Such prohibition shall include Trades undertaken through portfolio management schemes, whether discretionary or non-discretionary;

iv. advise any person to Trade in the Securities while being in possession, control or knowledge of Unpublished Price Sensitive Information. For avoidance of any doubt it is clarified that "advice" shall mean to include recommendations, communications or counselling.

Explanation 1: It is clarified that when any of the abovementioned persons trades in securities of the Company while in possession of unpublished price sensitive information, his/her trades would be presumed to have been motivated by the knowledge and awareness of such information in his / her possession.

Explanation 2: It is further clarified that such communication, procurement or allowing access can be made in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as referred under Clause 5.2 of this Code.

Provided that for the purposes of the Code, Trading and advising any person to Trade by an Immediate Relative of a Designated Person shall be deemed to have been done by the concerned Designated Person and such Designated Person shall be liable to comply with all the provisions of the Code as may be applicable to such trading and advice. The Designated Person shall ensure that the Immediate Relative complies with all the provisions of this Code. Nothing contained herein shall preclude the Immediate Relative to Trade in the Securities of the Company in the ordinary course of business without being in possession of Unpublished Price Sensitive Information**.**

Each Designated Person and their Immediate Relatives shall ensure that their respective wealth managers, portfolio managers or similar persons do not Trade in the Securities of the Company on behalf of any Designated Person, unless such Designated Person is permitted to Trade in the Securities of the Company in accordance with this Code.

6.4. Declaration required from all Designated Persons

Initial declaration: All Designated Persons of the Company shall within 30 days of approval of this policy by the Board pf Directors declare to the Compliance Officer, his/her shareholding in the Company and the shareholding of his/her Immediate Relatives in the Company as on May 31, 2023 in the format prescribed in **FORM A** (see Annexure 1A)**.**

Subsequent declaration: Any other person, upon being designated by the Compliance Officer as a Designated Person or joining the company as a Designated Person shall within 7 (seven) calendar days declare to the Compliance Officer, his/her shareholding in the Company and the shareholding of his/her Immediate Relatives in the Company in the format prescribed in **FORM B** (see Annexure 1B).

6.5. Restrictions on opposite transactions and short sellingContra Trade

The Designated Persons shall not, within six months of buying or selling any number of Securities of the Company, enter into an opposite transaction or contra trade i.e. sell or buy, as the case may be, any number of the Securities of the Company.

The Compliance Officer can grant relaxation from strict application of the above restriction after recording the reasons in writing in this regard provided that such relaxation does not violate the Regulations. It may however, be noted that in terms of the Regulations, no such purchase/ sale will be permitted when the Trading Window is closed.

Notwithstanding the above, should the Designated Persons execute an opposite transaction, inadvertently or otherwise, in violation of the restrictions set out above, the profits from such trade shall be liable to be refunded for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the SEBI Act, 1992. Provided that this restriction will not be applicable for trades conducted, pursuant to the exercise of stock options. Advice regarding Pre-Clearance: In case of doubt, the Designated Person shall check with the Compliance Officer or the Officer designated by him/her from time-to-time whether the provisions relating to pre-clearance are applicable to any proposed transaction in the Company's Securities.

Short Selling

No Designated Person shall directly or indirectly sell any Security if such person (i) does not own the Security sold; or (ii) owns the Security but does not deliver such Security against such sale within the acceptable settlement cycle ("short sale").

7. Trading Plan

7.1 A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and publicdisclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.

7.2 The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.

7.3 Once approved and published in accordance with the Insider Trading Regulations, the Trading Plan shall be irrevocable, and the said Designated Person(s) shall mandatorily implement the Trades as per the Trading Plan in accordance with the provisions of the Insider Trading Regulations. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

8. Trading Window

Other than the period(s) for which the Trading Window is closed as prescribed hereunder, the same shall remain open for Trading in the Securities of the Company.

Unless otherwise specified by the Compliance Officer, the Trading Window for Trading in Securities of the Company shall be closed for the Designated Persons and their Immediate Relatives when the Compliance Officer determines that a Designated Person or class of Designated Persons are reasonably expected to have possession of UPSI, including but not limited to the following purposes-

(a) declaration of financial results,
(b) declaration of dividends,
(c) change in capital structure,
(d) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions, and
(e) changes in key managerial personnel.
(f) such other information as determined by the Board of Directors/Chief Executive Officer/Chief Operating Officer/Chief Financial Officer from time to time

In respect of declaration of financial results, the Trading Window shall remain closed from a date that is 7 days prior to the end of the respective quarter, half-year, or financial year, as the case may be, till 48 hours after the declaration of the financial results.

The Trading Window shall be opened 48 (Forty-Eight) hours after the information referred to above becomes generally available. The gap between clearance of accounts by audit committee and the Board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

All the Designated Persons shall strictly conduct all their Trading in the Securities of the Company only when the Trading Window is open and no Designated Person or their Immediate Relatives shall trade in the Securities of the Company during the period the Trading Window is closed or during any other similar period as may be specified by the Compliance Officer from time-to-time.

9. Pre-clearance of trade in SecuritiesApplicability:

Every Designated Person shall obtain a pre-trading approval as per the procedure prescribed hereunder for any Trading in the Securities of the Company proposed to be undertaken by such Designated Person / his / her Immediate Relatives. Such pre-trading approval would be necessary, only if the cumulative trading (including trading in derivatives of Securities, if permitted by law) whether in one transaction or a series of transactions in any financial year exceeds Rs.50 lakhs (market value) or exceeds Rs.10 lakhs in any calendar month whichever is higher.

Pre-trading Procedure:

For the purpose of obtaining a pre-trading approval, the concerned Designated Person shall make an application in the prescribed form (see Annexure 2) to the Compliance Officer. The Compliance

Officer should submit his/her application for pre-trading approval to the Managing Director. Such application should be complete and correct in all respects and should be accompanied by such undertakings and declaration (see Annexure 3) and other documents/papers as may be prescribed by the Compliance Officer from time-to-time. Such application for pre-trading approval with enclosures may preferably be sent through electronic mail followed by hard copies of all the documents. The e- mail for this purpose should be sent to the address specifically dedicated for this purpose i.e. investor@hbl.in

No Designated Person shall apply for pre-trading approval if such person is in possession of UPSI, evenif the Trading Window is not closed.

Approval:

(a) The Compliance Officer shall consider the application made as above and shall approve it forthwith preferably on the same Trading Day but not later than the next Trading Day unless he is of the opinion that grant of such an approval would result in a breach of the provisions of this Code, or the Regulations. Such approval/rejection may preferably be conveyed through electronic mail and if no such approval / intimation of rejection is received within a period of 2 (two) Trading Days, the applicant can presume that the approval is deemed to be given. While considering the application, the Compliance Officer shall have due regard to whether the declaration provided in (see Annexure 3) is reasonably capable of being rendered inaccurate.

(b) Every approval letter shall be issued in such format (see Annexure 4) as may be prescribed by the Company from time-to- time. Every approval shall be dated and shall be valid for a period of 7 (seven) Trading Days from the date of approval.

(c) In the absence of the Compliance Officer due to leave etc., the Employee designated by him/her from time-to-time, not being below - one level below the CFO and part of the Finance or Compliance Department shall discharge the function referred to in (a) above.

Completion of Pre-cleared Trading:

(a) All the Designated Persons shall ensure that they / their Immediate Relatives complete execution of every pre-cleared deal in the Company‘s Securities as prescribed above no later than 7 (seven) Trading Days from the date of the approval. The Designated Person shall file within 2 (two) Trading Days of the execution of the deal, the details of such deal, with the Compliance Officer in the prescribed form (see Annexure 5). In case the transaction is not undertaken, a report to that effect shall be filed (see Annexure 5).

(b) If a deal is not executed by the concerned Designated Person / Immediate Relatives pursuant to the approval granted by the Compliance Officer within 7 (seven) Trading Days, the Designated Person shall make a fresh application, once again to the Compliance Officer for pre clearance of the transaction covered under the said approval.

10. Penalty for Contravention

Every Director, Promoter, member of Promoter Group and Designated Person shall be individually responsible for complying with the applicable provisions of this Code (including to the extent the provisions hereof are applicable to their Immediate Relatives).

The persons who violate this Code shall, in addition to any other penal action that may be taken by the Company pursuant to law, also be subject to disciplinary action, which in respect of a Designated Person, who is also an Employee of the Company may include wage freeze, suspension, recovery, clawback or termination of employment.

Action taken by the Company for violation of the Regulations and the Code against any person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.

Under Section 15G of the SEBI Act, any Insider who indulges in insider trading in contravention of Regulation 3 is liable to a penalty which shall not be less than Rs. 10 lakhs but which may extend to Rs.25 crores or three times the amount of profits made out of insider trading, whichever is higher. Under Section 24 of the SEBI Act, anyone who contravenes the Regulations is punishable with imprisonment for a maximum period of ten years or with fine, which may extend to twenty- five crore rupees or with both. Further, in case any person fails to pay the penalty imposed by the adjudicating officer or fails to comply with any of his directions or orders, he shall be punishable with imprisonment for a term which shall not be less than one month but which may extend to ten years,

or with fine, which may extend to twenty-five crore rupees or with both. An extract of Sections 15G and 24 is given in Appendix B.

In case it is observed by the Compliance Officer that there has been a violation of the Regulations by any person, he/she shall forthwith inform the Audit Committee of the Company about the violation. The penal action will be initiated on obtaining suitable directions from the Audit Committee in consultation with Board. The Compliance Officer, on behalf of the Company, shall simultaneously inform SEBI about such violation. The person, against whom information has been furnished by the Company/Compliance Officer to SEBI for violations of the Regulations/Code, shall provide all information and render necessary co-operation as may be required by the Company/Compliance Officer or SEBI in this connection.

The Compliance Officer shall always abide by the provisions of the Regulations and the Code.

Where there is a violation by the Compliance Officer, the Chief Executive Officer or the Managing Director of the Company shall perform the functions of the Compliance Officer

11. Interpretation or clarification

In case any difficulty or doubt arises in the interpretation of the Code, the matter shall be referred to any two Directors and their decision shall be final and binding. If the issue involves any act or matter involving the Chairman, the Chairman of the Audit Committee shall decide upon such issue.

12. Enquiries

For any questions regarding whether they possess or have access to Unpublished Price Sensitive Information, Designated Persons or their Immediate Relatives may contact the Compliance Officer.

13. Disclaimer

The Code is the internal policy of the Company to regulate Designated Persons and their Immediate Relatives who may be considered by the Company to be in possession of Unpublished Price Sensitive Information for the purposes of the Regulations, from Communicating and Trading. It is however the responsibility of each Designated Person to ensure compliance with the provisions of the Regulations and other related laws and also on behalf of its Immediate Relatives. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or their Immediate Relatives, of the Regulations or other related laws.

14. Provision of Unpublished Price Sensitive Information

Nothing herein contained shall be considered as obligating the Company in any way to furnish to any Designated Persons or their Immediate Relatives with any Unpublished Price Sensitive Information.

15. Disclosure by Designated Persons

15.1. Initial disclosure

Designated Persons are required to disclose the following information on a one-time basis:

The names of the educational institution from which such Designated Person has graduated;
Name of the past employers of such Designated Person.

15.2. Continual disclosure

(i) All Designated Persons shall disclose the name, Permanent Account Number and mobile number used by the following persons:

a. their Immediate relatives;
b. Persons with whom such Designated Person(s) share a material financial relationship, where 'material financial relationship' refers to a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is

based on arm's length transactions.

Explanation: It is clarified that the abovementioned information must be shared on an annual basis and also as and when the said information changes.

(ii) All Designated Persons and their Immediate Relatives shall disclose the number of securities acquired or disposed of within 2 (two) Trading Days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 25,00,000/- (Rupees twenty five Lakhs).

16. Intimation to SEBI

In case the Compliance Officer and/ or the Company observe that there has been a violation of the Regulations, the Company shall inform SEBI of such violations for appropriate action. SEBI can initiate necessary proceedings for violation of any of these Regulations.

17. Clarifications / Enquiries

The Compliance Officer may be contacted for any assistance as to the interpretation and application of this Code.

18. Communication

This Code will be uploaded in the Intranet of the Company. The Code for fair disclosure of Unpublished Price Sensitive Information will be uploaded on the website of the Company. The Code will be disseminated to all Designated Persons who shall abide by the same. The responsibility for complying with the provisions of the PIT Regulations shall vest with each Designated Person including any violation by their immediate relatives.

19. Amendment of the Code

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchange(s) where the securities of the Company are listed.

Annexure 1A

FORM A

Form of initial disclosure of details of Securities held by (to be given within 2 working days of becoming theDirector/Designated Employee)

To,
The Compliance Officer,
HBL Power Systems
Limited
8-2-610, Road no 10, Banjara Hills,
Hyderabad – 500 034

1. Details of listed Securities of Company /Group Companies held by Director/Designated Employee *.

Name of Director / Designated Employee, PAN No. & Address	
Date of Joining the Company	
Name of Company/ Group Company of which listed securities are held	
Folio No./ Client ID No & DP ID No.	
No. & % of shares/ voting rights held at the time of becoming Director / Designated Employee	
Date of Intimation to the Company	
Mode of acquisition (market purchase / public / rights/ preferential offer etc.)	
Trading Member through whom the trade was executed with SEBI Regn. No. of the TM	
Exchange on which the trade was executed	
Buy quantity	
Buy Value	

2. Details of Shares held by Dependents of the Director/Designated Employee of the Company:

Name of Relative of Director / Designated Employee, PAN No., Address & Relation	
Date of Joining the Company	
Name of Company/ Group Company of which listed securities are held	
Folio No./ Client ID No & DP ID No.	
No. & % of shares/ voting rights held at the time of becoming Director / Designated Employee	
Date of Intimation to the Company	
Mode of acquisition (market purchase / public / rights/ preferential offer etc.)	
Trading Member through whom the trade was executed with SEBI Regn. No. of the TM	
Exchange on which the trade was executed	
Buy quantity	
Buy Value	

Signature:

Designation &
Nameof the
applicant:
Division of the
Company:Date of
Disclosure:

* including shares/securities held in Joint Names

Annexure 1B

FORM B

Form of continual disclosure for informing Change in holding (above a minimum threshold limit) by the DirectorDesignated Employee of the Company and their Dependents (to be made within 2 working days of the change)

To

,

The Compliance Officer,
HBL Power Systems
Limited
8-2-610, Road no 10, Banjara Hills,
Hyderabad – 500 034

1. Details of Shareholding of the Director/Designated Employee of the Company *.

Name, PAN & Address			
Name of the Company / Group Company			
No. & % of Shares held before the transaction			
Nature of transaction and Mode of acquisition(market purchase / public / rights / preferential offer etc.)	Buy	Sale	others
Date of receipt of allotment advice / acquisition / sale of shares / voting rights			
No. & % of shares transacted & Exchange on which trade was executed			
Value (Rs.)			
Whether approval obtained			
Date of approval and approval no.			
No. & % of Shares/ post acquisition / voting rights sale			
Trading Member through whom the trade was executed with SEBI Regn. No. of the TM			

* including shares/securities held in Joint Names; @ e.g. transmission, gift, conversion of FCD/PCD.

2. Details of Shares held by Dependent of the Director/Designated Employee of the Company:

Name of Relative PAN Address & Relation			
Name of the Company / Group Company			
No. & % of Shares held before the transaction			
Nature of transaction and Mode of acquisition(market purchase / public / rights / preferential offer etc.)	Buy	Sale	others
Date of receipt of allotment advice / acquisition / sale of shares / voting rights			
No. & % of shares transacted & Exchange on which trade was executed			
Value (Rs.)			
Whether approval obtained			
Date of approval and approval no.			
No. & % of Shares/ post acquisition / voting rights sale			
Trading Member through whom the trade was executed with SEBI Regn. No. of the TM			

Signature:

Designation &
Nameof the
applicant:
Division of the Company:

Date of Disclosure:	I declared that I have complied with the requirement of the minimum holding period of 6 months in respect of the shares sold.

Annexure 2

Application for Pre-clearance of Trade
(For Designated persons and their dependents)*

To,
The Compliance Officer,
HBL Power Systems
Limited
8-2-610, Road no 10, Banjara Hills,
Hyderabad – 500 034

Through Division/ Department Head/ Whole-Time Director

1. Name of the applicant :
2. Designation/ Nature of Relation with [●] :
3. Employee Pay Roll No.* (if applicable):
4. Nature of securities held: *Equity shares/ Debentures/ Other Securities
5. Number of securities in the Company held as on date:

Designation	**Department**	**No. of Shares held as on date (date of application for pre-clearance)**	**Folio No. / DP ID / Client ID**	**Nature of dealing for which approval is sought**	**No. of shares / value of shares to be dealt**

I/ We hereby declare that I/ we have not done any opposite transaction for the last six months without the approval of the Compliance Officer.

6. Nature of proposed dealing for which approval is sought: Purchase / Sale of securities
7. Estimated number of securities proposed to be acquired/ subscribed /sold:
8. Other Details

    Name of Depository Participant:
    DP ID No.:
    Client ID No.* / Folio No.*:

*Strike whichever is not applicable

Annexure 3

Declaration-cum-Undertaking to be submitted along with the Application for Pre-clearance
(to be executed by the applicant on Rs.20 Non-Judicial Stamp paper / stamp duty franking worth Rs.20)

In relation to the above dealing, I hereby declare and undertake that:

(a) I have no access to nor do I have any information that could be construed as "*Unpublished Price Sensitive Information"* as defined in the Code until the time of signing this undertaking;

(b) In the event that I have access to or received any information that could be construed as "*Unpublished Price Sensitive Information"* as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;

(c) I have not contravened the provisions of the Code of conduct for prevention of insider trading as notified by the Company from time to time;

(d) I have made full and true disclosure in the matter;

(e) I hereby declare that I shall execute my order in respect of securities of the Company within seven trading days from the date that approval of pre-clearance is given. If the order is not executed within seven trading days from the date of approval, I undertake to obtain pre-clearance for the transaction again.

Place: Signature:
Date: Name:

Annexure 4

PRE-CLEARANCE APPROVAL

Date:

To
The applicant
Address:

Subject: Pre-clearance approval

With reference to your application dated_____, we inform you that your request for dealing in _____(nos.) or_____worth shares of the Company is approved.

Please note that the said transaction must be completed on or before_____(date) that is within seven trading day from data of this approval.

For **HBL Power Systems Limited**

Compliance Officer

Annexure 5

CONFIRMATION OF DEAL

To,

The Compliance Officer,
HBL Power Systems
Limited

I confirm that the share dealing for which approval was granted on_____was completed on_____for purchasing/ selling_____(nos.) shares of the Company.

Employee Name:_____
Designation :_____
Pay Roll No. :_____

(Signature)
Date:

APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD
(For Designated Persons and their

Dependents)To,

The Compliance Officer,
HBL Power Systems
Limited

Through Division/ Department Head/ Managing Director/ Compliance Officer

Date: _____

Dear Sir/ Madam,

I request you to grant me waiver of the restriction mentioned in clause 9 of the Code of Conduct for prevention of insider trading with respect to_____shares of the Company. I desire to deal in the said purchase/ sell the said shares on account of the following reasons:

Thanking you,
Yours
faithfully,

(Name)
(Designation)
(Department)
(Employee PL
No.)

APPROVAL GRANTED /
REJECTEDFOR ___

Compliance
OfficerDate:

1. *Reasons to be given, if rejected*

Annexure A

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

1. **Introduction**

   Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (hereinafter referred to as "**PIT Regulations**") requires *inter alia* every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the PIT Regulations.

   Accordingly, the Board of Directors of HBL Power Systems Limited (hereinafter referred to as "**the Company**") at their meeting held on May 25, 2023 has formulated code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the regulations.

2. **Objective of the Code of Fair Disclosures**

   The Code of Practices and Procedures for Fair Disclosures is required for the Company to ensure timely and adequate disclosure of unpublished price sensitive information which would impact the price of the Company's securities and to maintain the uniformity, transparency and fairness in dealing with all stakeholders and in ensuring adherence to applicable laws and regulations. Further, the Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information.

3. **Prompt disclosure of Unpublished Price Sensitive Information**

   The Company shall promptly make public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

4. **Uniform and Universal dissemination of Unpublished Price Sensitive Information**

   The Company shall make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.

5. **Chief Investor Relations Officer**

   The Company hereby designates the Compliance Officer & Company Secretary as a Chief Investor Relations Officer todeal with dissemination of information and disclosure of unpublished price sensitive information**.**

6. **Dissemination of Unpublished Price Sensitive Information disclosed selectively**

   The Company shall promptly disseminate the unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

7. **Overseeing and coordinating disclosure:**

   The Chief Investor Relations Officer, for the purpose of these regulations, shall oversee corporate disclosures and deal with dissemination of information and disclosure of unpublished price sensitive information.

   The Chief Investor Relations Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements and; overseeing and coordinating disclosure of unpublished price sensitive information to stock exchanges, on the website of the Company and media.

   If the information is accidentally disclosed without prior approval of Chief Investor Relations Officer, the person responsible may inform the Chief Investor Relations Officer immediately, even if the information is not considered as unpublished price sensitive information. In such event of inadvertent, selective disclosure of unpublished price sensitive information, the Chief Investor Relations Officer shall take prompt action to ensure such information is generally available.

8. **Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities**

   8.1 Any queries or requests for verification of market rumours by exchanges should be forwarded immediately to the Chief Investor Relations Officer who shall decide on the response / clarification.

   8.2 The Chief Investor Relations Officer shall decide whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

   8.3 The Company will, subject to non-disclosure obligations, aim to provide appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities.

   8.4 As a general practice, if the rumour appears in a responsible media channel which has reasonably wide audience and the rumour can have material impact on pricing of securities, then the Company would immediately make a proper announcement to present the correct position.

9. Timely Reporting of shareholdings/ ownership and changes in ownership:

Disclosure of shareholdings/ ownership by major shareholders and disclosure of changes in ownership as provided under any regulations made under the Act shall be made in a timely and adequate manner.

10. Disclosure/ dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors

The guidelines given hereunder shall be followed while dealing with analysts and institutional investors:-

(i) Only Public information to be provided

Only public information should be provided to the analyst/ research persons alternatively, the information given to such persons should be made generally available at the earliest.

(ii) Recording of discussion

In order to avoid misquoting or misrepresentation, it is desirable that at least two representatives of the Company be present at meetings with analysts, brokers or Institutional Investors and the discussions should preferably be recorded.

(iii) Handling of unanticipated questions

Sufficient care should be exercised while dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, the same should be promptly made generally available.

(iv) Prompt release of Information

The Company will make transcripts or records of the proceedings of the meetings with Analysts, Investor Relation meetings available on the website of the Company promptly. The Company may also consider live webcasting of analyst meets.

11. Medium of disclosure / dissemination

(a) Disclosure/ dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
(b) Chief Investor Relations Officer shall ensure that disclosure to stock exchanges is made promptly.
(c) Company may also facilitate disclosure through the use of their dedicated Internet website.
(d) Company websites may provide a means of giving investors direct access to analyst briefing material, significant background information and questions and answers.
(e) The information filed by the Company with stock exchanges under continuous disclosure requirements may be made available on the Company website.

12. Unpublished price sensitive information on a Need-to-Know basis

Unpublished Price Sensitive Information shall be handled on a "need to know" basis i.e., unpublished price sensitive information shall be disclosed only to those where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

13. Disclosure of Code on Public Domain

This Code and any amendment thereof will be published on the Company's website www.hbl.in/investor

14. Amendment of the Code

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchange(s) where the securities of the Company are listed.

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POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICESENSITIVE INFORMATION ("UPSI")

[Under Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended] **(Policy effective from May 25, 2023)**

1. PURPOSE

Securities and Exchange Board of India ("**SEBI**"), vide its notification dated January 15, 2015, had issued SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amended the same vide its notification dated July 17 2020, the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 ("collectively known as **PIT Regulations**"). As per Regulation 9A of the PIT Regulations, the Board of Directors (**"Board"**) is required to formulate a written policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information ("**UPSI**") and initiate appropriate action on becoming aware of leak of UPSI and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, the Board of Directors of HBL Power Systems Limited, at its meeting held on May 25, 2023, has formulated and adopted this Policy for procedure of inquiry in case of leak of UPSI.

2. OBJECTIVE

a) To strengthen the internal control system to prevent leak of UPSI. All UPSI shall be shared strictly on a need-to-know basis and preferably a record be maintained of persons with whom such information is shared. Information shared through e-mail and preservation of such e-mail shall be sufficient compliance in this regard.
b) To restrict and prohibit the practice of sharing of UPSI, with any unauthorized person(s), which originates from within the Company and affects the market price of the Company as well as loss of reputation and investors / financer's confidence in the Company.
c) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to SEBI promptly.
d) To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who is found to have violated this policy and/or the PIT Regulations, apart from any action that SEBI may initiate/take against the Insider, Employee & Designated Persons.

3. APPLICABILITY

This policy shall apply to all Designated Persons and Immediate relatives of Designated Persons and persons in possession of or having access to UPSI.

4. DEFINITIONS

(i) **"Audit Committee"** shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) **"Board"** shall mean the Board of Directors of the Company.

(iii) **"Company"** means Archean Chemical Industries Limited.

(iv) **"Chief Investor Relations Officer"** ("**CIRO**") shall mean the Compliance Officer & Company Secretary of the Company.

(v) **"Designated Persons"** shall cover all employees whether contractual or otherwise, persons / entities stated under Regulation 9(4) of PIT Regulations and other connected persons as defined under Regulation 2(d) of the PIT Regulations.

(vi) **"Immediate relative"** shall include persons defined under Regulation 2(f) of PIT Regulations.

(vii) **"Unpublished Price Sensitive Information"** ("**UPSI**") shall cover information stated under Regulation 2(n) of PIT Regulations.

(viii) **"Leak of UPSI"** shall refer to such act / circumstance(s)/ communication of information by virtue of which any UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise, before its official publication or announcement or formal circulation in the public domain and which shall also include any purported attempt thereof.

Note: Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act, 1992 or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended or any other relevant legislation/law applicable to the Company, as amended from time to time.

5. DISCLOSURE OF ACTUAL OR SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES AND SEBI

On becoming aware of actual or suspected leak of UPSI in respect of the Company, the CIRO shall ensure that the same is promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in **"Annexure A"** to this policy.

6. REPORT OF ACTUAL OR SUSPECTED LEAK OF UPSI TO SEBI

On becoming aware of actual or suspected leak of UPSI of the Company, and promptly pursuant to the intimation to the Stock Exchanges as per Clause 5 hereto, the CIRO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly informed to SEBI in the format as set out in **"Annexure B"** to this policy.

7. CONSTITUTION OF INQUIRY COMMITTEE

The Board of Directors or any Committee authorized by them in this behalf, shall constitute a Committee to be called as "Inquiry Committee".

The Inquiry Committee shall consist of minimum 3 (three) members which shall include the Whole Time Director, Chief Financial Officer and CIRO and / or any other officer(s) of the Company as the Board may deem fit.

The Chairman and Managing Director may change/alter/re-constitute the Inquiry Committee as may be requiredform time to time.

8. PROCESS OF INQUIRY IN CASE OF LEAK OF UPSI OR SUSPECTED LEAK OF UPSI

a) Inquiry under this policy shall commence upon receipt of a written complaint from any employee, department of the Company, Registrar and Share Transfer Agent, Designated Person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory or statutory authority or any other department of Central or State Government.

b) In case of actual or suspected leak of UPSI, an Inquiry Committee shall be constituted by the Board;

c) The complaint shall, *inter alia,* state particulars of the Complainee and details of the complaint. The Complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged. The complaint shall be addressed to the CIRO at the registered office of the Company or by marking an email to investor@hbl.in.

d) The Inquiry Committee shall meet within a period of 5 (five) working days after receipt of the written complaint as per sub-clause (a) of Clause 7 hereto, of actual or suspected leak of UPSI and take cognizance of the matter. If it is found that the allegation is frivolous, not maintainable or outside the scope of the Inquiry Committee, the same may be dismissed for reasons to be recorded in writing. If it is found that the issue requires further investigation, preliminary inquiry may be initiated.

e) Within 5 (five) working days of receipt of the written complaint, a copy of the same shall be served upon the person against whom a leak has been alleged advising or directing him to give a written representation within 7 (seven) working days of receipt of letter.

f) Within 7 (seven) working days of receipt of representation, the Inquiry Committee shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as it may deem expedient in this regard. During the course of such investigation, the Committee may call for such additional documents, representations, etc. as it may deem fit.

g) If no representation is received within the aforesaid stipulated time limit(s), the Inquiry Committee shall issue a notice to the Complainee asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against him.

h) On completion of the preliminary investigation, receipt of reply to the show cause notice or on non-receipt thereof, the Inquiry Committee shall refer the matter to the Chairman of the Audit Committee, along with its recommendation.

i) Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and after due review, if it is of the opinion that the complainee is guilty of leak of UPSI or suspected leak of UPSI, then the Audit Committee shall recommend necessary disciplinary actions, which will be in addition to the penal provisions stated under applicable PIT Regulations and any other statutory enactments, as applicable.

j) The disciplinary action(s) shall, *inter alia,* include, wage freeze, suspension, recovery, claw back, termination etc., as may be decided by the Members of the Inquiry Committee, in addition to the action to be initiated by SEBI, if any.

k) The findings/report/recommendations of the Audit Committee shall be communicated to the Board.

l) The Company *suo moto* reserves the right of initiating an inquiry under this policy against any Insider if it has reasons to believe that such person has leaked UPSI or is suspected to leak UPSI.

9. AMENDMENT

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.

Annexure A

Format for Intimation of Actual or Suspected leak of UPSI to the Stock Exchanges pursuant to Regulation 30 of SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015

To,
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001.

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400

051.Ref.: BSE Scrip Code No. "517271" Ref: NSE Scrip Code No. "HBLPOWER"

Dear Sir/Madam,

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI (Listing Obligations andDisclosure Requirements) Regulation, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known.	
Name of Organization.	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information	
Whether any action initiated by the Company. If yes, narration of the same	Yes/No
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,
For **HBL Power Systems Limited**

_____
Company Secretary & Compliance Officer

Annexure B

Format for Reporting Actual or Suspected leak of UPSI to the SEBI
Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015

To,
Securities and Exchange Board of
IndiaPlot No. C 4-A, G Block,
Near Bank of India, Bandra Kurla Complex,
Bandra East, Mumbai – 400 051, Maharashtra

Ref.: BSE Scrip Code No. "517271" Ref: NSE Scrip Code No. "HBLPOWER"

Dear Sir / Madam,

Sub: Report of actual or suspected leak of UPSI pursuant to regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015.

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known.	
Name of Organization.	
Designation (Employee, Insider, Designated Person or anyother)	
Nature of Information	
Whether any action initiated by the Company. If yes, narration of the same	Yes/No
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,
For **HBL Power Systems Limited**

_____
Company Secretary & Compliance Officer

Policy for determination of Materiality of Events and Information

I. PREAMBLE

At HBL Power Systems Limited (the "**Company**"), we are committed to provide timely accurate and factual disclosure in respect of the Material Events and/or Information (defined below) to our stakeholders in accordance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the "**SEBI Listing Regulations**").

Regulation 30(1) of the SEBI Listing Regulations states that every listed entity shall make disclosures of any events or information which, in the opinion of the Board of Directors (the "**Board**") of the listed company, is material.

The Company has caused its Equity Shares to be listed on the Stock Exchanges. As per the SEBI Listing Regulations the Company is required to formulate a policy for determining materiality of events or information which are required to be disclosed to its the Stock Exchanges and its investors in a fair and transparent manner.

The Company aims to fulfill its responsibility to the Stock Exchanges and investors by identifying and disclosing Material Events and/or Information about the Company in this Policy for Disclosure of Material Events and Information ("**the Policy**"). The Policy has been framed by the Board of Directors of the Company in its meeting held on May 25, 2023.

II. DEFINITIONS

"**Applicable Laws**" shall mean the (i) Listing Regulations, (ii) Other SEBI Laws, (iii) Companies Act, 2013 and (iv) the Companies Act, 1956, along with relevant rules, regulations and amendments thereto issued from time to time;

"BSE" shall mean BSE Limited;

"**Board**" shall mean the Board of Directors of the Company;

"**CFO**" or "**Chief Financial Officer**" shall mean the Chief Financial Officer of the Company appointed in terms of Section 203 of the Companies Act;

"**Companies Act**" shall mean the Indian Companies Act, 2013 and **"Old Companies Act**" shall mean the Indian Companies Act, 1956;

"**Equity Shares**" shall mean the equity shares of the Company listed on NSE and the BSE;

"**Key Managerial Personnel**" or "**KMP**" shall mean the Key Managerial Personnel of the Company, including the CEO, CFO, Company Secretary and any other personnel designated as such under the Companies Act;

"**Material Event and/or Information**" shall mean the material event and/or information of the Company which is designated as such as per Applicable Laws and the Policy;

"Material Disclosures" shall mean disclosure of Material Events and/or Information in accordance with this Policy and/or Applicable Laws;

"**NSE"** shall mean the National Stock Exchange of India Limited;

"**Other SEBI Laws**" shall mean the (i) SEBI Act, 1992, (ii) Securities Contracts (Regulation) Act, 1956, (iii) Depositories Act, 1996, and any rules, regulations issued thereunder, and any amendments issued thereto from time to time;

"**Listing Regulations**" shall mean the SEBI (Listing Obligations and DisclosuresRequirements) Regulations, 2015 as amended from time to time; and

"**Stock Exchanges**" shall mean the NSE and the BSE.

III. PURPOSE

The purpose of this Policy is as follows:

(i) to identify Material Events and/or Information which are required to be disclosed as Material Disclosures;

(ii) to identify the Authorized Persons who will determine and disclose the Material Events and/or Information and the powers and authority of such Authorized Persons;and

(iii) ensure that the Company shall make all adequate disclosures for such Material Events and/or Information to the relevant Stock Exchanges in accordance with Applicable Laws, including without limitation the Listing Regulations.

IV. KEY MANAGERIAL PERSONNEL AUTHORISED FOR DETERMINING MATERIALITY OF AN EVENT ORINFORMATION

The Board has nominated the following persons ("**Authorized Persons**") to determine the Material Event and/or Information and make Material Disclosures in respect thereof:

(i) Chairman and Managing Director;
(ii) Chief Financial Officer; and
(iii) Company Secretary.

Any of the above Authorized Persons are authorized to make all relevant Material Disclosures to the Stock Exchanges in accordance with this Policy.

V. MATERIAL EVENT AND/OR MATERIAL INFORMATION

Material Events and/or Information include such events and/or Information which relate to the Company's business, operations or performance, which has a significant effect on the securities investments decisions.

Such Material Events and/or Information include the following:

(i) Material Events or Information to be disclosed on the Materiality Principle, as are specified in Clause B of Part A in Schedule III of Listing Regulations as mentioned **Annexure A**; and

(ii) Material Events or Information to be disclosed without Materiality Principle as are specified in Clause Aof Part A in Schedule III of Listing Regulations.

VI. GUDELINES FOR ASSESSING MATERIALITY OF A MATERIAL EVENT AND/OR MATERIAL INFORMATION

The Company shall evaluate a particular information or event in accordance with the various criteria and/or tests, specified below to evaluate whether an event or an information is a Material Event and/or Information, and shall accordingly make disclosures as per Applicable Laws. In circumstances where the Board and/or the Authorized Persons determine that the Quantitative Criteria may not be applicable, Post Omission Criteria testmay be applied to determine materiality. If a particular information or event satisfies any of the qualitative or quantitative criteria, the Company shall disclose the same to the Stock Exchanges.

(i) **Materiality Criteria**. Where the event or information is likely to cause prices of the Company's securities to fluctuate, as a result of such event or information is considered to be material if it is more than or equal to such percentage as mentioned in Annexure A to this policy document. .

(ii) Notwithstanding the above, the Board may categorize an event and/or information as a Material Event and/or Information if the Board considers that such event or information is required to be disclosed.

VII. DISCLOSURES

Disclosures within Specified Time: The Authorized Persons shall make all disclosures within the time specifiedas per Applicable Laws.

Disclosures within 24 Hours: The Authorized Persons shall make disclosure of all Material Events and/or Information listed in Annexure A without delay, within 24 hours of the occurrence of such Material Event and/or Information in following manner:

i. Inform Stock Exchanges in which the securities of the Company are listed;
ii. Upload on the website of the Company.

In the event there is any delay in making any such disclosure, the Authorized Persons shall provide adequate reasons and explanation for the occurrence of such delay along with the disclosure.

Provided further that disclosure with respect to events specified in sub-para 4 of Clause A of Part A in Schedule III of Listing Regulations shall be made within thirty minutes of the conclusion of the Board Meeting.

The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

The Company shall disclose all events or information with respect to its Material Subsidiaries.

The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.

Updates on Material Developments: The Company shall make disclosure, along with relevant explanations,for updating material developments in respect of the Material Events and/or Information on a regular basis,till such time the Material Event and/or Information is resolved/ closed.

The Authorized Persons shall make the disclosures on the Stock Exchanges, and on the Company Website, for such duration as is prescribed under Applicable Laws.

In the event the Applicable Laws require that disclosures shall be made to any other authority or locations, theCompany shall make disclosures at such locations and/or authorities as per Applicable Laws.

VIII. AUTHORITY/RESPONSIBILITY OF THE AUTHORISED PERSONS

The Authorized Persons shall have the following powers and responsibilities:

(i) Continuously identify, assess and review Material Events and/or Information on the basis of facts and circumstances in accordance with this Policy and Applicable Laws

(ii) Periodically determine the appropriate time to make Material Disclosures to the Stock Exchanges upon Identification of a Material Event and/or MaterialInformation

(iii) Make Material Disclosures and provide relevant material developments, or explanations in respect of a Material Event and/or Material Disclosure to the Stock Exchanges till such time as the development is resolved/closed

(iv) Evaluate such other events or information (other than the Material Event and/or Material Information) which requires disclosures.

IX. GUIDELINES FOR THE AUTHORIZED PERSONS

The Authorized Persons shall adhere to the following guidelines and principles for determining the Material Events and/or Information prior to making the disclosures:

(i) **Adequacy & Timeliness**: Make adequate, accurate, explicit, and timely disclosures as prescribed in this Policy and Applicable Laws from time to time.
(ii) **Adherence to Applicable Laws**: the Company shall abide by all the provisions of the applicable laws including the securities laws and also such other guidelines as may be issued from time to time by the Board and the Stock Exchange(s) in this regard and as may be applicable.
(iii) **Fairness**: Ensure fairness and make wide dissemination of relevant information avoiding selective disclosure.
(iv) **Transparency**: Provide and make disclosures of all material information for determining the Material Events and/or Information with sufficient details that fosters investors‟ confidence. Channels for disseminating information shall provide for equal, timely and cost efficient access to

relevant information by investors.

(v) **Accounting Information**. Accounting related information shall be prepared and disclosed in accordance with applicable standards of accounting and financial disclosure. The Company shall implement the prescribed accounting standards in letter and spirit in the preparation of financial statements taking into consideration the interest of all stakeholders and shall also ensure that the annual audit is conducted by an independent, competent and qualified auditor.

(vi) **Relevant Information**. Filings, reports, statements, documents and information which are event based or are filed periodically shall contain relevant information, having due regard to the nature of filing and information that shall enable investors to track the Company performance at any point of time and over regular intervals oftime.

(vii) **Confidentiality**: Adhere to the provisions in Section X of this Policy while making disclosures.

(viii) **Ascertain Need To Know Basis**: Ensure that all the price sensitive information is made available only on a need to know basis and provide guidance to such relevant persons who may have the reasonable andrequired means to handle such information.

(ix) **Materiality**: Ensures that all material information is made generally available.

(x) **True Disclosures**: Ensure and be reasonably satisfied that no misleading, untrue or misrepresentation of any information is being provided while making the disclosures. The Company shall refrain from misrepresentation and ensure that the information provided to the Stock Exchange(s) and investors is not misleading.

(xi) **Expert Opinion**. If any part of the disclosure includes quotes from a report statement or opinion made by an expert, the same should be clearly provided for making such disclosure. He should ensure that written consent of the expert to the use of the report statement or opinion in the disclosure has been obtained.

X. CONFIDENTIALITY

If the Board and/or the Authorized Persons are of the opinion that an issue of an announcement is unduly detrimental to the Company's interest, and that maintaining the confidentiality of price sensitive information having regard to the disclosure obligations under this Policy, it may determine the period for which the confidentiality shall be maintained and may issue appropriate directions to ensure that the following are maintained:

(i) all the connected persons who are aware of such information, know that it is confidential and they are obligated to keep the material facts confidential.

(ii) there is no selective disclosure of confidential material information to third parties.

(iii) No one with the knowledge of material information has traded in the securities of the Company and in the securities of other company affected by material information and causing connected person to refrain from the trading in the Securities till the information is made public.

XI. EFFECTIVE DATE

The Policy shall be effective from the date of approval by the Board of Directors

XII. PUBLICATION OF THE POLICY

This Policy for determination of Materiality, as approved by the Board, will be disclosed on the website of the Company.

XIII. RETENTION OF DOCUMENTS

The Company will disclose on its website all such events or information which have been disclosed to Stock Exchanges and such disclosures will be available on the website for a minimum period of five years, and thereafter as per the archival policy of the Company.

XIV. ASSESSMENT AND AMENDMENT IN POLICY

The Company shall review this Policy periodically, in accordance with Applicable Laws, and may issue revised Policy in respect of the subject matter from time to time.

XV. QUERIES AND CLARIFICATIONS

Any queries or clarifications in relation to this Policy may be addressed to the Company Secretary of the Company.

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A. Events which shall be disclosed <u>without any</u> application of the guidelines for materiality asspecified in sub-regulation (4) of regulation (30) of Listing Regulations:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring. Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,-

   (i) acquiringcontrol, whether directlyorindirectly; or,

   (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directlyor indirectly, such that -

      (a) the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;

      (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.

3. RevisioninRating(s).

4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider thefollowing:

   a. dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
   b. anycancellation of dividendwith reasons thereof**;**
   c. the decision on buyback of securities;
   d. the decision with respect to fund raising proposed to be undertaken
   e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall becredited/dispatched;
   f. reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
   g. short particulars of any other alterations of capital, including calls;
   h. financial results;
   i. decision on voluntary delisting bythe listed entity from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s)andtermination(s)thereof.

6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer,Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.

8. Appointment or discontinuation of share transfer agent.

9. Corporate debt restructuring.

10. One time settlement with a bank.

11. Reference to IBC and winding-up petition filed by any party / creditors.

12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debentureholders or creditors or any class of them or advertised in the media by the listed entity.

13. Proceedings of Annual and extraordinary general meetings of the listed entity.

14. Amendments to memorandum and articles of association of listed entity, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial resultsmade by the listed entity to analysts or institutional investors;

16. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporatedebtor under the Insolvency Code:
    i. Filing of application by the corporate applicant for initiation of CIRP, also specifying theamount of default;
    ii. Filing of application by financial creditors for initiation of CIRP against the corporate debtor,also specifying the amount of default;
    iii. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable ;
    iv. Public announcement made pursuant to order passed by the Tribunal under section 13 ofInsolvency Code;
    v. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
    vi. Appointment/ Replacement of the Resolution Professional;
    vii. Prior or post-facto intimation of the meetings of Committee of Creditors;
    viii. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
    ix. Number of resolution plans received by Resolution Professional;
    x. Filing of resolution plan with the Tribunal;
    xi. Approval of resolution plan by the Tribunal or rejection, if applicable;
    xii. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;
    xiii. Any other material information not involving commercial secrets.

B. Events which shall be disclosed upon application of the guidelines for materiality referred sub- regulation (4) ofregulation(30) of Listing Regulations:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division, if it is more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or
   closure of operations of any unit/division (entirety or piecemeal) if it is more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

3. Capacity addition or product launch. Provided that for the purpose of capacity addition materiality shall be based on any addition to capacity more than or equal to 20% of the installed capacity.

4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business if it is more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

5. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof, if it is more than or equal to 20% of the networth as per the last audited balance sheet of the Company.

6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes,

lockouts etc. - if such Disruption of operations is more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity – if it is more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

8. Litigation(s) / dispute(s) / regulatory action(s) with impact if the value in litigation or dispute involves more than or equal to 10% of the turnover as per the last audited balance sheet of the Company.

9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listedentity.

10. Options to purchase securitiesincludingany ESOP/ESPS Scheme.

11. Giving of guarantees or indemnity or becoming a surety for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

C. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information whichis exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities, along with events or information with respect to Subsidiaries which are Material for the Company.

D. Without prejudice to the generality of para (A), (B), and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

I. COMMITMENT:

HBL Power systems Limited (hereinafter "**Our Company**" or the "**Company**") is committed to provide work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment.

The Company is also committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity.

The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment. The Prevention of Sexual Harassment Policy has been formed to prohibit, prevent or deter the commission of acts of sexual harassment at workplace and to provide the procedure for the redressal of complaints pertaining to sexual harassment.

The Policy for Prevention of Sexual Harassment was constituted by the Board of Directors at the meeting held on May 25, 2023 in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

II. SCOPE:

This policy applies to all categories of employees of the Company, including permanent management and workmen, temporaries, trainees and employees on contract at their workplace or at client sites. The Company will not tolerate sexual harassment, if engaged in by clients or by suppliers or any other business associates.

The workplace includes:

1. All offices or other premises where the Company's business is conducted.
2. All company-related activities performed at any other site away from the Company's premises.
3. Any social, business or other functions where the conduct or comments may have an adverse impact on theworkplace or workplace relations.

III. DEFINITION:

(A) "**Sexual harassment**" would mean and include any of the following:

1. Unwelcome sexual advances, requests or demand for sexual favours, either explicitly or implicitly, in return for employment, promotion, examination or evaluation of a person towards any company activity;

2. Unwelcome sexual advances involving verbal, non-verbal, or physical conduct such as sexually coloured remarks, jokes, letters, phone calls, e-mail, gestures, showing of pornography, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs, verbal or non-verbal communication which offends the individuals sensibilities;

3. Eve teasing, innuendos and taunts, physical confinement against one's will and likely to intrude upon one's privacy;

4. Act or conduct by a person in authority which creates the environment at workplace hostile or intimidating to a person belonging to the other sex;

5. Conduct of such an act at work place or outside in relation to an Employee of the company, or vice versa during the course of employment; and

6. Any unwelcome physical, verbal or non-verbal gesture by an employee having sexual overtones.

Sexual harassment is emotionally abusive and creates an unhealthy, unproductive atmosphere at the workplace. Sexual harassment cases can be classified into two categories - quid pro quo and creation of a hostile working environment.

(a) Under the quid pro quo (meaning this for that) form of harassment, a person or authority, usually thesuperior of the victim, demands sexual favors for getting or keeping a job benefit and threatens to fire the employee if the conditions are not met.

(b) A hostile work environment arises when a co-worker or supervisor creates a work environment through verbal or physical conduct that interferes with another co-worker's job performance or creates the workplace atmosphere which is intimidating, hostile, offensive or humiliating and experienced as an attack on personal dignity. For example, an employee tells offensive jokes. No person shall indulge or caused to be indulged under instructions from superior in sexual harassment of co-workers.

However, an employee who is sexually harassed can complain about the same even if there is no adverse job consequence.

(B) "**Employee**" means any person on the rolls of the Company including those on deputation, contract, temporary,part time or working as consultants.

IV. Responsibilities regarding Sexual Harassment

All employees of the Company have a personal responsibility to ensure that their behavior is not contrary to this policy.All employees are encouraged to reinforce the maintenance of a work environment free from sexual harassment.

V. INTERNAL COMPLAINT COMMITTEE:

The Company has instituted an "Internal Complaint Committee" for redressal of sexual harassment complaint (made bythe victim or by anyone on behalf of the victim) and for ensuring time bound treatment of such complaints. The Complaints Committee will comprise of the following, till further notice:

1. Kavita Prasad Aluru	-	Presiding Officer
2. Preeti Khandelwal	-	Member*
3. K Srikanth	-	Member
4. Sucharita Palepu	-	Member#

* Independent Director# External member

The Complaints Committee is responsible for:

- Investigating every formal written complaint of sexual harassment

- Taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment

- Discouraging and preventing employment-related sexual harassment.

It is to be noted that the Internal Complaint Committee will not entertain any oral or anonymous complaints.

The Committee shall in each calendar year prepare an annual report stating the number of complaints received during the year, number of complaints disposed off during the year and such other information as required and submit it to the employers.

VI. PROCEDURE FOR INFORMAL GRIEVANCE REDRESSAL

Informal processes normally involve an intermediary means for resolving a problem. In the case of Sexual Harassment, at first instance, the person (i.e. HOD/ P&A / Woman representative of the location) may be the point of first contact for anyone seeking informal support/intervention to stop unwelcome behavior.

A sense of restraint and responsibility on the part of all concerned is critical for the effective functioning of these guidelines. The preventive / informal process that can be adopted is as follows:

1. Convey to the person who is the cause of distress, about what that person's actions, words, behavior is doing and convey in no uncertain terms that such behavior is not appreciated. What is important is the "Way" a particular behavior, action or word is perceived; "Intent" is of no consequence.

2. The second step would be to approach someone within the company – preferably your Superior or P&A Representative. The Superior or P&A Representative would then try and counsel / talk it over with a view towards closing the matter amicably.

3. In any case all such incidents along with the resolution, needs to be reported to the Head of P&A who will then

provide a short report to the Internal Complaints Committee and the matter will be closed.

4. However, in the event of it not being resolved, then it would need to be escalated to the Internal Complaints Committee.

VII. PROCEDURES FOR RESOLUTION, SETTLEMENT OR PROSECUTION OF ACTS OF SEXUAL HARASSMENT:

In the event of the complaint not being resolved through informal mechanism, then it would need to be escalated to the Internal Complaint Committee for redressal. The Company is committed to providing a supportive environment to resolve concerns of sexual harassment as under:

1. An employee with a harassment concern may make a formal complaint to the Presiding Officer of the Complaints Committee constituted by the Management. The complaint shall have to be in writing and can be in form of a letter, preferably within 5 days from the date of occurrence of the alleged incident, sent in asealed envelope. Alternately, the employee can send complaint through an email. The employee is required to disclose their name, department, division and location they are working in, to enable the Presiding Officer to contact them and take the matter forward.

2. The Presiding Officer of the Complaints Committee will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the complaint fall under the purview of Sexual Harassment, preferably within 30 days from receipt of the complaint.

   In the event, the allegation does not fall under the purview of Sexual Harassment or the allegation does not constitute an offence of Sexual Harassment, the Presiding Officer will record this finding with reasons and communicate the same to the complainant.

3. If the Presiding Officer of the Complaints Committee determines that the allegations constitute an act of sexual harassment, he/ she will proceed to investigate the allegation with the assistance of the Complaints Committee.

4. Where such conduct, on the part of the accused, amounts to a specific offence under the law, the Company shall initiate appropriate action in accordance with law by making a complaint with the appropriate authority.

5. The Complaints Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Executive Director & Head of P&A Department as soon as practically possible and in any case, not later than 60 days from the date of receipt of the complaint. The Executive Director & Head of P&A Department will ensure corrective action on the recommendations of the Complaints Committee and keep the complainant informed of the same.

   Corrective action may include any of the following:

   a. Formal apology;
   b. Counseling;
   c. Written warning to the perpetrator and a copy of it maintained in the employee's file;
   d. Change of work assignment / transfer for either the perpetrator or the victim;
   e. Withholding promotion;
   f. Suspension or termination of services of the employee found guilty of the offence.

6. In case the complaint is found to be false, the Complainant shall, if deemed fit, be liable for appropriatedisciplinary action by the Management.

VIII. CONFIDENTIALITY:

The Company understands that it is difficult for the victim to come forward with a complaint of sexual harassment and recognizes the victim's interest in keeping the matter confidential.

To protect the interests of the victim, the accused person and others who may report incidents of sexual harassment, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.

IX. PROTECTION TO COMPLAINANT / VICTIM:

The Company is committed to ensuring that no employee who brings forward a harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action.

The Company will ensure that the victim or witnesses are not victimized or discriminated against while dealing withcomplaints of sexual harassment.

However, anyone who abuses the procedure (for example, by maliciously putting an allegation knowing it to be untrue) will be subject to disciplinary action.

X. CONCLUSION:

In conclusion, the Company reiterates its commitment to make efforts to provide its employees, a workplace free from harassment/ discrimination and where every employee is treated with dignity and respect.

Format for Annual report of Complaint Redressal Committee:
[As required under sec. 21 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)Act, 2013]

Sl. No.	No. Of Complaints received	No. of Cases Adjudicated			Actions taken on the Complaint	No. of Cases pending for more than 60 days
		Through Counseling	Otherwise			
			Guilty	Not Guilty		

CODE OF CONDUCT FOR DIRECTOR'S & SENIOR MANAGEMENT

The members of the Board of Directors of HBL Power Systems Limited acknowledge and accept the scope and extent of their duties as Directors. They have a responsibility to carry out their duties in an honest and businesslike manner and within the scope of their authority, as set forth in the laws of India as well as in the Memorandum and Articles of Association of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of HBL Power Systems Limited in an honest, fair, diligent and ethical manner. As Directors, they must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company. The Board of Directors has adopted the following Codeof Conduct and the Directors and senior managers are expected to adhere to the standards of care, loyalty, good faith and the avoidance of conflicts of interest that follow.

Code of Conduct – Board Members and senior managers will:

- act in the best interests of, and fulfill their fiduciary obligations to the Company;
- act honestly, fairly, ethically and with integrity;
- conduct themselves in a professional, courteous and respectful manner and not take improper advantage of theirposition;
- will deal fairly with all stakeholders;
- comply with all applicable laws, rules and regulations;
- act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
- not use the Company's property or position for personal gain;
- will not accept from or give to stakeholder's gifts or other benefits not customary in normal social intercourse;
- not use any information or opportunity received by them in their capacity as Directors or senior management in a manner that would be detrimental to the Company's interests;
- act in a manner to enhance and maintain the reputation of the Company;
- disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Directorhas or may have such an interest;
- abstain from discussion, voting or otherwise influencing a decision on any matters that may come before the board in which they may have a conflict or potential conflict of interest;**
- respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as Directors or senior management, except when authorized or legally required to disclose suchinformation;
- not use confidential information acquired in the course of their service as Directors or senior management for their personal advantage or for the advantage of any other entity;
- help create and maintain a culture of high ethical standards and commitment to compliance;

A Director or senior manager who has concerns regarding compliance with this Code should raise those concerns with the Chairman of the Board and the Chairman of the Audit Committee, who will determine what action shall be taken to deal with the concern. In the extremely unlikely event that a waiver of this Code for a Director would be in the best interest of the Company, it must be approved by the Audit Committee and the Board of Directors.

** *There may be situations in which a Director would be in breach of his duty of confidentiality to another entity were he has to disclose a conflict of interest to the Board of the Company. In such a situation, it shall be sufficient for the Director concerned to abstain from any participation in the matter concerned, without disclosing the nature of the conflict. For this purpose "senior management" shall mean members of management one level below the executive directors and shall include all functional heads.*

Directors and senior managers will annually sign a confirmation that they have read, have complied with and will continue to comply with this Code.

DIVIDEND DISTRIBUTION POLICY

(Amended w.e.f. November 2025)

1. Preamble

The Securities and Exchange Board of India ("SEBI") vide Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") requires the top 1000 listed companies (based on market capitalization as on March 31 of every financial year) to formulate and disclose a Dividend Distribution Policy.

Accordingly, this Dividend Distribution Policy ("Policy") has been formulated by the Board of Directors of **HBL Engineering Limited** ("Company").

2. Objective

The objective of this Policy is to:

- Provide clarity to shareholders on the circumstances and considerations that will guide the Board while declaring dividends.
- Balance the need for capital retention to support long term growth, with the expectation of shareholders for cash returns on investment annually.

3. Factors for Consideration in Dividend Declaration

While recommending or declaring dividend, the Board will consider the following factors:

- **Profit earned during the year and accumulated cash/ liquid reserves**.

  Dividend decision will be taken taking into consideration the profitability of the company on a standalone basis.

- **Cash flow position and overall capital requirements**.
- **Capital expenditure plans and future growth/expansion strategies**.

  Capital expenditure plans include fund requirements to meet expense to upgrade and maintain the infrastructure of the Company.

- Investment opportunities in subsidiaries / associates / joint ventures.
- R&D Budgets for the current year and subsequent few years.
- Dividend payout ratios of comparable companies.

4. Adverse Circumstances under which Shareholders may or may not Expect Dividend

The Company may or may not declare dividend in case of inadequacy of profits, business uncertainty, regulatory changes, need for significant reinvestment that is best funded from internal accruals, or unfavorable market conditions. Even under such circumstances if the advese circumstances are seen as temporary, the Board may, at its discretion, and subject to applicable rules, choose to recommend a dividend out of the company's free reserves.

5. Policy guidelines

- Dividend in September every Fiscal Year shall be recommended by the Board and approved by the shareholders in the Annual General Meeting.
- The Board may declare a second dividend in March of the Fiscal Year, in line with this policy, based on the estimated profits for the full current financial year.
- The total of both dividends for a Fiscal Year shall be in the band of 15% to 25% of Profit after tax for that year. One goal is to avoid declines in the total of both dividends declared, in subsequent years.

6. Review and Amendment

The adequacy of this Policy shall be reviewed and reassessed periodically, based on the changes that may be brought about due to any regulatory amendments or otherwise. In the event of any conflict between the provisions of this policy and of the Companies Act, 2013 and the LODR Regulations, or any other statutory enactments, rules, the provisions of such Act or LODR Regulations or statutory enactments, rules etc. including any amendments/modifications thereto shall prevail over this Policy.

7. Disclosure

This Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report, in accordance with the Listing Regulations.

By order of the Board of Directors
For HBL Engineering Limited
Sd/-

Name: Dr. A J Prasad
Designation: Chairman and Managing Director

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POLICY ON RELATED PARTY TRANSACTIONS

A. PREAMBLE

HBL Power Systems Limited (HBL) is dedicated to the highest standard of ethics and integrity and has successfully applied these standards to the business. HBL has always been committed to good corporate governance including matters relating to transactions with related parties. At present, our responsibilities to the investment community demand even greater dedication to these qualities and ethics.

Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("the Act") read with the Rules framed thereunder and Regulation 23 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), HBL has formulated guidelines for identification of related parties and proper conduct and documentation of all related party transactions. Also, Regulation 23 of Listing Regulations requires a company to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In light of the above, HBL has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company based on recommendations of the Audit Committee.

B. OBJECTIVE

This Policy is designed to govern the transparency of approval process and disclosure requirements to ensure fairness in conduct of related party transactions.
The objective of this Policy is to set out: -

(a) Materiality thresholds for related party transactions; and

(b) Manner of dealing with the transactions between the Company and its related parties based on the Act, Regulation 23 of Listing Regulations and any other laws and regulations as may be applicable to the Company, from time to time.

C. DEFINITIONS

"Arms length transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

"Audit Committee" means the Committee of the Board formed under Section 177 of the Act and Regulation 18 of Listing Regulations.
"Board" means the Board of Directors of the Company

"Key Managerial Personnel" ("KMP") includes

I. the Chief Executive Officer or the Managing Director or the Manager;
II. any Whole-time Director(s);
III. the Company Secretary;
IV. the Chief Financial Officer

"Ordinary course of business" means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per its Memorandum & Articles of Association.

"Related Party", with reference to a Company, shall have the same meaning as defined in Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of Listing Regulations.

"Related Party Transaction" means-

i. for the purpose of the Act, specified transaction mentioned in clause (a) to (g) of sub-section 1 of Section 188;

ii. for the purpose of Regulation 23 and defined under Regulation 2(zc) of Listing Regulations, any transaction involving a transfer of resources, services or obligations between:
(i) Company or any of its subsidiaries on one hand and a related party of the Company or any of its subsidiaries on the other hand w.e.f. 1st April 2022; or
(ii) Company or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or any of its subsidiaries, with effect from April 1, 2023;
regardless of whether a price is charged.

Provided that the following shall not be a Related Party Transaction:

(a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;

(b) the following corporate actions by the Company which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
   i. payment of dividend;
   ii. subdivision or consolidation of securities;
   iii. issuance of securities by way of a rights issue or a bonus issue; and
   iv. buy-back of securities.

(c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

A **"transaction"** with a related party shall be construed to include a single transaction or a group of transactions in a contract.

D. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

i. The Director – Finance & CFO and the Company Secretary shall at all times maintain a data base of the Company's Related Parties containing names of individuals, firms, private companies, public companies etc., identified on the basis of declarations made by the Directors & KMP from time to time and as per Indian Accounting Standards. The list of Related Parties shall be updated as and when necessary and shall be reviewed on a quarterly basis.

ii. The List of Related Parties and any amendments thereto will be circulated to the Executive Directors once in every quarter and on any subsequent updations.

iii. Prior to entering into transactions by the Company with its Related Party or Related Party of its Subsidiary, the concerned Divisional Head of Company will send the details of the draft contract/terms, basis of pricing and other supporting documents to Director-Finance & CFO and the Company Secretary promptly.

iv. Prior to entering into transactions by the Subsidiary of the Company with its Related Party or Related Party of the Company, the concerned Divisional Head of Subsidiary will send the details of the draft contract/terms, basis of pricing and other supporting documents to Director-Finance & CFO and the Company Secretary promptly.

v. All Executive Directors of the Company will certify to the Audit Committee as to whether the transactions are being entered into in the ordinary course of business and at arms' length basis without any conflict of interest.

E. MATERIALITY THRESHOLDS

Regulation 23 of Listing Regulations requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of a resolution. The Listing Regulations has fixed its materiality threshold for the transaction at Rs. 1000 crore or 10% of the annual consolidated turnover of the Company as per last audited financial statements of the Company, whichever is lower. However, payments for brand usage/royalty to related party exceeding 5% of consolidated turnover will also be considered as Material Related Party Transaction.
In case of any change in the materiality thresholds by way of amendment in the Listing Regulations the revised thresholds will be applicable automatically.
[5]

F. MATERIAL MODIFICATIONS

"Material Modification" means a subsequent modification of 5% (five) or more in value of transactions with a related party which is already approved as per the Policy, or where it exceeds the materiality threshold under this policy.

G. PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS

I. <u>Approval of the Audit Committee</u>

1. All Related Party Transactions between the Company and its Related Party or the Related Party of its Subsidiary and subsequent Material Modifications will be placed for prior approval of the Audit Committee of the Company.

2. All Related Party Transactions between the Subsidiary of the Company and the Related Party of the Company or Related Party of its Subsidiary and subsequent

modifications will be placed for prior approval of the Audit Committee of the Company, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover, as per the last audited financial statements of the Company. (for 01.04.2022 to 31.03.2023).

3. All Related Party Transactions between the Subsidiary of the Company and the Related Party of the Company or Related Party of its Subsidiary and subsequent modifications will be placed for prior approval of the Audit Committee of the Company, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the Subsidiary. (01.04.2023 onwards).
4. Only those members of the Audit Committee, who are independent directors, shall approve Related Party Transactions.
5. Prior approval of the audit committee of the Company shall not be required for a Related Party Transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Listing Regulations are applicable to such listed subsidiary. Further, the Related Party Transactions of unlisted subsidiaries of a listed subsidiary as referred to in the Regulation 23(2)(c), the prior approval of the Audit Committee of the listed subsidiary shall suffice.
6. The Company shall provide the following information, for review of the audit committee for approval of a proposed Related Party Transaction (RPT):
   a) Type, material terms and particulars of the proposed transaction;
   b) Name of the related party and its relationship with the Company or its Subsidiary, including nature of its concern or interest (financial or otherwise);
   c) Tenure of the proposed transaction (particular tenure shall be specified);
   d) Value of the proposed transaction;
   e) The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a Subsidiary, such percentage calculated on the basis of the Subsidiary's annual turnover on a standalone basis shall be additionally provided);
   f) If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its Subsidiary:
      (i) details of the source of funds in connection with the proposed transaction;
      (ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments,
         a. nature of indebtedness;
         b. cost of funds; and
         c. tenure;
      (iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and
      (iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.
   g) Justification as to why the RPT is in the interest of the Company;
   h) A copy of the valuation or other external party report, if any such report has been relied upon;
      i. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;
   i) Any other information that may be relevant.
7. The Company may obtain omnibus approval from the Audit Committee for Related Party Transactions proposed to be entered into by the Company based on the

criteria as approved by the Board of Directors, from time to time, subject to the following conditions:

i. The Audit Committee shall satisfy itself that the transactions are repetitive in nature and that such approval is in the interest of the Company;

ii. The omnibus approval shall provide:-

a) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;

b) the indicative base price/current contracted price and any probable variation thereto;

c) such other conditions as the Audit Committee may deem fit;

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, audit committee may grant omnibus approval for such transactions subject to their value not exceeding rupees one crore per transaction.

iii) The Audit Committee shall review, atleast on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given; and

iv) such omnibus approval shall be valid for a maximum period not exceeding one financial year and shall require fresh approval after expiry of such financial year.

II. <u>Approval of the Board of Directors of the Company</u>

All transactions specified under Section 188 of the Act and which are not in the ordinary course of business or not at an arm's length basis, will be placed before the Board for its approval.

III. <u>Approval of the Shareholders of the Company</u>

i. All Material related party transactions and subsequent Material Modification as defined in this policy, meeting the materiality thresholds shall be placed before the shareholders for prior approval.

ii. The prior approval of the shareholders of Company shall not be required for a related party transaction to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Listing Regulations are applicable to such listed subsidiary.
Explanation: For related party transactions of unlisted subsidiaries of a listed subsidiary as referred above, the prior approval of the shareholders of the listed subsidiary shall suffice.

iii. In addition to the requirements under the Companies Act, 2013, the Company shall provide the following information in the notice being sent to the shareholders seeking approval for any proposed RPT as a part of the explanatory statement:

a. A summary of the information provided by the management of Company to the audit committee as specified above in clause G(I)(6);
b. Justification for why the proposed transaction is in the interest of the Company;
c. Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary,

the details as specified in the Audit committee;

d. A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through the registered email address of the shareholders;
e. Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis;
f. Any other information that may be relevant.

iv. For this purpose, all entities falling under the definition of related parties shall not vote to approve irrespective of whether the entity is a party to the particulartransaction or not.

v. In addition to the above, all transactions specified under Section 188 of the Act which are not in the ordinary course of business or at arm's length basis and exceed the thresholds laid down in Companies (Meetings of Board and its Powers) Rules, 2014, as amended, are to be placed before the shareholders for its approval.

vi. As provided in Regulation 23 of Listing Regulations the requirement for seeking shareholders' approval shall not be applicable to

- transactions between the Company and its wholly owned subsidiary/ies whose accounts are consolidated with the Company and placed before the shareholders for approval.
- transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with Company and placed before the shareholders at the general meeting for approval.

H. DISCLOSURES

i. The Company shall also disclose, in the Board's Report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in the ordinary course of business or not on an arm's length basis along with the justification for entering into such transaction.
ii. In addition to the above, the Company shall also provide details of all Related Party Transactions meeting the Materiality threshold, on a quarterly basis along with the compliance report on Corporate Governance to the stock exchanges.
iii. The Company shall on half yearly basis submit to Stock exchanges disclosures of Related Party Transactions, within the time and format as may be specified by SEBI from time to time and publish the same on its website.
iv. The Company shall disclose in the Corporate Governance report, transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, in the format prescribed in the relevant accounting standards for annual results effective from April 01, 2019.
v. The Company shall disclose in the Corporate Governance report 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount' by the Company and its Subsidiaries.

I. NON-COMPLIANCE OF POLICY

If a Related Party Transaction is entered into by the Company without being approved under the policy, the same shall be reviewed by the Audit Committee. The Audit Committee shall evaluate the transaction and all options available to the Company including ratification, revision or termination of the transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such

Related Party Transaction to the Audit Committee under the Policy, and take such action as it may deem appropriate.

A related party transaction entered into without approval under this Policy shall not be deemed to violate this policy, or to be invalid or unenforceable, so long as the transaction is approved or ratified as soon as reasonably practical after any Officer/Director of the Company becomes aware of such transaction.

In a case where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee may direct additional actions including, but not limited to immediate discontinuation of the transaction. In connection with such review, the Audit Committee has the authority to modify or waive any procedural requirements of the Policy.

J. AMENDMENTS

This Policy may be amended, modified or substituted by the Audit Committee subject to the approval of the Board. In case of any amendment to the provisions relating to related parties in the Act and the Rules made thereunder or the Listing Regulations, this Policy shall stand amended/modified accordingly. However the policy has to be reviewed at least once in every three years.

K. CONFLICT WITH STATUTORY PROVISIONS

In case of any conflict of any terms of the Policy with the Act and/or the Listing Regulations the provisions of the Act and/or the Listing Regulations shall prevail.

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ARCHIVAL POLICY FOR ANY MATERIAL EVENT / INFORMATION DISCLOSED TO THE STOCK EXCHANGES

I. PREFACE

The Board of Directors (the "Board") of HBL Power Systems Limited (the "Company") hasadopted the following Archival Policy with regard to any material events or information which was disclosed to the Stock Exchanges in terms of the Company's Code for disclosures of any material event and information.

II. PURPOSE OF THE POLICY

This Policy is framed pursuant to Regulation 30 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations) as amended from time to time and in force for the time being. The purpose of this Policy is to archive any of the material events or information which was disclosed by the Company to the Stock Exchanges during the previous five years in terms of Regulation 30 of the Listing Regulations and placed on Company's website.

III. POLICY

Any disclosure of events or information which has been submitted by the Company to the Stock Exchange(s) under Regulation 30 of the Listing Regulations and Policy of the Company (Disclosed Information) will be available on the website of the Company for a period of five years from the date of its disclosure. Disclosed Information which was over five years old will beremoved from the website of the Company. Thereafter, anyone intending to review that disclosed Information may write to Compliance Officer / Company Secretary an e-mail to investor@hbl.in of the Company but within a period of eight years from the date of respective disclosure.

IV. COMMUNICATION OF THIS POLICY

A copy of this Policy shall be posted on the web-site of the Company. This policy comes into effect from 1st April 2022 and shall be in force until revised or revoked.

V. AMENDEMENT

The Board or Management Committee so authorized for the purpose shall have the powers to review or amend any of the provisions of this Policy, substitute any of the provisions with a newprovision or replace this Policy entirely with a new Policy.

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

A brief outline of the company's CSR policy including overview of projects or programs undertaken:

HBL has been taking up the activities to improve the standards of living of the residents of the surrounding villages. Wherever the Company has operational facilities, HBL initiated its Social Responsibility activities in the year 2007, well before the mandatorily required under the Companies Act 2013 as a responsible corporate and shall continue the same to comply with the regulatory requirements of Corporate Social Responsibility. HBL suitably revised its CSR policy to bring in line with the regulatory requirements. HBL chose development of villages and the Children residing in the surrounding villages as our Focus and Target beneficiaries, as they are the future of a Society.

CSR Policy

Vision to provide support for improving living standards of people in and around HBL factory locations.

Purpose to ensure social support; provide nutrition, education support and rehabilitation of under privileged.

Amendments to CSR Policy to include the following:

Amendment 1(approved on 13th August 2019)

> *"Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympicsports including making contributions to organizations promoting or training in such sports"*

Amendment 2 (Approved on 12th November 2020)

> *"To include all or any of the activities prescribed in Schedule VII of the Companies Act 2013 (including any amendments or notifications) announced by the Ministry of Corporate Affairs (MCA) from time to time, including making subscriptions, contributions or donations to such organizations as qualified in the said Schedule VII of the Companies Act 2013"*

Approach:

1. Reaching out directly to the beneficiaries

2. Working with institutions that work for beneficiaries

Methodology:

a) Identify the needs (needs assessment study) - Demographic, social and economic profile of village,Basic amenities already available in the village, resources base and utilization.

b) Design and implement solutions

c) Stakeholders involvement - Local community & Govt. officials & Beneficiaries

Areas of Focus:

Health:

- Providing nutrition food for children below 6 years age.
- Organizing health check-up camps.
- Organizing health awareness programs.
- Providing support for referral services

Education

- Providing joyful pre-school education
- Promoting girl child education
- Scholarships
- Supporting primary education
- Learning aids
- Sports kits

Water:

- Providing safe drinking water facility in easily accessible manner

Infrastructure

- To provide a natural, joyful, simulating environment facility with emphasis on necessary inputs foroptimal growth and development of children.

- Contributions for community development facilities i.e buildings, school furniture's, Libraries,temples, solar street lights etc.

Livelihoods:

- Facilitating vocational training programs for youth and livelihood Enhancement projects for women.

- Employment opportunities

Sanitation

- Providing garbage collection rickshaws
- Organizing awareness programs
- Providing financial support in construction of toiles in schools.
- Waste collection management.

Environment

- Tree plantation
- Tree guards
- Providing solar street lights.
- Organizing awareness programs

Sports:

- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympicsports including making contributions to organizations promoting or training in such sports.

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RISK MANAGEMENT COMMITTEE - POLICY AND TERMS OF REFERENCE

1. Objectives

1.1 The primary role of the Risk Management Committee ("Committee") of HBL Power Systems Limited("Company") is that of assisting the Board of Directors ("Board") in:-

- Overseeing the Company's risk management process and controls.
- Reviewing compliance with risk management policies implemented by the Company
- Reviewing risk assessment of the Company periodically and exercising oversight of various risksassociated with the nature of business of the Company.
- Exercising oversight of the Company's risk tolerance, capital liquidity and funding.

1.2 The Committee will report periodically to the Board on its activities.

2. Composition

2.1 The Committee is constituted by the Board. The Committee shall comprise members of the Board.

2.2 The Chairperson of the Committee shall be a member of the Board.

2.3 The Company Secretary shall act as the Secretary to the Committee. The Secretary will be responsible fortaking adequate minutes of the proceedings and reporting on actions taken in the subsequent meeting.

3. Quorum

3.1 The quorum necessary for transacting business at a meeting of the Committee shall be any two members or one-third of the members of the Committee, whichever is greater, with atleast one Independent Director being present.

3.2 A duly convened meeting of the Committee at which the requisite quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4. Meetings

4.1 The Committee shall meet at least two times a year or such other number of times as may be prescribed byrelevant regulations from time to time.

4.2 The Committee may invite such executives of the Company as it considers appropriate.

4.3 The Chairman and Managing Director of the Company and Chief Financial Officer (CFO), if not member(s) ofthe Committee, may also attend and participate at the meetings of the Committee as invitee(s).

4.4 While invitees to the Committee shall have a right to be heard in the meetings, they shall not have a right tovote. The right to vote shall vest only with the members of the Committee.

5. Authority & Powers

5.1 The Committee shall act and have powers in accordance with the terms of reference specified in writing, by the Board, which shall include the following:

- Seek any information or explanation from any employee or Director of the Company.
- Ask for any records or documents of the Company and have full access to Company information.
- Recommend engagement of independent consultants and advisors, including legal counsel or expert, as it deems appropriate. Secure attendance of outsiders with relevant expertise in Committee meetings, as the Committee considers necessary.
- Oversee the major risks of the subsidiaries.
- The committee shall coordinate with other committees to the extent that its work has a bearing on their scope of work.

6. Responsibilities

6.1 The responsibilities of the Committee shall include the following:

- Review the Company's risk governance structure, risk assessment and risk management practices and guidelines, policies and procedures for risk assessment and risk management including the risk management plan.
- Monitor the Company's risk appetite and strategy relating to key risks.
- Oversee Company's process for determining risk tolerance and review management's measurementand comparison of overall risk tolerance to established levels.
- Review and analyze risk exposure related to specific issues, concentrations and limit excesses, andprovide oversight of risk across organization.
- Review compliance with risk policies, monitor breaches / trigger trips of risk tolerance limits anddirect action.
- Carry out any other function as is referred by the Board from time to time or enforced by anystatutory notification / amendment or modification as may be applicable.

7. Reporting

7.1 The Committee will report and update the Board periodically, on all matters as it deems fit for the Board's attention.

7.2 The annual report of the Company shall disclose the composition of the Committee, brief description of the scope of the Committee Charter, names of members, Chairperson, meetings, attendance and risk related disclosure under the SEBI LODR.

8. Review of Charter

8.1 The adequacy of this Charter shall be reviewed and reassessed by the Committee, at least annually and appropriate recommendations shall be made to the Board to update the Charter based on the changes that may be brought about due to any regulatory amendments or otherwise.

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NOMINATION AND REMUNEERATION COMMITTEE
(TERM OF REFERENCE, PROCEDURE AND POLICIES)

1. MEMBERSHIP AND QUORUM

The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. Minimum two members or one third of the members of the Committee whichever is greater, shall constitute a quorum for the Committee meeting. The members of the Committee shall be appointed or removed by the Board of Directors.

2. CHAIRMAN

The Chairman of the Committee shall be an independent director. In the absence of the Chairman, the Members' of the Committee present at the meeting shall choose one amongst them to act as Chairman. The Chairman of the Committee could be present at the Annual General Meeting of the Company to answer shareholders queries or may nominate some other member to answer the shareholders'queries. However, the Chairman of the Board shall decide who would answer the queries.

3. TERM OF REFERENCE

a) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b) Formulation of criteria for evaluation of Directors;

c) Devising a policy on Board Diversity

d) While formulating the remuneration policy, to ensure that -

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

e) Identifying the person who is qualified to become a Director or senior managers in accordance with criteria let down and recommend to the Board their appointment and removal. The Company shall disclose remuneration policy and evaluation criteria in its annual reports

4. To have relevant experience of contributions to the deliberations of the Board and Corporate Governance SELECTION OF NEW DIRECTORS

Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:

- To have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ deliberations of Board/ Corporate Governance or the other disciplines related to company's business.
- The capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
- Potential conflicts of interest, and independence.

5. CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES & INDEPENDENCE OFDIRECTOR

a) Qualifications of Independent Director:-

An Independent director shall possess appropriate skills, experience and knowledge in one or morefields of finance, law, management, sales, marketing, administration, research, corporate governance,

operations or other disciplines related and beneficial to the company's business.

b) Positive attributes of Independent Directors:-
An independent director shall be a person of integrity, who possesses relevant expertise & experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

c) Independence of Independent Directors:-
An Independent director should meet the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, concerning independence of directors.

6. POLICY ON BOARD DIVERSITY

The Company should endeavor to have mix of Directors with experience in diverse field's viz. Finance, Law, Management, Sales And Marketing, Technical, Administration, Corporate Governance, factory operations and other discipline related and beneficial to the Company's operations

7. REMUNERATION POLICY

a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
- to ensure that the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- to attract and retain skilled executives;
- to structure short and long-term incentives that are challenging and linked to the creation of sustainable shareholder returns; and
- To ensure any termination benefits are justified and appropriate.
- To consider professional indemnity and liability insurance for Directors and senior management.

b) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.

c) Remuneration to Key Managerial Personnel & other employees :

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. Remuneration to Executive Director/ Key Managerial Personnel and Senior Management will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and may involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. While deciding the remuneration package to take into consideration current employment scenario and remuneration package of the industries operating in the similar comparable businesses in the geographical area of its operations. The company has no stock options, plans and hence, such instruments do not form part of their remuneration package.

8. AGENDA, MINUTES & REPORTS

Meeting of the Committee can be held whenever required. The Chairperson of the Committee shall be responsible for establishing the agenda for meetings of the Committee. Minutes of all meetings of the Committee shall be prepared to document the discharge of responsibilities by the Committee. The minutes shall be approved at a subsequent meeting of the Committee and shall be distributed periodically to the full Board of Directors. The Company Secretary of the Company shall act as the Secretary/Convener of the Committee and ensure that the Committee receives information and papersin a timely manner to enable full and proper consideration to be given to the issues.