

Model Code of Conduct for
Direct Selling Agent(s) (DSAs) / Direct Marketing
Agent(s) (DMAs)

Contents

1. INTRODUCTION	3
2. APPLICABILITY.....	3
3. DEFINITIONS	3
4. PRECAUTIONS TO BE TAKEN ON VISITS / CONTACTS.....	4
5. OTHER IMPORTANT ASPECTS - APPEARANCE & DRESS CODE.....	4
6. QUALIFICATION FOR AGENTS	4
7. EMPANELMENT OF AGENTS.....	4
8. OUTSOURCING AGREEMENT	5
9. DO's and DON'Ts	5
10. ETHICS AND INTEGRITY	6
11. GIFTS AND ENTERTAINMENT	6
12. TRAINING AND COMMUNICATIONS.....	7
13. SPEAK UP	7
14. DISCIPLINARY ACTION	8

1. INTRODUCTION

The Reserve Bank of India (“**RBI**”) has issued the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023 (“**RBI Scale Based Regulations**”). In pursuance of the Paragraph 48 and Annex XIII of RBI Scale Based Regulations, IndoStar Capital Finance Limited (“the “**Company**”) has put in place this board approved code of conduct for direct sales agents (“**DSAs**”) and direct marketing agents (“**DMAs**”) (hereinafter referred to as “**Model Code of Conduct**” / the “**Policy**”).

2. APPLICABILITY

This Model Code of Conduct and the Company’s outsourcing policy, will apply to all the Agents (*as defined herein below*). The Agents and their staff will provide a written confirmation that they will agree to abide by this Model Code of Conduct either by way of issuance of a declaration-cum-undertaking as per the format provided under the Annexure hereto or by way of providing undertakings to these effects in the definitive documents/Agreement executed between the Company and the Agents, prior to undertaking any activity/responsibility/duty on behalf of ICFL.

3. DEFINITIONS

- “**Agents**” – Agents shall mean the DSA, dealer DSA, dealer sales executives (“**DSE**”), DMAs and any of their sub agents, appointed by the Company, and includes all individuals/ organization that provides services in respect of or in connection with sale, marketing and/ or distribution of products of the Company.
- “**Borrower**” – borrower shall mean the customers/ clients of the Company to whom the Company has granted loans and includes the prospective customers/ clients/ borrowers also.
- “**Stakeholders**” – refers to internal as well as external stakeholders:
 - (i) includes internal stakeholder(s) like IndoStar’s member(s) of the Board, employee(s) including permanent; and fixed-term or contractual, or temporary, intern(s), indirect employee, Management trainee(s); temporary/ contractual staff, apprentices, probationers, trainees whether paid stipend or not, acting for or on behalf of the Company or in connection with or incidental to the work of the Company or by the Company, wherever they are located;
 - (ii) includes external stakeholder(s) like, third party(ies) working or acting on behalf of and/or for IndoStar.
- “**Data Protection Legislation**” means the legislation and regulations relating to the protection of personal data and processing, storage, usage, collection and/or application of personal data or privacy of an individual including (without limitation):
 - (i) the Information Technology Act, 2000 (as amended from time to time), including the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**Privacy Rules**”) and any other applicable rules framed thereunder;

- (ii) the Digital Personal Data Protection Act, 2023 and the rules framed thereunder, as and when made effective;
- (iii) all other industry guidelines (whether statutory or non-statutory) or codes of conduct relating to the protection of personal data and processing, storage, usage, collection and/or application of personal data or privacy of an individual issued by any regulator to the Company; and
- (iv) any other applicable law solely relating to the protection of personal data and processing, storage, usage, collection and/or application of Personal Data or privacy of an individual.

4. PRECAUTIONS TO BE TAKEN ON VISITS / CONTACTS

The Agents and their staff must:

- not enter the Borrower's residence / office against his / her wish;
- not visit the Borrower in large numbers - i.e., not more than one Agent and one supervisor, if required;
- respect the Borrower's privacy;
- not visit if the Borrower is not present and only the family members / office persons are present at the time of the visit and will end the visit with a request for the Borrower to call back;
- provide his / her telephone number, supervisor's name or the concerned Company's officer's contact details, if asked by the Borrower;
- limit discussions with the Borrowers to the loan;
- maintain a professional distance from the Borrower while visiting them.

5. OTHER IMPORTANT ASPECTS - APPEARANCE & DRESS CODE

The Agents and their staff must be appropriately dressed and have a well - groomed appearance.

The dress code will be:

For Men -

- well ironed shirt and trouser, long sleeves shirt preferably button – down.

For Women -

- well ironed formal attire (Saree or Suit)

6. QUALIFICATION FOR AGENTS

For individuals, there is no specific educational qualification prescribed for a person to be appointed as an Agent. For non-individuals, before engaging the Agent, the Company will ensure that the partnership deed, memorandum of association or any other constitutional document of such an entity contains 'soliciting or procuring business as a sales/ marketing agent or any such similar business' as one of its main objects.

7. EMPANELMENT OF AGENTS

Agents seeking empanelment / engagement with the Company will:

- Agents or its employees / representatives must either submit a declaration-cum-undertaking (as mentioned above) or undertake under the definitive documents/Agreement executed between the Company and the Agents to:
 - a) acknowledge that they have read and understood the Model Code of Conduct, Anti-Corruption Policy and other requisite Policies and their terms and conditions;
 - b) abide by the Model Code of Conduct, Anti-Corruption Policy and other requisite Policies in letter and spirit.
- Declaration-cum-undertaking (if submitted) will be submitted by the Agents on or before empanelment and on an ongoing basis thereafter during the event of renewal of the agreement.
- Submit the application form for empanelment along with necessary documents in the prescribed format.

8. OUTSOURCING AGREEMENT

- The agreement executed by the Company with the Agents, which will be executed considering the requirements set out in Annex XIII of the RBI Scale Based Regulations, will be required to be strictly complied with by the Agents.
- When provisions of the outsourcing agreement or any contractual agreement with the Company has more stringent than the provisions hereof, the Agents must comply with the more stringent obligations of its contract with the Company. The Policy does not replace nor supersede more stringent contractual obligations the Company may have with the Agents.
- The Agents will be responsible for any and all consequences that may arise on account of non-compliance of the said agreement by the Agents. The Agents will not act on behalf of the Company, unless they have entered into an outsourcing contract / contractual agreement with the Company.

9. DO's and DON'Ts

- Agents will disclose upfront to the customers, that they represent the Company , during their interaction.
- Agents will make adequate efforts towards creation of awareness about the grievance redressal mechanism of the Company .
- Agents will ensure that the Borrowers are made aware of the terms and conditions of the loans sanctioned by the Company , including amount of the loan sanctioned, annualised rate of interest at the time of sanction of loans to enable them to make informed decision or the products offered.
- Agents will refrain from interfering into the affairs of the Borrower except for the purposes provided in the terms and conditions of the loan agreement (unless information, not earlier disclosed by the Borrower, has been noticed).
- Agents will attend the trainings provided by the Company.
- By virtue of contract / agreement, the Agents or / and its employees / representatives may have access to personal and business information of Company and / or Company's customers. Agents will

ensure preservation and protection of personal information and documents and maintain confidentiality of the customer information or data which are in their custody or possession, in accordance with the extant Data Protection Legislation.

- The Agents will report the fraud erring employees / representatives of the Agents immediately to the Company. Such employees / representatives will be barred permanently from doing the business of Agents with the Company in future.

10. ETHICS AND INTEGRITY

- The Code requires the Agents to act honestly, ethically and with integrity and fairness and to conduct their activities on behalf of the Company in professional, courteous, respectful manner and in the best interests of the Company.
- Agents must not engage in any illegal or unethical behaviour. They are expected to uphold standards of fair business practices and exercise sound business judgment. Agents must endeavour to maintain their own confidential process to report incidents of unethical behaviour.
- Agents must foster a culture committed to conducting business fairly, ethically, and avoiding even the slightest perception that an improper payment or other inducement or abuse of entrusted power was performed to obtain a business advantage. Agents are expected to maintain compliance with the Company's Anti-Bribery and Anti-Corruption Policy and Code of Conduct Policy.
- Agents must not engage in or assist any other third party in corrupt dealings, including any bribing, money laundering, terrorist financing, or other financial crime activities.
- In case any of the Agents or their staff are offered any bribe or payment of any kind by or on behalf of a Borrower or a potential Borrower, the same must be reported by such Agent to the Company.
- Agents must not allow bias, conflict of interest, or inappropriate influence of others to override its professional responsibilities. Agents must voluntarily declare all potential conflicts of interest, including those which may arise inadvertently, due to either business or personal relationships with clients, other third parties, business associates, competitors of the Company, or with the employees of the Company.
- This Code should be read in conjunction with the other policies and codes adopted by the Company and set out below. The Agents should comply with this Code along with the other policies and codes adopted by the Company as may be applicable to them. Depending upon applicability of the policies and code, all such policies and codes of the Company will be made accessible to the Agents through the website, intranet or H.R. Portal or internal communication platform of the Company.

11. GIFTS AND ENTERTAINMENT

- The Agents and their staff must not accept gifts, entertainment or bribes in any manner from any person for the purpose of availing loan from the Company. In case any of the Agents or their staff are offered any bribe or payment of any kind by or on behalf of a Borrower or a potential Borrower, the same must be reported by such Agent to the Company.

- The Agents and their staff must not provide any gifts, entertainment or bribes in any manner to any employee or personnel or representative of the Company for the purpose of providing any undue advantage in any form and manner to such Agent. In case any of the employee or personnel or representative of the Company asks for bribe or payment of any kind from the Agent or its staff, the same must be immediately reported by such Agent to the Company.

12. TRAINING AND COMMUNICATIONS

- The Agents will ensure that their employees and agents or any other resource are properly trained to handle their responsibilities with care and sensitivity, particularly with respect to aspects of soliciting potential customers, hours of calling, privacy of customer information, and/or conveying the correct terms and conditions of the products offered by the Company.
- If required on Agent to Agent basis, the Agents will be properly trained to handle their responsibilities with care and sensitivity, particularly with respect to aspects of soliciting potential Borrowers, hours of calling, privacy of customer information, and/or conveying the correct terms and conditions of the products offered by the Company.
- Any communication sent to the Borrower should be either in writing or via mail. Agents will use the contents and formats duly approved by the Company.

13. SPEAK UP

- The Policy has to be complied both in letter and spirit by the Agents. The Company expects all its Agents to read, understand and comply with this Code. The Agents are responsible for understanding and complying with applicable anti-bribery and anti-corruption laws within the scope of their employment/ engagement with the Company. The Company has established a Whistle Blower Policy/ Vigil Mechanism and internal processes for reporting genuine concerns about illegal and unethical practices within the Company. Stakeholders will take recourse to the said mechanism to report actual or suspected wrongdoing of others.
- Any violation/suspected violation of the Code has to be promptly communicated through optional channels for raising a concern. The Company's ethics and compliance hotline (as provided below) allows for anonymous reporting of actual or suspected wrongdoings (anonymous reports are more difficult to investigate. Sharing the Identity may expedite and ensure thorough review of the concern), details of which are mentioned below:
 - a. Ethics and Compliance Hotline Number: 000 80005 02317 or website: Indostar.ethicspoint.com¹;
 - b. By a letter in a closed and secured envelope / email addressed to:
 - i. the Vigilance and Ethics Officer (whistleblower@indostarcapital.com); or
 - ii. the Chief Executive Officer (ksrinivasan@indostarcapital.com) for making Protected Disclosure against the Vigilance and Ethics Officer; or
 - iii. the Chairman of the Audit Committee (chairman_ac@indostarcapital.com) in appropriate and exceptional circumstances.
- Good faith reporting of violations or possible violations of this Code or applicable law will not result

¹ Our Confidential Ethics and Compliance Hotline is operated by a third party and is accessible online or by phone, 24 hours a day, seven days a week. You may report anonymously, where permitted by local law.

on adverse consequences to the person reporting them even if the perceived violations are ultimately proven not to have occurred. Please refer to the Company's Whistle Blower Policy for further guidance on the requirements and process.

14. DISCIPLINARY ACTION

Failure to comply with this Model Code of Conduct may result in permanent termination of contract/ agreement/ arrangement entered with the Company by such Agent and may even lead to permanent blacklisting of such Agent by the Company. In addition, the Company reserves the right to pursue any and all remedies available under the law or equity, including claims for damages, injunctions, specific performance, reimbursement of costs, and legal fees.

Annexure

Format for Declaration-Cum-Undertaking (in case the Agreement is not signed)

(To be obtained by the Company from on the Letter head of the Agents)

Declaration cum Undertaking to Abide by the Model Code of Conduct

To:

IndoStar Capital Finance Limited
[●]

Email: [●]

Sub: Declaration cum Undertaking to abide by the Model Code of Conduct for Direct Selling Agent(s)/Direct Marketing Agents of IndoStar Capital Finance Limited (hereinafter referred to as the “**Model Code of Conduct**”)

Dear Sir / Madam,

I [●]² / [●]³, represented by [●]⁴ (“**Agent**”) hereby declares and undertakes that it has been appointed by IndoStar Capital Finance Limited (“**Company**”) as a [●]⁵.

In the discharge of the duties and obligations under the appointment, the Agent solemnly affirms and is obligated to follow the IndoStar’s Model Code of Conduct for Direct Selling Agents/ Direct Marketing Agents (“**Model Code**”) and other applicable codes of conduct and policies (as more particularly identified in the Mode Code) without any deviations. The Agent further acknowledges and confirms that its employees, as well as any sub-agents or third parties engaged by it for the purpose of carrying out services on behalf of the Company with necessary approvals, have received adequate training and possess the necessary skills to fulfill the obligations of the Agent in accordance with regulatory standards and ethical practices, ensuring transparency and integrity in all interactions with customers on behalf of the Company. The Agent understands that it is responsible for ensuring their compliance and promptly reporting any violations to the Company.

The Agent acknowledges and confirms that they have been provided with, read and understood, and agree to abide by the Model Code and other applicable codes of conduct and policies (as more particularly identified in the Mode Code) without any deviations and in letter and spirit.

In case of any violation and/or non-adherence to the said Model Code, the Company will be entitled to take any such disciplinary action including termination of its association with the Company as it may deem appropriate.

Signed on this _____ Day of _____ 20____ at [●]

² If given by an individual, insert the name of the individual.

³ Insert the name of the Company and registered address if given by the Company.

⁴ Insert the name of the representative of the company DSA or DMA.

⁵ Insert the Designation: Direct Sales Agent/Direct Marketing Agent.

Signature

Name of Authorized Signatory

Agency