



LANCO INFRATECH LIMITED

Code of Conduct and Ethics for Directors, Senior Management and Other Employees

1.0 PREFACE

This Code of Conduct and Ethics for Directors, Senior Management and Other Employees (“**Code of Conduct**”) is a guide to help Directors on the Board, Senior Management team and Other Employees of the Company to abide by the Company’s ethical standards. Though it summarizes many of the laws that Lanco Infratech Limited, as a Company is required to follow, it also goes beyond the legal minimums by describing the ethical values that have all along been shared by the Directors and Senior Management.

The Code is in alignment with the Company’s Vision and Values to achieve the Mission & Objectives and aims at enhancing ethical and transparent process in managing the affairs of the Company.

The rules and principles set forth in this Code of Conduct are general in nature and the compliance with the Code of Conduct shall be ensured read with other applicable policies and procedures of the Company.

This Code of Conduct may be reviewed by the Board from time to time to keep in pace with the regulatory environment and any amendments to this Code, shall be approved by the Board of Directors.

2.0 APPLICABILITY

The Board Members are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies and procedures. The Board of Directors of the Company is entrusted with the fiduciary responsibility of oversight of the affairs of the Company. As Directors of the Company they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholders.

This Code of Conduct consists of the following three chapters:

- (i) **CHAPTER I:** Applicable to all the Directors (Executive and Non-Executive), Senior Management and Other Employees;
- (ii) **CHAPTER II:** Applicable to Executive Directors, Senior Management and Other Employees;

“Senior Management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads and Key Managerial Personnel of the Company;

“Other Employees” means personnel of the Company in the designation of General Manager and above;

- (iii) **CHAPTER III:** Applicable to Non-Executive Directors including Independent Directors and Nominee Directors;

CHAPTER I

(Applicable to all the Directors (Executive and Non-Executive), Senior Management and Other Employees)

A. COMMITMENTS AND OBLIGATIONS:

The Parties covered under this Chapter are obliged to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon them and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies and procedures.

B. TRANSPARENCY:

The Parties covered under this Chapter shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes.

C. CONFIDENTIALITY OF INFORMATION:

The Parties covered under this Chapter shall ensure and take all reasonable measures to protect the confidentiality of non-public information about the Company, its business, customers and other materially significant information obtained or created in connection with any activities with Company and to prevent unauthorised disclosure of such information unless required by applicable laws or regulations or legal or regulatory process.

D. LEGAL COMPLIANCE:

It is the general obligation of the Parties covered under this Chapter to conduct the business and operations of the Company in accordance with the laws, rules, regulations, agreements, guidelines, standards including accounting standards governing its operations in the geographies in which the Company operates. The Parties covered under this Chapter shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. They shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders of Lanco Infratech Limited formulated pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

E. ANNUAL COMPLIANCE REPORTING:

In terms of Regulation 17 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Parties covered under this Chapter shall affirm compliance of this Code annually on the closure of every financial year. The Annual Report of the Company shall contain a declaration to this effect signed by the Managing Director of the Company. The Annual Compliance Report shall be forwarded to the Company Secretary. If any Party leaves the Company any time during a financial year, he/she shall send a communication to Company Secretary affirming compliance of the Code till the date of his association with the Company.

F. CORPORATE DISCLOSURE POLICY:

It is the Company's policy to ensure continuous, timely and adequate disclosure of Company's information. The Company is committed to full, fair, accurate, timely and understandable disclosure in reports and documents it files with or submits to the regulatory authorities and in other public communications. The Parties covered under this Chapter shall provide only public information to the analyst/research person/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest. The Parties covered under this Chapter must maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

G. COMPETITION AND FAIR DEALING:

The Parties covered under this Chapter are obligated to deal fairly and honestly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. The Parties covered under this Chapter shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the market place.

The Parties covered under this Chapter shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

It is the duty and obligation of each and every Party covered under this Chapter to comply with this Code of Conduct and he/she shall acknowledge and affirm ongoing compliance with the Code on an annual basis as stated hereinabove. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. This Code of Conduct shall be posted on the website of the Company.

H. AMENDMENT AND WAIVER:

From time to time, the Board may amend or waive certain provisions of the Code depending on the legal and other requirements or for a bona fide purpose. Every member of the Board and Senior Management, including new recruits (at the time of joining) will be given a copy of the Code and are required to confirm their compliance of the same in writing. This code may, from time to time be extended to other senior officers of the company, as the Board may think fit. Any waiver of any provision of this Code of Conduct should be in writing by the Company's Board.

CHAPTER II

(Applicable to Executive Directors, Senior Management and Other Employees)

A. HONEST AND ETHICAL CONDUCT:

The Parties covered under this Chapter are required to act in accordance with the highest standards of personal and professional integrity, honesty, good faith, with diligence and responsiveness, excellence in quality, with academic responsibility and freedom and ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events.

An honest conduct is considered as such when a conduct is free from fraud or deception. We consider ethical conduct to be conduct conforming to the accepted professional standards of conduct and include ethical handling of actual or apparent conflicts of interests between personal and professional relationships. The Parties covered under this Chapter shall:

- Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional and courteous and respectful manner; Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfil their fiduciary duties to the stakeholders of the Company without allowing their independence of judgment to be compromised;
- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.

B. CONFLICT OF INTEREST:

General Guidance

The Parties covered under this Chapter are expected to avoid and disclose, at the earliest opportunity, any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Unless, specifically permitted by the Board, no interested person shall participate in the discussion or vote in the Board's proceedings or participate in any other manner in the conduct or supervision of such dealings.

Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below. Parties covered under this Chapter are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. Failure to disclose the facts shall constitute grounds for disciplinary action.

(a) Outside Employment

Parties covered under this Chapter shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without approval of the Board. Any outside activity must be strictly separated from the Company's employment and should not harm job performance at the Company. The Parties covered under this Chapter shall devote themselves exclusively to the business of the Company and shall not accept any other work or assignment (part-time or otherwise).

(b) Board Memberships

Unless specifically permitted by the Board, the Parties covered under this Chapter shall not accept Directorship on the Boards of other Companies or serve as a Partner of a Firm as the same amounts to conflict of interest.

(c) Competitor's Benefit

Parties covered under this Chapter will not take part in any activity that enhances or supports a competitor's position, unless there is a definite benefit for the Company.

(d) Family Members and Close Personal Relationships

Parties covered under this Chapter shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, the Parties covered under this Chapter shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained. For the purpose of this clause, "relative" shall mean and include 'relatives' as defined in S-2(77) of the Companies Act, 2013.

(e) Gifts

The Parties covered under this Chapter shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panellist /speaker and other customary gifts are allowed. The Parties covered under this Chapter shall not pay or accept bribes.

(f) Investments

The Parties covered under this Chapter must take care to ensure that their investments, do not compromise their responsibilities to the Company and they must not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if an Executive Director or Senior Management personnel or any employee has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party. While making such investment, the factors for determining conflict of interest include the size and nature of such investment, the ability of the proposed investor to influence the Company's decisions, access to confidential information of the Company or the other company, and the nature of the relationship between the Company and the other company.

(g) Diversion of Business

The Parties covered under this Chapter shall not divert business opportunities of the Company, by exploiting for their own personal gain.

The Parties covered under this Chapter are required to scrupulously follow the Code of Conduct and demonstrate complete ownership and commitment and utilise all their efforts and time towards the day to day affairs and growth of the Lanco Group Company/s.

All Parties covered under this Chapter are advised to:

- (i) Abstain from engaging in any private business at the expense of their professional commitment towards the Company and the Company resources, as it amounts to conflict of interests and hampers achievement of business objectives of the Company;
- (ii) Avoid dealing with a contractor or supplier, for or in connection with their private businesses / investments that compromises with their ability to transact business on a professional, impartial and competitive basis.
- (iii) Refrain from holding any position or job or engage in outside business or any other interest that is prejudicial to the interests of the Company;
- (iv) Desist from exploiting for their own personal gain, opportunities that are discovered through use of Company property, information or position, unless the opportunity is disclosed fully in writing to the Board of Directors of the Company and the Board allows him/her to avail such opportunity;
- (v) Refrain from acting upon any confidential information relating to clients especially in share, securities and commodities other than in official capacity in the ordinary course of business;
- (vi) Avoid having any financial interest that could have a negative impact on the performance of their duties, or derive any financial benefit from any contract between the Company and a third party, where they are in a position to influence the decisions that are taken regarding that contract or attempting to influence any decision of the Company concerning any matter with a view to derive any direct or indirect personal benefit;

(h) Use of Company's assets:

The Parties covered under this Chapter shall use the Company assets for legitimate business purposes only and not for personal purposes and also endeavour to protect the Company's assets including physical assets, information and intellectual proprietary rights by maintaining highest standards of security.

(i) Others

It would be impracticable to attempt to list all possible conflict of interest situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

CHAPTER III

(Applicable to Non-Executive Directors including Independent Directors and Nominee Directors)

A. HONEST AND ETHICAL CONDUCT:

The Parties covered under this Chapter are required to act in accordance with the highest standards of personal and professional integrity, honesty, good faith, with diligence and responsiveness, excellence in quality, with academic responsibility and freedom and ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events.

An honest conduct is considered as such when a conduct is free from fraud or deception. We consider ethical conduct to be conduct conforming to the accepted professional standards of conduct and include ethical handling of actual or apparent conflicts of interests between personal and professional relationships. The Parties covered under this Chapter shall:

- Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional and courteous and respectful manner; Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfil their fiduciary duties to the stakeholders of the Company without allowing their independence of judgment to be compromised;
- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.

In addition to the above, the Independent Directors shall also abide by the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013.

B. CONFLICT OF INTEREST:

General Guidance

The Parties covered under this Chapter are expected to avoid and disclose, at the earliest opportunity, any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Unless, specifically permitted by the Board, no interested person shall participate in the discussion or vote in the Board's proceedings or participate in any other manner in the conduct or supervision of such dealings.

Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect the independent and sound judgment on behalf of the Company. General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below. Parties covered under this Chapter are required to disclose to the Board any situation that may be, or appear to be, a conflict of interest. Failure to disclose the facts shall constitute grounds for disciplinary action.

(a) Board Memberships

Any acceptance of Directorship on the Boards of other companies or to serve as a Partner of a Firm, has to be disclosed to the Board as prescribed under the law.

(b) Competitor's Benefit

Parties covered under this Chapter will not take part in any activity that enhances or supports a competitor's position, unless there is a definite benefit for the Company.

(c) Family Members and Close Personal Relationships

Parties covered under this Chapter shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, the Parties covered under this Chapter shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and consent shall be obtained. For the purpose of this clause, "relative" shall mean and include 'relatives' as defined in S-2(77) of the Companies Act, 2013.

(d) Gifts

The Parties covered under this Chapter shall not accept lavish gifts or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panellist /speaker and other customary gifts are allowed.

(e) Investments

The Parties covered under this Chapter must take care to ensure that their investments, do not compromise their responsibilities to the Company and they must not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. While making such investment, the factors for determining conflict of interest include the size and nature of such investment, the ability of the proposed investor to influence the Company's decisions, access to confidential information of the Company or the other company, and the nature of the relationship between the Company and the other company. Investments in Listed Companies is not restricted to the Parties covered under this Chapter.

(f) Diversion of Business

The Parties covered under this Chapter shall not divert business opportunities of the Company, by exploiting for their own personal gain.

The Parties covered under this Chapter are required to scrupulously follow the Code of Conduct and demonstrate complete ownership and commitment and utilise all their efforts and time towards the day to day affairs and growth of the Lanco Group Company/s.

(g) Use of Company's assets:

The Parties covered under this Chapter shall use the Company assets for legitimate business purposes only and not for personal purposes and also endeavour to protect the Company's assets including physical assets, information and intellectual proprietary rights by maintaining highest standards of security.

(h) Others

It would be impracticable to attempt to list all possible conflict of interest situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

3.0 ACKNOWLEDGEMENT:

The Parties shall read and fully understand this Code of Conduct and comply with the policies procedures and principles contained therein.

4.0 ACKNOWLEDGEMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS:

I have received and read the Lanco Code of Conduct. I understand the norms, standards and the policies contained in the Lanco Code of Conduct, and understand that there may be additional polices or laws specifically applicable to my job.

I further agree to comply with the Lanco Code of Conduct.

Name of the Director / Senior Management / Employee

Please sign and return this form to the Human Resources Department.

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