

FRAMEWORK FOR MANAGING CONFLICTS OF INTEREST



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BROAD FRAMEWORK FOR MANAGING CONFLICTS OF INTEREST

1) Background

The term Conflicts of Interest (COI) refers to any situation involving related third-party transactions and non-arm's length relationships that results in a gain or potential gain to one party at the expense of the other party. As the situations involving COI results in obtaining an undue benefit at the expense of the other party, management of such COI situations assumes significance in the governance of any organisation.

GreenCell Mobility Private Limited ("GreenCell", "The Company") has, therefore, developed a framework to manage such conflicts in order to enable it to conduct its business/activities in an ethical and transparent manner.

2) Situations in which COI could arise

GreenCell is aware that a potential COI situation could arise at the individual level or at the organisation level.

At an individual level, such situations could result in an interest that interferes or has the potential to interfere, with an employee's ability to act in accordance with his/her designated roles and responsibilities.

At the organisational level, the Company is aware that the COI could arise in situations such as those while undertaking sale / acquisition of assets, while engaging with Company's agents, dealers, vendors, suppliers, sub-contractors, contractors or the like by whatever name called, while handling intra-group transactions and dealings with or between portfolio / investee companies of GreenCell, or between portfolio / investee companies of different funds of which Eversource Capital Private Limited ("EVERSOURCE") is the investment manager or may be interested directly or indirectly, and the like.

GreenCell adopts the following principles and measures to manage COI situations.

3) Principles for managing COI

Two key principles govern the framework for managing potential COI:

- a) Protection of Investors' and the Company's interests

The central focus of GreenCell is to serve the best interests of the Company and its investors, shareholders and stakeholders; without regard for private interests, personal attitudes or opinions. GreenCell will act not only in compliance with the applicable laws/regulations, but also towards the long term sustenance of the enterprise with the endeavour to manage COI in favour of the Company and its investors' interest.

b) Transparency and accountability

GreenCell adopts measures in keeping with applicable laws /regulations, to enable: proper disclosure, regular communication with key stakeholders and effective controls and oversight at the operational level and at the Board level.

4) Measures for managing COI

GreenCell has already taken several steps in ensuring that COI situations are handled in an appropriate manner, at the individual employee level and at the organization level of Board of Directors of GreenCell.

- Each Director appointed is responsible for ensuring that that he/she makes a best effort to avoid or mitigate COI situations where others might reasonably perceive there to be a COI to exist and is required to make a full and timely disclosure (preferably in writing) to the Board of any COI, or potential COI situation.
- GreenCell keeps an interest register to keep transactions involving self-interest of Directors. The Company's constitution documents provides that Directors shall cause to be entered in an interest register and shall declare to the Board any interest that they may have in relation to a proposed resolution / transaction.
- Each employee of GreenCell upon appointment undertakes to make disclosure of all transaction(s) in which he / she may be directly or indirectly be interested.