

ARKA FINCAP LIMITED

CODE OF CONDUCT FOR DIRECTORS AND EMPLOYEES

Policy Number 57 – Code of Conduct for Directors and Employees

Action	Entity	Signature
Created by	Secretarial Team	
Reviewed by	Risk Management Committee/Nomination and Remuneration Committee	
Approved by	Board of Directors	
Release Date		
Version	1.0	

Version History

Version No.	Particulars	Details
1	Original Code of Conduct approved by Board of Directors	

CODE OF CONDUCT FOR DIRECTORS & EMPLOYEES

INTRODUCTION AND APPLICABILITY OF THE CODE

Arka Fincap Limited (hereinafter referred to as “**Company**”) considers Corporate Governance as an integral part of good management. In order to set up a good governance structure within the Company and in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”), the Company has adopted a Code of Conduct for its 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 Compliance Officer for the purpose of this Code shall be the Company Secretary of the Company.

The Code will be available on the website of the Company.

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 laws, rules, acts 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 had, 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.

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.

Specified Persons shall comply with applicable anti-corruption and sanction laws.

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. Specified Persons should endeavour to deal fairly with the Company's customers, suppliers and stakeholders.

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 confidential and/or unpublished price sensitive information. Specified Persons will all time 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. The Specified Persons shall be diligent while dealing in the listed securities of the Company.

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. The Specified Persons should maintain confidentiality of information entrusted to them in carrying out their duties and responsibilities. The matters discussed at the Board/Committee meetings must not be disclosed outside appropriate and reasonable circles. These obligations apply not only during a their term, but thereafter as well unless the said information becomes public.

CORPORATE COMMUNICATION

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

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 and their content, as well as any 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 and applicable laws, acts, rules and regulations.

SEXUAL HARASSMENT

The Company strictly prohibits any kind of sexual harassment. 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. The Specified Persons should ensure compliance with the Care and Dignity Policy of the Company.

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 Executive Vice-Chairman & CEO. Failure to disclose facts shall constitute grounds for disciplinary action.

No Specified Persons shall enter into any agreement for himself/herself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders by way of an ordinary resolution:

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, SEBI LODR, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable laws, acts, rules and regulations.

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.

ADDITIONAL RESPONSIBILITIES / DUTIES OF SENIOR MANAGEMENT

Senior management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. Explanation.-For the purpose of this, conflict of interest relates to dealing in the securities of the Company, commercial dealings with bodies, which have shareholding of management and their relatives etc.

Explanation: Senior Management would mean employees at the grade of SVP and above and all functional heads.

PERIODIC REVIEW AND AFFIRMATION

This Code is subject to periodic review by the Board of Directors. Specified Person would be required to submit to the Compliance Officer the annual certification on March 31st every year as per the format provided in Annexure - I by 30th April of that year. The Company may change the periodicity of such confirmation at any time. Further, at the time of joining, an employee has to submit a declaration in the format provided in Annexure – II.

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.

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.

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.

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 Arka Fincap 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 / Employee of Arka Fincap Limited;
- d. I have complied with all the Codes and Policies of the Company applicable as an Director/Employee 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 : _____

CERTIFICATION

(TO BE SUBMITTED ON JOINING)

Pursuant to the Code of Conduct for Directors and Employees, I hereby certify and acknowledge that:

- f. I am and shall be a member in good standing of the Board of Directors / Employee of Arka Fincap Limited;
- g. I have received, read and understood all the Codes and Policies adopted by the Company;
- h. The Code of Conduct for Directors and Employees is and shall be applicable to my activities as a member of the Board of Directors / Employees;
- i. I shall comply with all the Codes and Policies of the Company

Signed : _____

Name : _____

Date : _____

Place : _____