

SHRIRAM PROPERTIES PRIVATE LIMITED

CODE OF CONDUCT FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

1. PREAMBLE

The Board of Directors (the "**Board**") of Shriram Properties Private Limited (the "**Company**") has adopted this Code of conduct for the Directors, Key Managerial Personnel and Senior Management ("**Code**") to define the roles and responsibilities, duties etc. pursuant to Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**") and other applicable provisions. The Board reserves the right to review and amend this Code from time to time based on the amendments or modifications in the applicable laws.

2. DEFINITIONS

- a) "**Companies Act**" shall mean the Companies Act 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications or re-enactment thereof.
- b) "**Director**" shall mean a member on the Board of the Company
- c) "**Key Managerial Personnel**" or "**KMP**" means Key Managerial Personnel as defined under Section 2 (51) read with Section 203 of the Companies Act, 2013.
- d) "**Senior Management Personnel**" or "**SMP**" means personnel of the Company who are members of its core management team excluding Board, comprising all members of management one level below the executive directors, including the functional heads.

3. APPLICABILITY AND EFFECTIVE DATE

This code applies to:

- i. Directors whether executive or non-executive including Independent, nominee, alternate Directors of the Company;
- ii. Senior Management Personnel which includes Key Managerial Personnel;
- iii. Executives who are in the grade of General Manager and above; all executives directly reporting to the Chief Executive and Company Secretary;
- iv. Senior Management one level below the Executive Directors and Company Secretary; and
- v. Directors of any subsidiaries/associates of the Company

This Code will be applicable with immediate effect from 14th Nov 2018

The Company expects all the aforesaid personnel to which the Code applies to implement this Code in its true spirit and in case of any doubt or confusion, to consult his/her immediate superior, the head of HR, or the CEO as relevant.

4. ROLES, RESPONSIBILITIES & DUTIES:

The Board, KMPs and the Senior Management of the Company shall agree to abide by the following Code of Conduct:

- a) Exercise authority and power with due care and diligence and discharge the fiduciary responsibility of office in the best interest of the Company and all the stake holders.
- b) Subject to the provisions of the Companies Act, 2013, a Director of a Company shall act in accordance with the articles of the Company.
- c) Attend Board/ Shareholders / Committee / Senior management meetings and seek prior leave for absence from such meeting/s.
- d) Observe and comply with all the applicable rules, regulations, principles and policies of the Company, in force for the time being and from time to time.
- e) Not allow personal interest or not engage in any business, relationship or activity to conflict with the interest of the Company or to come in the way in discharge of duties of office.
- f) Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such Director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.
- g) Maintain the principle of need to know, and also confidentiality of all material non-public information about the Company, its businesses, and affairs.
- h) Not share any information regarding the Company, its businesses and/or affairs with media without the prior approval of the Corporate Disclosure Officer.
- i) Exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- j) A Director of a Company shall not assign his office and any assignment so made shall be void.
- k) Maintain high ethical and professional standards and act honestly, diligently, in good faith and integrity in all dealings.
- l) Not accept gifts in cash or kind, either by themselves or by their close family members, particularly if this is likely to lead to a business relationship with the Company.
- m) Not employ any of their relatives or deal with them on Company's behalf without proper authorization, obtained after disclosing their relationship.
- n) Not use their status to seek or accept any personal gains or favours from those doing or seeking to do business with the Company or from other employees of the Company.
- o) Treat all employees with dignity, respect and concern and treat them on parity at all times.
- p) Not to use the assets of the Company for personal use.
- q) Comply with all applicable laws, rules and regulations, including the Company's Prohibition of Insider Trading Code.

In addition, in performing their Board and Board Committee functions, the Directors shall not hold position of Director/Advisor with a competitor company and Inform the Chairman of changes in their interests that may interfere with their ability to perform their duties, and in the case of "independent directors", impact their independence as a Board member.

5. CODE FOR INDEPENDENT DIRECTORS

Pursuant to section 149, section 166 and Schedule IV of the Companies Act, in addition to the foregoing, the Independent Directors of the Company shall abide by the following:

(I) Guidelines of professional conduct:

An independent director shall:

- i. uphold ethical standards of integrity and probity;
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a *bona fide* manner in the interest of the Company;
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- vi. not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly; and
- ix. assist the Company in implementing the best corporate governance practices.

(II) Role and functions:

An independent directors shall:

- i. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- ii. bring an objective view in the evaluation of the performance of Board and management;
- iii. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management; and
- viii. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

(III) Duties

An independent directors shall:

- i. undertake appropriate induction and regularly update and refresh their skills,

- ii. 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;
- iii. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the Company;
- vi. 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;
- vii. keep themselves well informed about the Company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. 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;
- x. 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;
- xi. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- xii. acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- xiii. 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.

IV. Separate Meetings:

- i. The independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- ii. All the independent directors of the Company shall strive to be present at such meeting;
- iii. The meeting shall:
 - (a) review the performance of non-independent directors and the Board as a whole;
 - (b) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
 - (c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

6. ANNUAL COMPLIANCE REPORTING

The Directors and Senior Management Executives shall affirm compliance with this Code of Conduct and submit a declaration to that effect in the format prescribed as per Annexure I on an annual basis, as at the end of the each financial year of the Company.

7. GENERAL

Any violation of the Code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. The Code of Conduct shall be posted on the website of the Company. The Annual Report of the company shall contain a declaration to this effect signed by the CEO

This Code and any amendments or replacements thereof will be posted on the Company's web site and will also be communicated to the Board, KMPs, Senior Management and other concerned persons of the Company.

In the event of any conflict between the provisions of this policy and of the applicable law dealing with the related party transactions, such applicable law in force from time to time shall prevail over this policy.

The Board of Directors of the Company, subject to applicable laws, may amend, suspend, or rescind this Policy at any time. The Board may also further establish rules and procedures from time to time, to give effect to the intent of this Policy.

Annexure I

DECLARATION

To,
The Chairman
The Board of Directors
Shriram Properties [Private] Limited
Address [●]

Dear Sir/Madam,

Sub: Declaration confirming compliance with the Code of Conduct

I, Mr./Mrs./Ms. _____, _____(designation) do and hereby acknowledge and confirm that during the financial year _____, to the best of my knowledge and belief, I have not violated any of the provisions of the Code of Conduct as applicable to the Directors and Members of Senior Management of the Company or any policies or legal/ regulatory requirement of the Company, directly or indirectly applicable to my job or responsibility.

Signature: [●]

Name: [●]

Designation: [●]

Place: [●]

Date: [●]