

SADBHAV INFRASTRUCTURE PROJECT LIMITED

CODE OF CONDUCT

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1. Introduction

Sadbhav Infrastructure Project Limited (SIPL or Company) has adopted this Code of Conduct (Code) pursuant to a resolution of its Board of Directors passed by Circulation dated 9th September, 2019. The primary purpose of the Code is to encourage and promote ethical conduct. The adherence to this Code is essential for conducting the business of the Company as per the corporate values of the Company. It shall comply with all applicable laws and in the event there is a conflict between applicable law and the standards prescribed under this Code, the highest standard consistent with applicable laws shall be applied. This Code of Conduct is part of the contract of employment and conditions of service for all Employees. Upon determination that there has been a violation of this Code, the Company will take appropriate action against any person whose actions are found in violation of these policies or any other policies of the Company.

It is the responsibility of every Employee to ensure that he/she is familiar with the contents of this Code and that it is adhered to. Claiming of non-familiarity with the Company's internal policies and procedures, will not serve as a defense for an Employee.

The key principles of the code are set out below:

2. Applicability and effective date

The Code shall be applicable to

- All directors and employees of SIPL
- All third parties dealing with SIPL

The compliance officer, as designated by the Board of Directors (Board), will be the principal officer for this Code. He is empowered to report to the Chairman of the Board on any matter relating to the implementation of the Code. The compliance officer should be consulted if there is any doubt or lack of clarity about any aspect of the code. The chairman of Board may also be consulted wherever required.

The code shall be effective from 9th September, 2019.

3. Definitions

- a) Compliance Officer:** It means designated employee of SIPL who is entrusted with enforcing day to day compliance with relevant policies of SIPL.
- b) Third parties:** Intermediaries refers to the representatives, vendors, contractors, sub-contractors, consultants, suppliers, business associates and any other persons engaged by SIPL and its employees or who are engaged to act for SIPL and its employees in its business dealings with any government or Official, or in obtaining governmental approvals.
- c) Employee:** It includes every individual on the employee payroll of SIPL (whether residing in India or abroad), consultants and includes non-executive and independent directors.

- d) **Management:** The term management includes heads of department, executive and non-executive directors, functional heads, managing director, chairman, chief executive director

4. **Honest and ethical conduct**

The honest and ethical conduct shall include the conduct conforming to accepted professional standards exhibiting fairness and transparency. The Directors/ Senior Management/ all the employees shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. The dealings of Directors/Senior Management/ employees while managing the affairs of SIPL shall be free from any fraud or misuse of the office or any resources of the Company.

5. **The community**

- (i) **Human Rights:** SIPL and its employees shall respect the personal dignity, privacy and rights of each individual he/she interacts with during the course of work and shall not in any way cause or contribute to the violation or circumvention of his/her human rights. If SIPL and its employees become aware of any situation in breach with SIPL's standards, he/she shall notify his/her immediate superior and the Compliance Officer.
- (ii) **Working Conditions:** SIPL, its employees are committed to creating such working conditions, which foster fair employment practices and where ethical conduct is recognized and valued. SIPL and its employees recognize and respect the right to freedom of association and the right to collective bargaining within national laws and regulations. SIPL, its employees shall not employ or contract child labour or any form of forced or compulsory labour. SIPL and its employees shall act with integrity and treat his/her colleagues and others that he/she meets through his/her work with respect. No direct or indirect discrimination shall take place based on race, colour, gender, sexual orientation, age, disability, language, religion, employee representation, political or other opinions, national or social origin, property, birth or other status. SIPL and its employees do not tolerate degrading treatments towards any employee, such as mental or sexual harassment or discriminatory gestures, language or physical contact that is sexual, coercive, threatening abusive or exploitative.
- (iii) **Health, Safety and Employee security:** SIPL is committed to protect the health and safety and ensure a healthy and sustainable work life balance for all employees of SIPL. SIPL shall do its utmost to identify occupational risks, establish controls and monitor performance. It is the responsibility of everyone to adhere to the prescribed safety rules and to act by example as well as to raise and react to any concerns which may represent a potential threat to health and safety.

6. **The Relationship**

- (i) **Environment:** SIPL, its employees shall contribute to minimize the use of finite resources, including energy, water and raw materials and also help to minimize harmful emissions to environment, including waste, CO₂ emissions and other air emissions and discharges to water. You may refer Group's

Employment, Safety, Environment and Governance Policy for any details.

- (ii) **Suppliers and Business Associates:** Suppliers and Business Associates are essential to operate and do business ethically and successfully. SIPL, its employees shall meet suppliers and business associates with insight, respect and understanding and treat them fairly and equally. Suppliers and business associates shall be selected following the established guidelines and procedures. In case SIPL, its employees notice or become aware of any activity by suppliers and business associates that may be in breach of laws, regulations or its governing documents, he/she should immediately report to his/her immediate senior and the Compliance Officer.
- (iii) **Competition:** SIPL, its employees should not let out any confidential business matters available with him/her to the competitors and shall always meet competitors in an honest and professional manner. He/she shall not cause or be part of any breach of general or special competition regulations such as illegal cooperation on pricing, illegal market sharing or any other behavior that is in breach of relevant competition laws. If confidential information is to be shared with external parties, it is the duty of each employee of SIPL to ensure that a written confidentiality agreement is in place.
- (iv) **Corruption and bribery:** SIPL, its employees have zero tolerance and is firmly opposed to any form of corruption. SIPL, its employees never offer, give, ask for, accept or receive any form of bribe. A bribe occurs when someone attempts to influence a decision by offering some form of undue or improper advantage, favor or incentive. SIPL, its employees shall not use agreements with middlemen to channel payments to anyone to facilitate corruption. SIPL, its employees must comply with SIPL's Anti-Bribery and Corruption Policy.
- (v) **Money Laundering:** SIPL, its employees always conduct business with customers, suppliers or business associates involved in legitimate business activities with funds derived from legitimate sources. SIPL, its employees shall take reasonable steps to prevent, detect and report any illegal form of payments, and prevent SIPL's financial transactions from being used by others to launder money.
- (vi) **Political activity:** SIPL, its employees will not take political positions or be associated with specific political movements financially or otherwise. However, SIPL, its employees and their employees may participate in public debates, which are not of political nature, which are of importance to SIPL strategies and business performance.
- (vii) **Gifts, business courtesies and donations:** SIPL, its employees do not offer or accept expensive business courtesies. Nor do they offer or accept any cash or cash equivalents as gifts. SIPL, its employees shall always exercise caution in relation to offering or accepting gifts and business courtesies. SIPL, its employees shall not accept gifts and donations of any nature or other remuneration if there is reason to believe that its purpose is to improperly influence business decisions. Gifts, Hospitality or Entertainment must be

offered and accepted only in compliance with the SIPL's Gifts, Hospitality and Entertainment Policy. Further donations (both political and charitable) must be made in accordance with the Charitable and Political Contribution Policy.

(viii) **Information, Communication and Media:** Public information about SIPL shall only be communicated by the authorized person responsible for public communications. An employee of SIPL who participate in public debates are obliged to make sure that they clearly distinguish between their role as a private citizen and of that as an employee of SIPL.

(ix) **Social Media:** Employees are allowed to associate themselves with the company when posting but they must clearly brand their online posts as personal and purely their own. The company should not be held liable for any repercussions the employees' content may generate. Content pertaining to sensitive company information (particularly those found within SIPL internal networks) should not be shared to the outside online community. Divulging information like the company's design plans, internal operations and legal matters are prohibited. Posting dishonorable content such as racial, ethnic, sexual, religious, and physical disability slurs are not encouraged.

7. Conflicts of interest

The interest shall mean membership, directorship, professional relationship such as a consultant or otherwise, or any affiliation or association, with or in any other entity. It shall also include direct or indirect concern in any past, present or proposed contract, arrangements, or dealings with the Company or its subsidiaries or affiliates. The indirect interest shall include the interest of the relative, partner or any affiliate of the Directors/ Senior Management or his relative or affiliate holds a controlling stake, significant office or has a considerable influence over its affairs. The term 'relative' shall mean the persons mentioned under Section 2 (77) of the Companies Act, 2013.

A conflict of interest is a situation in which interest of the Directors/ Senior Management conflicts with the interest of the Company or its subsidiaries or affiliates or customers. If in the course of the business, any interest of the Directors/ Senior Management detrimentally conflicts with the smooth and profitable conduct of the affairs of SIPL, the Directors/ Senior Management shall disclose such conflict to the Compliance Officer and take all the necessary steps to resolve or avoid such conflict. No Directors/ Senior Management and employees shall make any profit or gain in the event of and as result of such conflict. The Directors/ Senior Management and employees shall make adequate and timely disclosure of all their interests to the Compliance Officer. If such transactions are material to the company, they shall be placed before the Audit Committee for review. Any dealing with related party must be conducted on an arm's length basis and on commercial terms and no preferential treatment shall be given.

The Directors/ Senior Management or any employee of SIPL are prohibited from (a) taking for themselves personally any opportunities that belong to either Company or are discovered through the use of corporate property, information or position, (b) using corporate property, information, or position for personal gain, and (c)

competing with the Company.

8. Financial reporting and records

The Directors shall ensure that the Accounting and Financial records of the Company adhere to the prevailing and applicable accounting standards and generally accepted accounting practices and conventions that are prudent so as to give a true and fair view of affairs of the Company and of the profit or loss of the Company. The Directors shall ensure that there exist adequate internal controls, accounting and audit procedures for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. No Directors/ Senior Management shall make or shall cause to be made, any willful misrepresentation in any Accounting and Financial records of the Company. Further the records should be maintained as per the time limit guidelines mentioned under various statutes such as Companies Act, 2013, Income Tax Act and amendments made thereto.

9. Internal Control and authority

The employees of SIPL shall follow established procedures and guidelines. If applicable procedures and guidelines do not exist, he/she shall act in the best interest of SIPL. In case of any doubt, he/she shall consult his immediate superior and the compliance officer. An employee of SIPL may enter in to a commitment only if he/she holds authority to do so. The limits of his/her authority must not be exceeded. Internal controls are the responsibility of management, but the employees shall contribute to ensure that effective and reliable business processes are in place.

10. Regulatory compliance

The Directors/ Senior Management shall ensure compliance with all the applicable laws, rules and regulations. The Directors/ Senior Management shall ensure that the company is not in violation of any such laws, rules and regulations and does not incur any financial or other liabilities on account of such violation. In the event of any non-compliance of any such laws, rules and regulations by the Company is observed by any Directors/ Senior Management, such Directors/ Senior Management shall immediately bring it to the notice of the Compliance Officer and initiate appropriate remedial measures.

11. Confidentiality

The Directors/ Senior Management and all employees of SIPL shall protect and take all the measures and observe prudence to safeguard the confidentiality of the information at all the times till the same becomes a part of public knowledge documents. Confidential information obtained through their association or employment with the Company must not be used to further their own interests or the interests of their relatives. Employees using the Company's computer data base or electronic mail system will be expected to comply with any internal policies and procedures that guide the storage, use and transmission of information through this medium.

12. Properties and Assets

SIPL's property and assets e.g. buildings and equipment, shall be managed and safeguarded in a manner which protects their values and shall be used only for business purposes unless agreed in employment terms or in compliance with the

procedures and guidelines. SIPL employees shall use SIPL's properties and assets with due care and in such a manner that the values are safeguarded. SIPL, its employees shall observe the Compliance team and IT team's requirements, direction and guidance on safeguarding from external threats, including terrorism, cybercrime, fraud and anti-national activities.

13. Personal data and privacy

SIPL, its employees shall only collect, process, and store personal data for legitimate business purposes and keep such data no longer than necessary for the purposes for which any data was collected. SIPL, its employees shall in particular process personal information pertaining to Customers, Suppliers, Business Associates, in accordance with the relevant laws and regulations on protection of personal data.

14. Intellectual property

SIPL, its employees shall protect and process intellectual property in the best interest of SIPL. In particular, he/she shall not make unprotected intellectual property available to external parties without prior authorization from his/her immediate superior and a signed confidentiality agreement from such parties. SIPL, its employees shall not infringe the intellectual property of others. In particular, he/she shall comply with all confidentiality obligations regarding trade secrets disclosed by third parties.

15. Insider trading

The Directors/ Senior Management and all employees of SIPL shall adhere to the provisions of Code of Conduct for prevention of insider trading. None of the Directors/ Senior Management / employees shall participate in any trading or assist or abet the trading of any stock, shares, scripts or securities in violation of the SEBI (Prohibition of Insider Trading) Regulations 2015 or such other rules and regulations from time to time.

16. Contribution to the growth and Value addition

The Directors/ Senior Management shall endeavor to enhance the value to the business of the Company and contribute positively to the growth of the Company. They shall contribute to the best of their professional abilities.

17. Fraud and Collusion

Fraud in relation to the Company includes any act, omission, concealment of any fact or abuse of position committed by a person or any other person with the connivance in any manner with intent to deceive, gain undue advantage from, or injure the interests of the Company or its shareholders or its creditors or any other person whether or not there is any wrongful gain or any wrong loss. Fraud includes *inter alia* acts such as deliberate concealment of what should have been disclosed, forgery, theft, embezzlement, misappropriation, false representation, leakage of confidential and sensitive information pertaining to the Company, and collusion.

18. Fair Dealing

The Directors/ Senior Management shall endeavor to deal fairly with the Company's customers, suppliers, competitors, officers, and employees. None should take unfair

advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

Inappropriate use of proprietary information, misusing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

19. Total commitment, private interests and activities

Directors and employees of SIPL shall devote their full time and attention to the business interests of the Company. They are prohibited from accepting any assignment, contract or any commercial or activities outside the purview of their employment, which interfere with performance of their duties, while in employment with the Company. They shall not take up any activity that jeopardizes the interests of the Company in any manner.

20. Any Query or Concern of the Employees

Any Query or concern of the employees of the Company should be addressed to their immediate superior or superior's superior or Compliance Officer through letter, mail, fax or email. Please refer the Whistleblower Policy for the same.

21. Handling infringements

- (i) **Reporting:** An important part of the Code is to manage alleged breaches of this Code and Governing Documents. Such alleged breaches are defined as compliance incidents ("Compliance Incidents"). All Compliance Incidents shall be handled by the compliance officer in accordance with the requirements. Should the employee of SIPL become aware of an infringement of laws, regulations or the Governing Documents, he/she shall raise this issue with his/her immediate superior. If this is not possible or appropriate, he/she shall raise the issue or report the infringement directly to the Compliance Officer. Failure to do so is itself a breach of this Code. Incidents may be reported and handled confidentially in accordance with the provisions of the Whistleblower Policy. The Compliance Officer shall convene and present the issues to the Whistle-Blower Committee (**WBC**) and investigate the matter as per WBC direction. If the violation is proved, the WBC committee shall recommend, to the competent authority, for appropriate disciplinary action. Employee should abide by the directive of the management. You may refer *Whistle Blower Policy* for any details. SIPL does not allow reprisals of any kind against those who, in good faith, report an infringement or suspicion of an infringement of the rules or guidelines and such instances will be dealt in accordance with the provisions of the Whistleblower Policy.
- (ii) **Sanctions:** Serious breaches may lead to appropriate action depending on gravity, which may go up to termination of the employment and legal action. What constitutes seriousness of the breach depends upon the circumstances surrounding the case, violation of specific company clause, the allegation and reasonability of defense offered and is the outcome of deliberation between the relevant stakeholders (including concerned employee, Human Resource head, Compliance Officer). As best practice, a verbal warning must be issued

for committing initial offense, repetition of which should lead to issuance of final written warning. Further instance of breach constitutes grounds for valid dismissal.

(iii) Misconduct that may result in disciplinary action includes (but is not limited to):

- a. Violate or request others to violate, laws and regulations, this Code or governing documents;
- b. Failure to promptly raise a known or suspected violation;
- c. Failure to cooperate in SPIL investigations of possible violation;
- d. Retaliation against any employee of the SPIL for reporting integrity concerns in good faith;

22. Amendment, Modification and Waivers

This Code may be amended, modified or waived by the Board, subject to appropriate applicable provisions of laws, rules, regulations and guidelines.

As a general policy, the Board will not grant waivers to the Code. However, in extraordinary situations and for reasons to be recorded in writing, the Board may grant exemption from any one/more of the provisions of this Code.

23. Action taken on breach of Code of Conduct

The Compliance Officer recommends to the competent authority for appropriate disciplinary action as per company's policies.

24. Mechanism for implementation and monitoring of Code of Conduct (CoC):

Compliance Officer should ensure the monitoring and implementation of Code of Conduct across the organization via periodic meetings, case study driven webinars hosted on company intranet, display of posters across company and project site premises, periodic infographic e-mails, training sessions (whichever feasible) including amendment/modification of the Code of Conduct and deal with instances of non-compliances

25. Annual Certification

Directors and employees of SIPL shall certify compliance with the code within 21 days of the close of the financial year of the company, in the form annexed to this code.

24.
ANNEXURE

To
The Compliance Officer
Sadbhav Infrastructure Project Limited
(Address)

Compliance Certificate

I, _____ being a member of the Board of Directors/ employee of Sadbhav Infrastructure Project Limited ('the Company') / _____ do hereby acknowledge, confirm and certify as follows:

- i) I have received, read and understood the Code of Conduct and Ethics of SIPL
- ii) I am bound by the said Code to the extent applicable to my function as _____
- iii) During the financial year _____, I have complied with provisions of the said Code;

Signed:
Name:
Designation:
Date: