

## CODE OF CONDUCT FOR NON-EXECUTIVE DIRECTORS

The Code of Conduct for the Non-Executive Directors (“Code”) is applicable to the following entities:

<b>Sr. No.</b>	<b>Name of the Company</b>
1.	L&T Finance Holdings Limited
2.	L&T Finance Limited
3.	L&T Infrastructure Finance Company Limited
4.	L&T Infra Debt Fund Limited
5.	L&T Housing Finance Limited

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## VERSION CONTROL

<b>Version</b>	<b>Date of adoption</b>	<b>Change Reference</b>	<b>Owner</b>	<b>Approving Authority</b>
1.	October 2014*	-	Secretarial	Board of Directors
2.	October 2015	Inclusion of provisions - Master Circular on Wilful Defaulters, dated July 2, 2015 issued by RBI.	Secretarial	Board of Directors
3.	October 2017	Review and consolidation in to one policy across LTFS.	Secretarial	Board of Directors
4.	October 2018	Annual review (No change)	Secretarial	Board of Directors
5.	October 2019	Annual review (No change)	Secretarial	Board of Directors

\* Approved by the Board of Directors of the respective entities, except for LTFH where the Code was adopted before listing.

## **1. BACKGROUND AND APPLICABILITY:**

- i. The Company's philosophy on corporate governance is built on a rich legacy of fair and transparent governance and disclosure practices of its parent, Larsen & Toubro Limited. This includes respect for human values, individual dignity and adherence to honest, ethical and professional conduct.
- ii. The Company already has a Code of Conduct for its employees including Whole-time Directors in place.
- iii. This Code of Conduct is applicable to the Non-Executive Members of the Board of Directors of the Company ("Directors").

## **2. CODE:**

- i. The Directors shall confirm that they have received, read and understood the Code of Conduct and agree to affirm compliance on an annual basis (formats – Annexure I and II).
- ii. The Directors shall disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing decision on any matter in which the concerned Director has or may have such interest.
- iii. The Directors shall not involve 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.
- iv. The Directors shall not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates.
- v. The Directors shall always act in good faith in order to promote the objects of the Company for the benefit of public at large.
- vi. The Directors shall exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- vii. The Director shall vacate his/ her office in case his/ her name appear in the list of Wilful Defaulter as published/ disseminated by the Credit Information Company(ies) or such other appropriate notified body.
- viii. The Directors shall abide by the 'L&T Finance Holdings Securities Dealing Code' adopted in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- ix. 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 they are 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, to 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 the Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving transactions with related parties and assure themselves that they are in the interest of the Company;
10. ascertain and ensure that the Company has an adequate and functional vigil mechanism in place 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. act within their 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.

### **3. REVIEW / REVISION OF CODE:**

If at any point a conflict of interpretation / information between the Code and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Code shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board and/or its Committee reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Code.

ANNEXURE - I

To,

The Company Secretary  
\_\_\_\_\_(Name of the Company)

**ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT**

I have received and read the Company's Code of Conduct for Non – Executive Directors (the "Code") and I understand the provisions included in the Code. I hereby agree to comply with the Code.

\_\_\_\_\_  
Name of the Director

\_\_\_\_\_  
Signature & Date

ANNEXURE II

To,

The Company Secretary  
\_\_\_\_\_(Name of the Company)

**CONFIRMATION OF ANNUAL COMPLIANCE WITH THE CODE OF THE COMPANY**

This is to confirm that I have complied with the Company's Code of Conduct as applicable to the Non – Executive Directors of the Company for the financial year ended March 31, \_\_\_\_\_.

\_\_\_\_\_  
Name of the Director

\_\_\_\_\_  
Signature & Date