



**CODE OF CONDUCT**  
**FOR**  
**DIRECTORS AND EMPLOYEES**



**VERSION CONTROL**

Version Control Number	Author	Date Created / updated	Date Effective	Version Description
V.1	Jitendra Bhati Company Secretary	07 December 2011	07 December 2011	--
V.2	Jitendra Bhati Company Secretary	17 May 2013	17 May 2013	Inclusion of timeline within which annual certification shall be submitted by Directors and Employees
V.3	Jitendra Bhati, VP – Compliance & Secretarial	10 November 2016	10 November 2016	Updation considering time gap from date of adoption
V.4	Jitendra Bhati VP – Compliance & Secretarial	05 February 2018	Upon listing of Equity Shares	To align the Policy with requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015



## **INTRODUCTION AND APPLICABILITY OF THE CODE**

Indostar Capital Finance Limited (hereinafter referred to as **“Company”**) considers Corporate Governance as an integral part of good management. In order to set out good corporate governance structure within the organization and in compliance with Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for Directors and all Employees (**“the Code”**).

The Code is applicable to all Employees of the Company, including whole-time directors and to the non-executive directors to the extent of their role and responsibilities in the organisation (hereinafter referred to as **“Specified Persons”**).

The Code sets forth the standards of conduct for the Specified Persons. The Code shall also be applicable to the Specified Persons of the subsidiaries of the Company.

The Compliance Officer for the purpose of this Code shall be the Company Secretary of the Company or any person designated for this purpose.

## **COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

Specified Persons of the Company must respect and conduct their business and affairs in full compliance with applicable laws, rules and regulations of India.

Specified Persons must acquire appropriate knowledge of the legal requirements relating to their duties and sufficient to enable them to recognize potential dangers and should strive to keep themselves updated in relation to laws/statutory compliances and to know when to seek advice from the relevant department. Violations of applicable government laws, rules and regulations may subject Specified Person(s) to individual criminal or civil liability as well as to disciplinary action by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of reputation or business.

Any unlawful means of whatever nature to overcome difficulties in the operation or implementation of legislation is expressly prohibited.

In terms of the statutory and regulatory provisions of the applicable laws, acts, rules, regulations and guidelines, considering the nature of business activities and to maintain highest standards of corporate governance, the Board of Directors of the Company has from time to time, adopted various policies and codes for the Company. All the specified



employees are required to read and confirm that they understand the various codes and policies adopted by the Company from time to time.

All Codes and Policies of the Company shall be made available on the intranet of the Company.

### **HONESTY, INTEGRITY, DUE CARE AND DILIGENCE**

The Code requires Specified Persons to act honestly, ethically and with integrity and fairness and shall conduct their activities on behalf of the Company in professional, courteous, respectful manner and in the best interests of the Company.

IndoStar has a zero-tolerance approach to corruption and is committed to act professionally with integrity in all its business dealings and relationships wherever it operates and to that effect is inclined towards implementing and enforcing effective systems to prevent / counter corruption.

Specified Persons shall comply with applicable anti-corruption and sanction laws and Anti-Corruption Policy of the Company.

### **PROTECTION AND PROPER USE OF COMPANY'S ASSETS**

Specified Persons should protect the Company's assets from theft and prevent their misuse. The Company permits a limited use of Company's IT assets for personal work, but has no responsibility towards any action or communication by employees in their personal capacity. The Company has the right to access all Company assets and monitor the contents of communication via Company's IT assets, at all times to determine their usage in accordance with this Code.

### **COMPETITION AND FAIR DEALING**

Specified Persons should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair trade practices. Specified Persons should ensure dealings with all stakeholders are done in a fair manner.

The Company will conduct its business operations in compliance with competition laws and principle of fair market competition.



## **INSIDER TRADING**

Insider Trading is prohibited by both law as well as by the Company's policy.

Specified Persons shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of any price sensitive information, which is not in public domain. Specified Persons will comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Company's Code of Conduct for Prohibition of Insider Trading and Internal Procedures; as amended from time to time.

## **CONFIDENTIALITY**

Specified Persons must maintain confidentiality of information received and shall not use confidential information for their direct and indirect personal advantage or for the advantage of any other entity in which they have a direct or indirect interest.

## **CORPORATE COMMUNICATION**

The Company commits itself to open, transparent, impartial and timely information to its shareholders, employees and other stakeholders.

Specified Persons will comply with the Media Communication Policy of the Company, as may be applicable from time to time.

## **EMAIL AND INTERNET**

The Company provides email and internet facilities for the purpose of the Company's business. Posting and disseminating Company's information and data on internet or voice mail or on private networks, except for legitimate purpose of the Company's business, is prohibited. The use of internet facilities for accessing unauthorized and immoral websites is prohibited.

The Company owns the rights to all data and files in any computer, network, or other information system used in the Company and to all data and files sent or received using any company system or using the Company's access to any computer network, to the extent that such rights are not superseded by applicable laws relating to intellectual property. The Company also reserves the right to monitor electronic mail messages (including personal/private/instant messaging systems) and their content, as well as any



and all use by employees of the Internet and of computer equipment used to create, view, or access e-mail and Internet content. Employees must be aware that the electronic mail messages sent and received using Company equipment or Company-provided Internet access, including web-based messaging systems used with such systems or access, are not private and are subject to viewing, downloading, inspection, release, and archiving by Company officials at all times. The Company has the right to inspect any and all files stored in private areas of the network or on individual computers or storage media in order to assure compliance with Company Policies.

### **CORPORATE SOCIAL RESPONSIBILITY, HEALTH & SAFETY**

The Company recognizes its social responsibilities and aims at enhancing the quality of life of its workforce and their families. The business of the Company shall be carried on in a congenial environment whereby adequate health and adequate safety measures are taken in the workplace of the employees.

Specified persons shall ensure that due compliance of all laws and regulations pertaining to health and safety measures are done on a continuous basis.

The Company aims at conducting its business in a way that the Company achieves its business goals and objectives with a due consideration of community's economic, environmental and social aspirations and therefore the Company commits to integrate Corporate Social Responsibility with its business.

### **SEXUAL HARASSMENT**

The Company strictly prohibits any kind of sexual harassment. Sexual harassment includes making unwelcome advances, sexual flirtations or propositions, continual or repeated verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, humor and jokes about sex or gender specific traits, sexual innuendo, display in the workplace of sexually suggestive objects or pictures and transmission of sexual messages via voice mail, regular mail, e-mail or the Internet or Intranet.

The Company is committed to create an environment in which all individuals are treated with respect and dignity and promote a gender sensitive safe work environment. The Company has zero tolerance to any form of sexual discrimination and / or harassment and hence has adopted a Care and Dignity Policy to ensure that its employees are not subjected to any form of discrimination and / or sexual harassment. Also, in order to deal with cases of sexual discrimination and / or harassment at workplace, the Board



has constituted an Internal Complaint Committee and Regional Internal Complaints Committee(s) – North, West and South regions, in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

### **CONFLICT OF INTEREST**

Specified Persons of the Company should endeavor to avoid any conflict of interest with the Company. A conflict of interest exists when benefits or interests of one person or entity conflict with the interests or benefit of the company. A Specified Person must disclose the circumstances to his / her supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the respective supervisor must disclose the same to the Management Committee and the Management Committee may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

### **PERIODIC REVIEW**

This Code is subject to periodic review by the Board of Directors. Specified Persons shall provide confirmation to the Compliance Officer of the Company as and when required by the Human Resources Department. Specified Person would be required to submit to the Compliance Officer the annual certification on March 31<sup>st</sup> every year as per the format provided in **Annexure - I** by 30<sup>th</sup> April of that year. The Company may change the periodicity of such confirmation at any time.

### **REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIORS**

Any violation /suspected violation of the Code has to be promptly communicated to the Compliance Officer or Human Resource Department of the Company.

Good faith reporting of violations or possible violations of this Code or applicable law will not result on adverse consequences to the person reporting them even if the perceived violations are ultimately proven not to have occurred.

### **ADDITIONAL RESPONSIBILITIES / DUTIES OF DIRECTORS**

All Directors of the Company shall be responsible to perform the duties specified in relevant laws specifically as prescribed in Companies Act, 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Additionally Independent Directors of the Company shall ensure due performance of their duties *inter-alia* as prescribed in Schedule IV of the Companies Act, 2013 and Company's Code for Independent Directors.

### **RECOURSE / GRIEVANCE MECHANISM**

The Code has to be complied both in letter and spirit by the Specified Persons. Any violation /suspected violation of the Code has to be promptly communicated to the Compliance Officer or Human Resource Department of the Company which would be taken up in the meetings of the Management Committee / Audit Committee / Board of Directors.

Consequences of such violations may include disciplinary action upto and including termination of employment. Employees who have willfully failed to report known violations will also be subject to disciplinary action.

All reported incidents will be investigated in a discreet, fair and confidential manner and where it is proven that the Code has been violated; the Company will take decisive and appropriate action to uphold the integrity and values of its business. There will be no retribution against any employee for reporting actual or suspected wrongdoing of others, which he or she knows or believes, has occurred if such reporting is made in good faith.

The Company has established a Whistle Blower Policy / Vigil Mechanism for reporting genuine concerns about illegal and unethical practices within the Company. Specified Persons shall take recourse to the said mechanism to report actual or suspected wrongdoing of others.

### **OUTSIDER'S RECOURSE**

No outsider will have any right or recourse to any action or claim of whatsoever nature against any of the Specified Persons for the non-compliance of this Code.





**ANNEXURE - I**

**ANNUAL CERTIFICATION**

Pursuant to the Code of Conduct for Directors and Employees, I, \_\_\_\_\_,  
for the Financial Year ended 31 March \_\_\_\_\_ hereby certify and acknowledge that:

- a. I am a member in good standing of the Board of Directors / Employee of Indostar Capital Finance Limited;
- b. I have received, read and understood all the Codes and Policies adopted by the Company, including amendments from time to time;
- c. The Code has been and is applicable to my activities as a member of the Board of Directors / Employees;
- d. I have complied with all the Codes and Policies of the Company;
- e. I am not aware of any non-compliance with the Codes and Policies of the Company by others.

Signed : \_\_\_\_\_

Name : \_\_\_\_\_

Date : \_\_\_\_\_

Place : \_\_\_\_\_