



**Code of Conduct for
Board Members and Senior Management
Personnel**

HIGHWAY INFRASTRUCTURE LIMITED

Preface:

This Code for the members of the Board of Directors and for the Senior Management Personnel of **Highway Infrastructure Limited** (“**the Company**”) helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements, specifically under Regulation 17(5) of SEBI (Listing Obligations and Discloser Requirements) Regulation, 2015 (“**The Regulations**”). The Code shall suitably incorporate the duties of Independent Directors as laid down in Section 149 and Schedule IV – Code for Independent Directors and any other provisions of the Companies Act, 2013 as applicable. The Code is aimed to prevent any wrongdoing and to promote ethical conduct at the Board and Senior Management level.

Definitions:

“**Board of Directors**” or “**Board**”, in relation to a company, means the collective body of the Directors of the company

“**Director**” means a director appointed to the Board of a company;

“**Key Managerial Personnel**”, in relation to a Company, means—

- (i) the Chief Executive Officer, or the Managing Director, or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;
- (iv) the Chief Financial Officer;
- (v) such other officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and
- (vi) such other officer as may be prescribed;

“**Independent Director**” An independent director in relation to a company, means a director other than a managing director, or a whole-time director, or a nominee director—

- (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or Directors in the company, its holding, subsidiary or associate company;
- (c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten percent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives—
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year: Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two percent. of the paid-up capital of the company, its holding, subsidiary or associate company, or such higher sum as may be prescribed;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or

Directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two percent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii), or (iii);

(e) who, neither himself nor any of his relatives—

(i) holds or has held the position of a key managerial personnel or is or has been an employee of the company or its holding, subsidiary, or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in the case of a relative who is an employee, the restriction under this clause shall not apply to his employment during the preceding three financial years.

(ii) is or has been an employee, or proprietor, or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary, or associate company; or

(B) any legal or consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two percent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent. or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two percent. or more of the total voting power of the company; or

(f) who possesses such other qualifications as may be prescribed.

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

Applicability:

The code is applicable to the following persons (the Officers):

- i. Members of the Board of Directors of the Company and
- ii. Senior Management Personnel i.e. all members of management i.e. AGM Level and above including all functional heads.

All the concerned are expected to read and understand this Code and to uphold standards set out under this, in his/her day-to-day activities.

As the principles set out under this are general in character, Officers should also review the Company's other applicable Policies and Procedures for more specific instructions. In case of any difficulty in interpretation or allied matters they may contact the Compliance Officer. This Code is in addition to and not in derogation with any Act, law, rules and regulations, and all other applicable Policies and Procedures adopted by the Company that governs the conduct of its officers.

It is obligatory on the part of every Officer to make an annual disclosure under this Code affirming their adherence to the Code on annual basis. This disclosure shall be made to the Compliance Officer on or before 30th April, for the financial year preceding the date in format **Annexure - A**. In addition to above said disclosure, every Officer is to make an acknowledgement as given in

Annexure - B to the Code, on receipt of this Code, indicating that they have received, read and understood, and agree to comply with the Code.

Honest and Ethical Conduct:

It is Policy of the Company to conduct its business in accordance with all applicable laws and regulations of the jurisdiction in which such business is conducted and to do so with complete honesty and integrity in accordance with highest moral and ethical standard. The Company expects all Officers to accomplish all tasks in the capacity of Officer, whether in the premises of the Company or outside, with highest degree of honesty, integrity and professional ethics.

In case you find any difficulty regarding appropriateness of any action or inaction you can seek assistance for its interpretation from the Compliance Officer.

Disclosure of Interest:

It is an obligation of every Officer of the Company to disclose nature of his / her interest or concern in any material transaction made or proposed to be made on behalf of the Company. Disclosure under this clause shall be made by the Officer to the Compliance Officer as soon as it comes to his / her knowledge. General notice given to the Compliance Officer to the effect that he / she is related to such & such persons and is to be regarded as concerned or interested in any transaction, which may, after date of the notice, be entered into with that person(s), shall deemed to be sufficient disclosure of his / her concern or interest in relation to any transaction. Such notice shall be made annually and shall be submitted to the Compliance Officer before the expiry of the first month of the Financial Year to which it relates. Any change to the Notice shall be intimated to the Company within 14 (fourteen) days of the occurrence of such change.

Obligations with respect to directors and senior management:

A director shall not be a member in more than 10(ten) committees or act as chairperson of more than 5 (five) committees across all listed entities and unlisted public limited companies in which he is a director.

Explanation: For the purpose of determination of limit, chairpersonship and membership of the Audit Committee and the Stakeholders' Relationship Committee alone shall be considered.

Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place.

All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis.

Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director.

Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

Explanation: For the purpose of this sub-regulation, conflict of interest relates to dealing in the shares of listed entity, commercial dealings with bodies, which have shareholding of management and their relatives etc.

Use of Company's Funds & Assets:

The Company expects all Officers to use Company's funds diligently. The Officers are prohibited from using Company assets, Confidential or proprietary information or position for personal gain.

Conflicts of Interest:

Officers are expected to disclose any of their transaction, which has or may have any conflicting interest with the business of the Company. They must ensure that these transactions do not compromise on their responsibility towards the Company. Transaction here includes investment in supplier, competitor or customer of the Company, Directorship in any competitor companies, acceptance of any simultaneous employment in suppliers or customers or competitor firm(s)/company (ies).

Protecting the Company’s Confidential Information:

Officers are under obligation to maintain the confidentiality of the insider information coming to their way, which if disclosed to an outsider may have any adverse impact on the Company and will not disclose it except in the course of discharge of their duties.

Employees Relationship:

The Company continually strives to promote positive and productive working relationships among its Officers to fully comply with the letter and spirit of all laws prohibiting discrimination and sexual harassment. While the Company does not wish to unduly interfere with the private lives of its employees, some limitations on personal relationships in the workplace are necessary in order to prevent actual or perceived favoritism, problems with seniors and possible claims of discrimination or harassment. For these reasons, an Officer shall not engage in romantic or sexual encounters or relationships with any other employee with whom he or she is in a supervisory or reporting relationship.

The Company recognizes the importance of developing close working relationships among employees and this policy is not intended to prohibit friendships that naturally develop in a work setting or social interaction among employees.

Compliance with Laws, Rules & Regulations:

Officer must comply with all applicable laws, rules and regulation. Officers are expected to have knowledge of legal obligations relating to their duty and to accomplish their tasks in conformity with such obligations.

Inclusionary Clause:

Transactions given above are only exemplary and it would not be possible to quote here, all situations in which conflict of the interest may arise. So, if a situation raises any doubt or question, the Officer may consult the Compliance Officer.

Compliance with Code of Conduct:

It is part of the Officer's' duty to help in the enforcement of the Code. They are under an obligation to bring any violation of the Code to the knowledge of the Compliance Officer. All the Officers are expected to co-operate in any investigation made in pursuance of the Code. Reprisal, threat, retribution or retaliation against any person, who has, in good faith, reported a violation or suspected violation of the law under this Code or under other Company Policy (ies) or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited. The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other Policy of the Company. Disciplinary action may include immediate termination of employment or cessation of the office at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the person(s) responsible.

Communication with media

Only the Chairman and other Whole Time Director(s) with the consent of the Chairman can interact with the media on any matter pertaining to the Company. No members of the Board and Senior Management Personnel of the Company can comment on any article/ radio/ TV broadcast etc.

Annual Compliance reporting under reg 26(3) of LODR

Regulation 26(3) of the SEBI (LODR) requires all members of the Board of Directors and Senior Management Personnel to affirm compliance with this Code on an annual basis within ten (10) days of the closure of the financial year.

1. Other directorship
2. Insider trading
3. Conflict of Interest
4. Confidentiality of information
5. Gifts and donations
6. Enforcement of Code

Waiver and Amendments to the Code:

This Code is subject to the modifications and no amendment / waiver of any provision of the Code is possible unless approved in writing by the Board of Directors of the Company.

Disclosure:

The Code of Conduct shall be hosted on the Website of the Company. Further, a suitable Disclosure of adoption of Code of Conduct shall be made in the Report on the Corporate Governance of the Company.

ANNEXURE – A
CODE OF CONDUCT FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To,

The Compliance Officer
Highway Infrastructure Limited
57 FA, Scheme No. 94,
Pipliyahana Junction, Ring Road,
Indore MP 452016 India

Annual Disclosure/Declaration

Dear Sir,

I, _____, hereby declare that I have received and read the Company's 'CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL' of the Company. I further declare that I have fully complied with Code of Conduct for Board Members and Senior Management Personnel for the Financial year ended on March 31, _____.

Signature: _____

Name:

Designation:

Date:

Place:

ANNEXURE – B
CODE OF CONDUCT FOR
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

To,

The Compliance Officer
Highway Infrastructure Limited
57 FA, Scheme No. 94,
Pipliyahana Junction, Ring Road,
Indore MP 452016 India

ACKNOWLEDGEMENT FORM

Dear Sir,

I, _____ have received and read the Company's 'CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL' of the Company. I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature: _____

Name:

Designation:

Date:

Place: