



## **LIKHITHA INFRASTRUCTURE LIMITED**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

*[Pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

As a listed company, every action/non-action taken by the Company is the focus of public attention including our shareholders. As a responsible corporate citizen, Likhitha Infrastructure Limited (“**Company**”) has always believed in the highest standard of corporate governance and compliance with the laws of India and to re-inforce and assure to our shareholders that the Company is committed towards the highest standard of corporate governance and compliance, the Company has adopted this Code of Business Conduct and Ethics (“**Code of Conduct**”).

The purpose of this Code of Conduct is to help ensure compliance and meet regulatory requirements.

This Code of Conduct should be read in conjunction with applicable regulations & existing policies & procedures of the Company.

### **1. APPLICABILITY:**

This Code of Conduct is applicable to all Senior Management Personnel which would include the directors of the Company, the top management personnel (i.e. executive directors & advisors at executive director level) & all functional heads (including management personnel with direct functional reporting to directors & top management personnel) (“**Senior Personnel**”).

All Senior Personnel of the Company are expected to read and understand this Code of Conduct and to comply with the letter and spirit of this Code of Conduct. The Senior Personnel are required to comply with all applicable laws and standards, policies, rules and procedures of the Company.

All Senior Personnel must act within the bounds of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the company and its shareholders/stakeholders.

### **2. EFFECTIVE DATE**

The Code of Conduct comes into effect from March 31, 2019

### **3. INTERPRETATION:**

The Board or any person/committee authorized by the Board on their behalf, will consider and see to all the questions and/or interpretational issues arising from, under and/or relating to this Code of Conduct.

In this Code of Conduct, the following words and expressions shall have the following meaning:

- (a) “**Act**” shall mean the (Indian) Companies Act, 2013, including any amendments thereto and any rules, regulations, notifications and clarifications made thereunder, to the extent notified, and the (Indian) Companies Act, 1956 any amendments thereto and any rules, regulations, notifications and clarifications made thereunder, to the extent applicable and in force;
- (b) “**Board**” means the board of Directors of the Company, as constituted from time to time;
- (c) “**Director**” means a director of the Company from time to time and shall include an alternate to a Director.
- (d) “**Relative**” shall have the same meaning as defined in Section 2(77) of the Act; and

- (e) “**SEBI Guidelines**” shall mean the rules and regulation by the Securities and Exchange Board of India, as applicable to the Company from time to time.

In this Code of Conduct, the words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa.

#### **4. COMPLIANCE WITH LAWS**

All Senior Personnel of the Company must comply and where applicable must oversee compliance by the employees, with all applicable laws, rules & regulations, applicable to the Company, both in letter and in spirit.

Each Senior Personnel must acquire appropriate knowledge of the requirements relating to his duties sufficient to enable him to recognize potential non-compliance issues and to know when to seek advice from the Legal Department on specific Company policies and procedures.

The members of the core management of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board, statutory auditors and/or any other relevant party, as may be required by applicable laws, rules and regulations.

No action/transaction/step shall be undertaken and/or not undertaken by any Senior Personnel of the Company and/or any person authorized or instructed for the same (“**Action**”), if the consequence of such an Action would violate any of the applicable laws, rules & regulations, applicable to the Company.

#### **5. CONFIDENTIALITY OF INFORMATION**

All Senior Personnel must ensure that any and all information relating to the Company that:

- (a) is accessible/available with them; and/or
- (b) which comes to their knowledge in the course of discharge of their functions; and/or
- (c) any information which comes to them from whatever source

and is not available in the public domain, except when disclosure of any such information is authorized or legally mandated, shall at all times must be kept confidential.

Unless approved by the Board and/or the authorised representative of the Company, no Senior Personnel shall provide any confidential or sensitive information, either formally or informally to the press or any other publicity media.

#### **6. HONESTY, INTEGRITY AND ETHICAL CONDUCT**

All Senior Personnel shall act in accordance with the highest standards of integrity, honesty, fairness and ethical conduct while working for the Company as well as when representing the Company.

For the purpose of this Code of Conduct:

- (a) honest conduct and/or honesty shall mean conduct that is free from fraud or deception; and
- (b) integrity and ethical conduct shall mean and include ethical handling of actual or apparent conflicts of interest between personal and professional relationships

Senior Personnel shall act in the best interests of the Company and fulfil their fiduciary obligations.

Senior Personnel should promote ethical behaviour and take steps to ensure that the Company promotes ethical behaviour and also encourages its employees to freely report violations of laws, rules, regulations or the Company's Code of Conduct to the appropriate personnel.

## **7. CONFLICT OF INTEREST**

Senior Personnel must avoid and promptly disclose to the Company any potential conflicts of interest regarding any matters concerning the Company (including its subsidiaries & joint ventures).

Senior Personnel shall ensure that they make appropriate disclosures to the board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the company at large (for e.g. dealing in company shares, commercial dealings with bodies, which have shareholding of management and their relatives etc.). They shall not acquire assets for consideration other than cash from the Company and vice-versa.

If any Senior Personnel already has or is contemplating investing in any customer, supplier, developer or competitor of the Company, he or she must first ensure that these investments do not compromise on his/her responsibilities to the Company.

Several factors are involved in determining whether a conflict exists, including the size and nature of the investment; the Senior Personnel's ability to influence the Company's decisions; his access to confidential information of the Company and the nature of the relationship between the Company and the other company or person. Accordingly, it is appropriate that the Senior Personnel makes a disclosure to the Board before making such an investment and obtains a prior approval/no objection.

A Senior Personnel or any of his relatives/associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company and therefore, related party transaction should in all possibilities be avoided.

Any dealings with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosures are made as required under the Act, SEBI Guidelines and as per the applicable policies of the Company.

## **8. GIFTS AND DONATIONS**

No employee of the Company shall receive/offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended to obtain business favours/uncompetitive preferential treatment or in return for any business favours/uncompetitive preferential treatment or decisions. Bribery is illegal and the Company does not allow for corrupt practices in any form, including bribery.

This gift policy will apply to all employees of the Company as well as its subsidiary company and such employees should never use personal funds or resources to do something that cannot be done with the Company's resources.

None of the employees can give/offer business gifts, which include business entertainment, business courtesies, as well as providing hospitality in connection with business activities; provided however, that provision of appropriate, lawful business gifts in connection with the employees work for the Company with commercial customers and other parties, would be permitted if the following conditions are satisfied:

- (a) they are consistent with customary business practices; and
- (b) they are not in contravention of applicable law; and
- (c) the value of the gifts at Company's expenses must have been approved by the authorised personnel of the Company; and
- (d) such gifts have not been given with the intent or prospect of influencing the recipient's business decision-making.

The Company does not permit the soliciting of gifts. Receiving of gifts by the employees in connection with business activities is not permissible, provided however, that this restriction shall not apply to:

- (a) gifts received on festive/celebratory occasions or on the occasion of promotion, transfer or cessation of employment; or
- (b) gifts received on occasions of wedding of self or children.

## **9. PROTECTION OF ASSETS**

Senior Personnel must protect the Company's assets and should endeavour not to exploit them for their own personal gains.

Senior Personnel shall also not exploit for their own personal gains any opportunities discovered through use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Board.

## **10. INSIDER TRADING**

Any Senior Personnel and his/her relatives shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, which is not available in public domain and therefore constitutes insider information as per the SEBI Guidelines.

All employees of the Company are required to comply with insider trading guidelines as per the SEBI Guidelines policies of the Company, from time to time.

## **11. EQUAL OPPORTUNITY & ANTI HARASSMENT**

The Company is committed to a policy of equal employment opportunity so as to assure that there shall be no discrimination or harassment against an employee or applicant on the grounds of race, colour, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations.

This policy relates to all phases of employment including recruitment, hiring, placement, promotion, transfer, compensation, benefits, training, educational, social and recreational programs and the use of Company facilities.

Sexual harassment or exploitation is specifically prohibited.

## **12. ADDITIONAL GUIDELINES FOR INDEPENDENT DIRECTORS**

- (a) Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.

- (b) Seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company.
- (c) Strive to attend meetings of the Board and the committees thereof of which they are members.
- (d) Participate constructively and actively in the committees of the Board.
- (e) Strive to attend the general meetings of the Company.
- (f) Where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.
- (g) Keep themselves well informed about the Company and the external environment in which it operates.
- (h) Not to unfairly obstruct the functioning of an otherwise proper Board or committee thereof.
- (i) Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
- (j) Ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
- (k) Report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.
- (l) Act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
- (m) Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
- (n) Subject to the provisions of the Act to act in accordance with the Articles of Association of the Company.
- (o) To act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- (p) To exercise their duties with due and reasonable care, skill and diligence and exercise independent judgment.
- (q) Not to involve themselves in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- (r) Not to achieve or attempt to achieve any undue gain or advantage either to themselves

or to their relatives, partners, or associates.

- (s) Not to assign their office.

### **13. REPORTING**

The company secretary of the Company shall be the Compliance Officer for the purpose of this Code of Conduct. Senior Personnel are required to report observed violations of the Code of Conduct and any illegal or unethical behaviour, to the Compliance Officer.

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

All reports will be treated in a confidential manner and it is the Company's policy to not allow retaliation for reports made in good faith of misconduct by others.

In accordance with an established, documented and approved process, the Company will undertake review & where appropriate, investigations of alleged violations or misconduct. Senior Personnel are expected to cooperate in internal investigations of misconduct and violations of this Code of Conduct.

Any Person having any queries / requiring any clarifications may contact the Secretarial & Legal Department.

### **14. DISCIPLINARY ACTIONS**

The matters covered in this Code Conduct are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our Senior Personnel to adhere to these rules in carrying out their duties for the Company.

The Company will take appropriate action against any Senior Personnel whose actions are found to violate these policies or any other policy of the Company. Disciplinary actions may include immediate termination of directorship, employment or business relationship at the Company's sole discretion.

### **15. WAIVER AND AMENDMENTS TO THE CODE OF CONDUCT**

The Company is committed to continuously reviewing and updating its policies and procedures. Therefore, this Code of Conduct may be amended/modified from time to time to ensure compliance with applicable laws and the Companies policies.

Any amendment or waiver of any provision of this Code of Conduct must be approved in writing by the Board and promptly disclosed/updated on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendment or waiver.

**16. ACKNOWLEDGEMENT**

All Senior Personnel shall acknowledge the receipt of this Code of Conduct in the acknowledgement form appended to this Code of Conduct indicating that they have received, read and understood, and agreed to comply with the Code of Conduct and send the same to the Compliance Officer. New Senior Personnel will submit such an acknowledgment at the time when their directorship/employment begins/when they assume a senior management position.

**17. ANNUAL AFFIRMATION**

All the Senior Personnel shall, within 45 (forty five) days of close of every financial year affirm compliance with the Code of Conduct (Refer **Annexure I**). The duly signed Annual Compliance Declaration shall be forwarded to the Compliance Officer of the Company.

**ACKNOWLEDGMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS**

I have received and read the Company's Code of Conduct. I understand the standards and policies contained herein in this Code of Conduct and I understand that there may be additional policies or laws specific to my job or role. I further agree to comply with the Code of Conduct.

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

Name: \_\_\_\_\_ Designation: \_\_\_\_\_

Employee Code: \_\_\_\_\_  
(if applicable)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please sign and return this form to the Compliance Officer/Company Secretary.



**Annexure - I**

**CODE OF BUSINESS CONDUCT AND ETHICS**

**ANNUAL DECLARATION**

I hereby confirm that during the financial year ended March 31, \_\_\_\_\_

I have not violated nor am I aware of any violation of the Code of Business Conduct & Ethics by any other person to whom the said Code of Conduct is applicable.\*

I have come across the following instances of violations of the Code:\*

<b>Brief description of the nature of violation</b>	<b>Person Responsible</b>	<b>Date &amp; Mode of intimation to the Compliance Officer</b>

The above declaration is given to the best of my knowledge.

Name: \_\_\_\_\_ Designation: \_\_\_\_\_

Employee Code: \_\_\_\_\_  
(if applicable)

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please sign and return this form to the Compliance Officer/Company Secretary.

\* Please tick '✓' against the applicable statement and strike off whichever is not applicable