



Code of Conduct for Directors and Employees



CODE OF CONDUCT

FOR

DIRECTORS AND EMPLOYEES

(Version: V3)



Code of Conduct for Directors and Employees

<i>Policy Name</i>	
Policy Approval authority	Nomination and Remuneration Committee/Board of Directors
Policy Owner	Company Secretary and Compliance Officer
Policy Implementation Authority	Company Secretary and Compliance Officer Chief Human Resource Officer
Version	Version V3
Issue Date	April 29, 2024
Review Date	April 29, 2024

Relevant Act/Rules/Regulations

Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015



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VERSION CONTROL

Version Control Number	Author	Approval Date	Date Effective	Version Description
V1	Pankaj Thapar – Chief Financial Officer	7 December 2011	7 December 2011	-
V2	SVP – Jitendra Bhati	10 November 2016	10 November 2016	Amendment to incorporate requirements of SEBI (Listing Obligation and Disclosure Requirements), 2015
V3	Company Secretary and Compliance Officer	April 29, 2024	April 29, 2024	Amendment to incorporate code of professional conduct for Independent Director



Code of Conduct for Directors and Employees

I. 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. The Company has adopted a Code of Conduct for Directors and all Employees (the “**Code**”).

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

The Code sets forth the standards of conduct for the Specified Employees. The Code shall 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 other person designated for this purpose (“**Compliance Officer**”) by the Board of Directors.

The Code is formulated in line with the requirements of regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”) read with schedule IV of the Companies Act, 2013 on code for independent directors.

The Code shall be displayed on the website of the Company.

II. CODE FOR PROFESSIONAL CONDUCT OF INDEPENDENT DIRECTORS AND DUTIES OF INDEPENDENT DIRECTORS

The independent directors of the Company shall also be required to comply with the ‘code for professional conduct for independent directors’ in accordance with section 149(8) read with schedule IV of the Companies Act, 2013, as amended from time to time. Guidelines applicable to independent directors are mentioned in **Annexure I**.

III. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Specified Persons of the Company must respect and conduct their duties, 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 to enable them to recognize potential dangers and they should strive to



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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 ("**Board**") had, from time to time, adopted various policies and codes for the Company. All the Specified Persons are required to read and confirm that they understand the various codes and policies adopted by the Company from time to time.

IV. 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.

V. 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.

Specified Persons to ensure that sensitive data stored on laptops and hand held devices should be kept to a minimum to reduce risk and impact. Laptops and hand held devices should have strict password mechanisms. Further they should ensure that laptops and hand held devices are protected against malicious virus attacks. Additionally, Specified Person to erase any data related to Company on their laptops and hand held devices before they leave the Company and confirm the same in writing, if required by the Company, as a condition precedent to relieving such a Specified Person.



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VI. 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.

VII. 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 p, as amended from time to time.

VIII. 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.

Specified Persons should ensure to protect violations of the rights of any person or company protected by copyright, trade secret, patent or other intellectual property, or similar laws or regulations, including, but not limited to, the installation or distribution of 'pirated' or other software products that are not appropriately licensed for use by Company. Exporting software, technical information, encryption software or technology, in violation of international or regional export control laws, is illegal. Specified Persons should ensure not to cause security violations, breaches or disruptions of network communication. They should not reveal their account password to others or allow use of account by others. Further making fraudulent offers of products, items, or services originating from Company's account shall constitute grounds for disciplinary action.



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IX. 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.

X. 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. Specified Persons 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.

XI. 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.



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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.

XII. 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 in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder.

XIII. 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.



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XIV. PERIODIC REVIEW

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

XV. 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.

XVI. 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.

Consequences of such violations may include disciplinary action up to and including termination of employment. Specified Persons 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.

XVII. 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.



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The Policy has been adopted by the Board on 10th November 2016 and shall come into force with immediate effect.



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ANNEXURE - I

I. 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.

II. 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 controls 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



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- 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.

III. 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 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.



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ANNEXURE - II

ANNUAL CERTIFICATION

Pursuant to the Code of Conduct for Directors and Employees, I, _____, for the Financial Year ended 31 March 20__ 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 : _____