



Code of Conduct
For Board Members & Senior Management Personnel

INDIA FINSEC LIMITED



Preamble

India Finsec Limited (hereinafter referred to as “the Company”) is a Non Banking Financial Company; not accepting deposits i.e. a NBFC-ND. The company follows high standard of ethics and code of conduct and adopts professionalism, integrity and disciplined and also encourages its employees to adopt such kind of behavior. To maintain this kind of behaviors in its employees the Company has adopted a code of conduct for the Board Members and Senior Management.

This Code of Conduct (the "Code") shall be called “The Code of Conduct for Board Members and Senior Management Personnel” of India Finsec Limited (the "Company"). It defines that the Board of Directors and Senior Management shall abide the rules and regulations while performing their duties. Any actual or potential violation of these Codes by the Board Directors would be the matter of serious concern for the Company.

This code for Board Members and Senior Management has been framed specially in compliance of the provisions of *SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into with the Stock Exchange.

Applicability

This code shall be applicable to the following persons:-

1. Board of Director’s (Both Executive and Non-Executive Directors) of the Company.
2. Senior Management Personnel of the Company, being members of Core Management Team, Members of management one level below the executive directors and all Functional Heads.

Honest & Ethical Conduct

The Board members & Senior Management Personnel are required to act in accordance with the highest standards of personal and professional integrity, honestly, ethical and legal conduct, when acting on behalf of the Company or in connection with the Company’s business or operations and at social events.

The Board Members and the Senior Management Personnel shall:

- ◇ Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional, courteous and respectful manner;
- ◇ Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfill their fiduciary duties to the stakeholders of the Company;
- ◇ Act in good faith, with responsibility, due care, competence, diligence and independence;
- ◇ Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.

* It has been replaced. Earlier it was read as “Clause 52 of BSE SME Listing Agreement”.

Conflict of Interest



A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

The Board Members and Senior Management Personnel are expected to avoid and disclose any activity or association that creates or appears to create a conflict between the personal interests and the Company's business interests.

General guidelines to better understand several of the most common examples of situations that may cause a conflict of interest are listed below.

- ◇ Executives Directors and Senior Management Personnel shall not work for or receive payments for services from any competitor, customer, distributor or supplier of the Company without approval of the Board. Any outside activity must be strictly separated from Company employment and should not harm job performance at Code of Conduct & Ethics for Directors & Senior Management. The Executive Directors and the Senior Management personnel shall devote themselves exclusively to the business of the Company and shall not accept any other work or assignment (part time or otherwise).
- ◇ Serving on the Board of Directors or a similar body for an outside company or government agency requires the advance approval of the Board. Acceptance of Directorship on the Boards of other Companies, which compete, with the Company amounts to conflict of interest. Helping the community by serving on Boards of non-profit or welfare organizations is encouraged, and does not require prior approval.
- ◇ Board Members and Senior Management Personnel shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested. As a general rule, Directors and Senior Management Personnel shall avoid conducting Company's business with a relative or with an entity in which a relative is associated in any significant role. In case of conflicts, disclosure shall be made to the Board of Directors and a prior approval shall be obtained.
- ◇ The Directors and Senior Management Personnel shall not accept lavish gifts or gratuities or any offer, payment, promise to pay, or authorization to pay any money, or anything of value that could be interpreted to adversely affect business decisions or likely to compromise their personal or professional integrity. Gift items of nominal value, such as small promotional items bearing another company's name, business meals, gifts received because of personal relationships and not because of official position, mementos received because of attending a widely held gatherings as panelist /speaker and other customary gifts are allowed. Directors and Senior Management Personnel shall not pay bribes. Directors and Senior Management Personnel shall not provide any gift, if law or the policy of the recipient's organization prohibits it.
- ◇ Board Members and Senior Management Personnel may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director or Senior Manager has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party.



- ◇ Board Members and Senior Management Personnel shall not divert business opportunities of the Company, by exploiting for their own personal gain, business opportunities that are discovered through the use of corporate propriety information or position. However, the Directors and Senior Management Personnel can pursue such business opportunities once they are fully disclosed to the company and the company declined to pursue such opportunities.
- ◇ The assets of the Company shall be used for legitimate business purposes and shall not be used for personal purposes. Incidental personal use, if reasonable does not amount to violation of the code.
- ◇ It would be impracticable to attempt to list all possible conflict of interest's situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.

Legal compliance

It is the general obligation of the Directors to conduct the business and operations of the Company in accordance of the laws, rules regulations, agreements, guidelines; standards including accounting standards governing its operations in the geographies the Company operate. The Directors and Senior Management personnel shall acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to perform their obligations diligently. The Directors and Senior Management personnel shall also comply with the internal policies and procedures of the Company to the extent applicable to them including but not limited to compliance with Prohibition of Insider Trading policy of the Company.

Every member of Board of Directors of the Company and Senior Management of the Company should -

- Seek to comply with all Corporate Policies.
- Conduct themselves in a professional, courteous and respectful manner.
- Act in a manner to enhance and maintain the reputation of the Company.
- Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service except when authorized or legally required to disclose such information.
- Not use confidential information acquired in the course of their service for their personal advantage.



Duties of Independent Directors

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors. The Independent directors shall –

- undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- strive to attend the general meetings of the company;
- 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;
- keep themselves well informed about the company and the external environment in which it operates;
- not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- 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;
- report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 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.
- In addition, the Independent Directors shall also abide by the provisions of the “Code for Independent Directors” as provided in Schedule IV of the Companies Act, 2013.

Corporate disclosure policy

It is the Company's policy to ensure continuous, timely and adequate disclosure of Company's information. The Company is committed to full, fair, accurate, timely and understandable disclosure



in reports and documents it files with or submits to the regulatory authorities and in other public communications. The Directors and Senior Management Personnel shall provide only public information to the analyst/research person/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest. The Directors

and Senior Management Personnel must maintain the confidentiality of information relating to the affairs of the Company until and unless authorized or legally required to disclose such information; and shall not use confidential information for their personal advantage.

Competition and fair dealing

The Board Members and Senior Management Personnel are obligated to deal fairly and honestly with each other, the Company's associates and with the Company's customers, suppliers, competitors and other third parties. Directors and Senior Management personnel shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or any other unfair dealing or practice. The Company is committed to free and open competition in the marketplace. Board Members and Senior Management Personnel shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor's confidential information or making false statements about the competitor's business and business practices.

Company Property

Directors and Senior Management personnel have a fiduciary relationship with the Company and they should act like a trustee for the Company's property/ assets as well as the property/ assets of other organizations that have been entrusted to the Company. They are responsible for its safe custody and accountable for its use. The Directors and Senior Management personnel shall not use these assets/ property except as specifically authorized and that too only for the purpose of Company business.

Corporate Business Opportunities

Corporate Business Opportunities here means those opportunities, which are made available to the Company and which are known to the Directors/ Senior Management personnel due to the position held by them in the Company. The Directors/ Senior Management personnel shall not utilise such opportunities for their personal benefit. However, once an opportunity is fully and properly disclosed to the Board and after consideration rejected by them then it ceases to be a Corporate Business Opportunity.

Insider Trading and Fraudulent & Unfair Practices In The Securities Market

A Director or the Senior management personnel and their Relatives shall not derive any benefit or assist others to derive any benefit from the access to and possession of any information about the Company, which is not in the public domain and thus constitutes insider information. They shall also ensure compliance with the Securities and Exchange Board of India (Prohibition of Insider



Trading) Regulations, 2015, as amended and the Code to regulate, monitor, and report trading by designated persons and immediate relatives as also other regulations as may become applicable to them from time to time in addition to the Company's Code for Prevention of Insider Trading. The Company also prohibits its Directors and Senior management personnel to undertake any fraudulent or unfair trade practice in connection with the securities of the Company.

Financial Reporting and Disclosures

The Company is committed to ensuring that its financial statements and reporting:

- (i) Does not contain any untrue statement;
- (ii) Does not omit any material fact or has contents that might be misleading; and
- (iii) Strives to present a true and fair view of the Company's affairs in compliance with the prevailing Accounting Standards and applicable laws and regulations.

The Directors and Senior management personnel shall ensure that all transactions are properly authorised, recorded, and reported as required and there shall be no willful omission of any Company transactions from the books and financial records and all required information shall be provided to the Auditors.

Compliance of Code of Conduct

It is the duty and obligation of every Director and Senior Management Personnel to comply with this code of conduct and he/she shall acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. The code of conduct and any amendment thereto shall be posted on the website of the Company.

The Board Members and Senior Management personnel shall read and fully understand this code of conduct and comply with the policies procedures and principles contained therein.

The Board Considered and Approved the Policy on 04.05.2024.

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Declaration

To,
The Company Secretary
India Finsec Limited
D-16, First Floor,
Prashant Vihar,
Sector-14, Rohini,
New Delhi-110085

Dear Sir/ Madam

I.....do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provision of the **Code of Conduct for Board Members and Senior Management Personnel** during the financial year ending 31st March,..... .

(Signature)

Name:

Designation:

Place:

Date:

** To be submitted by 30th April every year.*