

MOUNT HOUSING AND INFRASTRUCTURE LIMITED

CODE OF CONDUCT

FOR MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Applicability

The Code of Conduct shall apply to the members of the Board of Directors and Senior Management of Mount Housing and Infrastructure Limited.

The term “Senior Management” shall mean officers or personnel of the Company who are members of its core management team excluding the Board of Directors.

Independent Directors are required to adhere to additional standards which are laid down in the “Code for Independent Directors” included as Annexure I.

Objective

The Code of Conduct has been formulated to ensure that the members of the Board of Directors and Senior Management are committed to achieving the highest level of professionalism and integrity in the discharge of their office.

Accountability

The members of the Board of Directors and the Senior Management shall act honestly, fairly, ethically and with integrity.

They shall exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgement.

They shall act in good faith and in the best interests of the Company and its stakeholders and shall fulfill their fiduciary obligations.

They shall strive to maintain and enhance the reputation of the Company.

Conflict of interest

The members of the Board of Directors and the Senior Management shall not engage in any business, relationship or activity, in which they may have a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company.

They shall disclose potential conflict of interest that they may have regarding any matters that may come before the Board and shall abstain from discussion and voting thereon.

Some of the common circumstances that may lead to an actual or potential conflict of interest are:

- a) any activity or employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- b) investments made by them or their immediate family in such companies/ entities whereby, their responsibility to the Company is compromised.

Other Directorships

The members of the Board of Directors and the Senior Management shall avoid serving on the Board or in a Senior Management position of a direct competitor. They shall also keep the Board of Directors informed of changes in their interests that may interfere with their ability to perform their duties.

Compliance

The members of the Board of Directors and the Senior Management shall ensure compliance with all applicable laws, rules and regulations both in letter and in spirit. Any possible violation of laws, rules, regulations or the code of conduct shall be reported to the Board of Directors.

Confidentiality of Information

The members of the Board of Directors and the Senior Management shall maintain the confidentiality of information relating to the affairs of the Company including its business, performance, customers, suppliers etc, acquired during the course of their service, except when authorized or legally required to disclose such information.

They shall not provide any information either formally or informally to the press or any other public media, unless specially authorized to do so.

Insider Trading

The members of the Board of Directors and the Senior Management shall not derive any benefit or assist others in deriving any benefit by giving investment advice based on their access to and possession of information about the company, not in the public domain and therefore constituting insider information. They shall comply with the insider trading guidelines as issued by SEBI.

Corporate Opportunities

The members of the Board of Directors and the Senior Management shall not exploit the opportunities that are discovered vide the use of the property, information or position of the Company, for their own personal gain or for the financial benefit of any other person. They shall not achieve or attempt to achieve any undue gain or advantage either for themselves or for their relatives, partners or associates.

Gifts and donations

The members of the Board of Directors and the Senior Management shall not receive or offer, directly or indirectly any gifts, donations, hospitality and comparable benefits which are intended to obtain business favours.

Safeguarding Company's Assets

The members of the Board of Directors and the Senior Management shall safeguard the assets of the company and shall not use the same for their personal benefit, unless approved by the Board of Directors.

Affirmation of the Code

The adherence to the Code of Conduct shall be affirmed by the members of the Board of Directors and the Senior Management at the time of their appointment and shall be reaffirmed by them on an annual basis.

Review and Amendment

The Board of Directors shall review and amend the Code of Conduct, as may be deemed necessary in the interests of the Company and subject to the applicable legal and regulatory framework.

Annexure I

Code for Independent Directors

The Code is a guide to professional conduct for independent directors.

Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies, in the institution of independent directors.

I. Guidelines of professional conduct:

An independent director shall:

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

II. Role and functions:

The independent directors shall:

- ❖ 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;
- ❖ bring an objective view in the evaluation of the performance of board and management;
- ❖ scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- ❖ satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- ❖ safeguard the interests of all stakeholders, particularly the minority shareholders;
- ❖ balance the conflicting interest of the stakeholders;
- ❖ 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;
- ❖ moderate and arbitrate in the interest of the company as a whole in situations of conflict between management and shareholder's interest.

III. Duties:

The independent directors shall:

- ❖ undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ❖ 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;
- ❖ strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- ❖ participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- ❖ strive to attend the general meetings of the company;
- ❖ 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;
- ❖ keep themselves well informed about the company and the external environment in which it operates;
- ❖ not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ❖ 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;
- ❖ 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;
- ❖ report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- ❖ act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- ❖ 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

- ❖ The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- ❖ All the independent directors of the company shall strive to be present at such meeting;
- ❖ The meeting shall:
 - review the performance of non-independent directors and the Board as a whole;
 - review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - 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.
