

BHARAT ROAD NETWORK LIMITED (BRNL)

Code of Conduct for Board of Directors and Senior Executives

(Framed under Regulation Reg. 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. INTRODUCTION

This Code of Conduct for Board of Directors and Senior Executives (VPs and above) (hereinafter referred to as the Code) of Bharat Road Network Limited (the Company) helps in maintaining and following the standards of business conduct of the Company. The purpose of the Code is to deter wrongdoing and promote ethical conduct in the Company. The matters covered in this Code are of the utmost importance to the Company, its stakeholders and business partners. Further, these are essential so that the Company can conduct its business in accordance with its stated values.

Ethical business conduct is critical to a business. Accordingly, Directors and Senior Executives of the Company are expected to read and understand this Code, uphold these standards in day-to-day activities, and comply with all applicable laws; rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees. For any further clarifications, the Head of HR / Company Secretary of the Company may be contacted.

The Board of Directors have approved this Code and it would be applicable to each Director from the date it is approved by the Board. However, the Senior Executives should sign the acknowledgment form at the end of this Code and return the form to the HR department indicating that they have received, read and understood, and agreed to comply with the Code. The signed acknowledgment form will be filed in each Executive's personnel files.

2. APPLICABILITY

This is a comprehensive code and applies to all Directors/Senior Executives. However, the provisions shall apply to Executives and Non-Executive Directors including Independent Directors only to such extent as may be applicable depending on their respective roles and responsibilities.

The Code does not specifically address every potential form of unacceptable conduct, and it is expected that all the Directors and Senior Executives will exercise good judgment in compliance with the principles set out in this Code. Every Director/Senior Executive has a duty to avoid any circumstances that would violate the letter or spirit of this Code.

3. HONEST AND ETHICAL CONDUCT

All Directors and Senior Executives are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working in the Company's premises, sponsored business and social events, or at any other place where Directors and Senior Executives represent the Company.

Honest conduct is understood as such conduct that is ethical, free from fraud or deception and conforming to the accepted professional standards. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

4. PROFESSIONAL CONDUCT OF INDEPENDENT DIRECTORS

The following is a guide to professional conduct for Independent Directors of the Company and also incorporates the duties of Independent Directors of the Company as laid down in the Companies Act, 2013.

A. Guidelines of professional conduct:

An Independent Director shall -

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a *bona fide* manner in the interest of the Company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. 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;
6. 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;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. assist the Company in implementing the best corporate governance practices.

B. Role and functions:

The Independent Directors shall –

1. 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;
2. bring an objective view in the evaluation of the performance of Board and management;
3. scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial control and the systems of risk management are robust and defensible;

5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. 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;
8. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties:

The Independent Directors shall –

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. 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;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the Company;
6. 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;
7. keep themselves well informed about the Company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. 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;
10. 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;

11. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
13. 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.

An Independent Director and a Non-Executive Director (not being promoter or key managerial personnel) shall be held liable only, in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.

5. CONFLICTS OF INTEREST

An Executive's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

A. **Employment / Directorship:** In consideration of employment with the Company, Directors and Senior Executives are expected to devote their full attention to the business interests of the Company. Directors and Senior Executives are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company, or is otherwise in conflict with or prejudicial to the Company. BRNLs policies prohibit Directors and Senior Executives from accepting simultaneous employment with suppliers, customers, or competitors of the Company, or from taking part in any activity that enhances or supports a competitor at its position. Additionally, Directors and Senior Executives must disclose to the Company, any interest that they have that may conflict with the business of the Company.

Further, no Director or Senior Executive of the Company can serve in any other organization as Employee/ Director of that organization which is doing similar business in which the Company is engaged. However, any Employee / Director of the Company may with the prior written approval of the Board of Directors / Committee / Chairman of the Company accept position of non-wholetime directors in any other organization including organization which is undertaking the similar business in which the Company is engaged.

B. **Related parties:** As a general rule, Directors and Senior Executives should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. A relative for this purpose means the list of Relatives laid down in Companies Act, 2013 and includes spouse, children, parents, brothers and sisters etc. The Company discourages the employment of relatives of Senior Executives in positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g., an auditing or control relationship, or a supervisor / subordinate relationship).

C. Payments or gifts from others: Under no circumstances shall Directors and Senior Executives of the Company accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Before accepting anything which may not qualify as inexpensive or token gift from an employee of any entity, the Head of the HR department or the Company Secretary may be contacted. Questions regarding whether a particular payment or gift violates this policy are to be directed to HR department. Gifts given by the Company to suppliers or customers, or received from suppliers or customers, should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety.

D. Corporate opportunities: Directors and Senior Executives may not exploit for their own personal gain the opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company.

E. Other situations: Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, Directors and Senior Executives must consult the Head of HR/Company Secretary /Chairman.

6. INTERACTION WITH MEDIA

The Managing Director (MD) of the Company or any other executive authorized by the MD is the only Spokesperson/s who would interact with the media - press, radio, TV, online, social media including twitter handles. No other executive of the Company will make any statement in the media - press/radio/TV/online/Social media. No executive of the Company can criticize the Company in any article/blog/post/tweet in media - press/radio/TV/online/social media/twitter.

7. DISCLOSURE

The Company's policy is to provide full, fair, accurate, timely, and understandable disclosure in reports and documents that are filed with or submitted to any outside agency and in Company's other public communications. Accordingly, the Directors and Senior Executives must ensure that they and others in the Company comply with Company's disclosure controls and procedures, and the internal controls for financial reporting.

8. COMPLIANCE WITH LAWS, RULES AND REGULATIONS/ INTERNAL COMPANY POLICIES

Directors and Senior Executives must comply with all applicable governmental laws, rules and regulations. Directors and Senior Executives must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice. Directors and Senior Executives must comply with the Company's internal policies.

The HR Department of the Company will arrange training for those employees who are discharging the functions relating to compliance with the rules/laws/ technical know and research & development activities for their respective departments.

9. VIOLATIONS

Part of an Executive's job and of his or her ethical responsibility, is to help enforce this Code. Directors and Senior Executives should be alert to possible violations and report this to the Head of HR/Company Secretary/Chairman. Directors and Senior Executives 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 or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Actual violations of law, this Code, or Company's other laid down policies or procedures, should be promptly reported to the Head of the HR/Company Secretary/Chairman.

The Company will take appropriate action against any Director or Senior Executive whose actions are found to violate the Code or any other policy of the Company, after giving him a reasonable opportunity of being heard. Where laws have been violated, the Company will cooperate fully with the appropriate authorities and regulators.

10. ANNUAL REVIEW

Directors and Senior Management shall affirm compliance with the Code annually on or before March 31 of every year or such other date as may be determined in this regard. The Corporate Governance Report of the Company shall contain a declaration to this effect signed by the CEO / Managing Director of the Company.

11. AMENDMENT TO THE CODE

The Code is subject to modification / amendment from time to time. Any amendment to the provision(s) of the Code must be approved by the Board and communicated to the Directors and Senior Management.

12. BREACHES OF THE CODE

It is ethical responsibility of Directors and Senior Management to abide by and enforce the Code. Any perceived violation of the Code by any Director or Senior Management personnel should be reported in writing (by any employee / party affected adversely) to the Member of Audit Committee in a closed cover addressed to the Compliance Officer. The Board shall take appropriate action against Directors and the Audit Committee shall take appropriate disciplinary action against Senior Management, who is found to have violated the Code. Such action may be taken in various forms, viz. a verbal warning or written reprimand, dismissal or referral for criminal prosecution or such action as may be deemed fit in the circumstances of each case.

13. INTEGRITY PLEDGE

Directors and Senior Management shall annually sign a declaration indicating that they have received, read, understood and agree to comply with the Code.

14. WAIVERS AND AMENDMENTS

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

15. ACKNOWLEDGMENT OF RECEIPT

Note: - This Code of Conduct will be available on the website of the Company.

For Director: As soon as it is approved by the Board, same will be applicable to all the Directors

For the Senior Executives: I have received and read the Company's Code of Conduct for the Board of Directors and Senior Executives. I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I understand I can consult the HR Department/Secretarial Department/Chairman, and that my questions or reports to these sources will be maintained in confidence.

Executive Name:

Signature:

Date:

Please sign and return this form to the HR department for requisite filing.

Date: