

Code of Conduct of Board of Directors & Senior Management Personnel

Version 1.0



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Code of Conduct of Board of Directors and Senior Management Personnel	1.0	Board	1.4.2023



1. PREAMBLE

Integrity, transparency and trust form part of the core beliefs of all activities at Annapurna Finance Private Limited (hereinafter referred to as “AFPL” or the “Company”), and which has been the basis of Company’s growth and development. In terms of the Regulation 17(5)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, it is mandatory that a separate legal and ethical standard of conduct is laid and be made applicable to all Board members and all Senior Management Personnel of the Company. Therefore, in view of the same, a “Code of Conduct of Board of Directors and Senior Management Personnel” (the “ Code”) has been formulated by the Board. This Code also brings together, in one document, the obligations and responsibilities of the Directors and members of the Senior Management.

2. APPLICABILITY AND COMMENCEMENT

The Code shall be applicable to :

1. All Directors and Senior Management Personnel and they are expected to comply with the Code in letter and spirit and affirm compliance on an annual basis.
2. The Independent / Non- Executive Directors to the extent that it does not conflict with or is prejudicial to the interest to the Company. Subject to the foregoing and in accordance with the following paragraphs, the Independent / Nonexecutive Directors of the Company shall not be precluded from taking up outside assignments / directorships in other companies.

This Code is effective from April 1, 2023.

3. OBJECTIVE

The Code is intended to maintain the high standards of transparency, business conduct ethics, corporate culture and the values. The Code is also to act as a deterrent from unethical doings and to promote ethical values and is the manifestation of the Company's commitment to successful operation of the Company's business in the best interest of the shareholders, creditors, employees and other stakeholders.

4. DEFINITIONS

In this Code, unless the context otherwise requires, the following words, expressions and derivations therefrom shall have the meanings assigned to them as under:

“Act” shall mean the Companies Act, 2013 and the Rules framed thereunder including amendments, re-enactments, modifications, notifications, circulars, and orders from time to time.

“Applicable Laws” means the Companies Act, 2013 and the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable accounting standards and include any other statute, law, standards, regulations, or other governmental instruction relating to Related Party Transactions, as applicable.

“Board of Directors” or “Board” shall mean Board of Directors of the Company.

“Company” shall mean Annapurna Finance Private Limited (AFPL).

“Compliance Officer” shall mean the Company Secretary of the Company shall act as the Compliance Officer of the Company and ensure the compliance of this Code.

“Senior Management or Senior Management Personnel” (SMP) shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neutral gender.

Words and expressions used but not defined in this Code shall have the same meaning as ascribed to them under the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, the SEBI PIT Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, or the Companies Act, 2013 and the rules / regulations made thereunder, as the case may be or in any subsequent amendment thereto.

5. KEY REQUIREMENTS

The Directors, Senior Management Personnel and Functional Heads must act within the authority conferred upon them and in the best interests of the Company and observe the following Code of conduct in letter and spirit, as under:

- a) To act in the best interests of, and fulfil fiduciary obligations to the Company;
- b) To act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner and not take improper advantage of the position of Director, Senior Management Personnel or Functional Head;
- c) To comply with all applicable laws, rules and regulations;
- d) To maintain independence, objectivity, and personal integrity and to ensure that their action in the conduct of business is transparent. Further to ensure that the Company

- carries out its business as per accepted practice of business integrity, ethical standards, fair play and conduct, honestly, legitimately and as a fair competitor.
- e) To ask substantive questions and resolve, not to remain silent and to probe and make policy decisions, particularly regarding area of risks.
 - f) To ensure that there is a gender friendly work place, and equal opportunity is given to both male and female candidates and there exist good employment practice.
 - g) To ensure to use of Information technology resources of the Company and social media responsibly and without detriment to the interest of the Company.
 - h) To ensure that the rights of the shareholders and other different stakeholders are met as per law and good corporate practices, all efforts are made to provide them the best of the services.
 - i) To endeavour that their dealings with the customers are given due importance, value is created and relationship of trust is built.
 - j) To act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated;
 - k) To act in a manner to enhance and maintain the reputation of the Company;
 - l) To disclose any personal interest that they may have regarding any matters that may come before the Board and abstain from discussion, voting or otherwise influencing decision on any matter in which the concerned Director has or may have a conflict or potential conflict of interest.
 - m) To respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service, while continuing as such and even after ceasing to be such, for such reasonable period as may be agreed with the Company, except when authorised or legally required to disclose such information;
 - n) Not to use confidential information acquired in the course of their service for their personal advantage or for the advantage of any other entity in which they have a direct or indirect interest, or where they occupy a position of Board or Executive responsibility with influence over their decisions;
 - o) Restrain from using the Company's property or position for personal gain;
 - p) Avoid using any information or opportunity received in the capacity as Director, Senior Management Personnel or Functional Head for personal gain, or in a manner that would be detrimental to the Company's interests;
 - q) Help create and maintain a culture of high ethical standards and commitment to compliance.
 - r) No Director and Senior Management Personnel / Functional Head shall seek or accept any gifts or incentives in their capacity as such, except what is duly authorised

as acceptance under the Company's Code of Business Conduct and Ethics applicable to the employees.

Additional requirements for Independent Directors:

The Independent Directors shall comply to Schedule IV to the Act, and shall :

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b) 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;
- c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- e) strive to attend the general meetings of the Company;
- f) 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;
- g) keep themselves well informed about the Company and the external environment in which it operates;
- h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i) 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;
- j) 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;
- k) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's Code of conduct or ethics policy;
- l) act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m) 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.

6. COMPLIANCE WITH THE CODE

Once every year or upon revision of this Code, every Director and Senior Management personnel must acknowledge an understanding of the Code and an affirmation that he/she has complied with the Code. New Directors and Senior Management persons will acknowledge and affirm the same at the time of joining.

While every Director or Senior Management Personnel has to himself ensure compliance with this Code, any instance of violation or possible violation of this Code by the concerned Director or Senior Management Personnel or by any other Director or Senior Management personnel shall be immediately reported to the Board through the Compliance Officer. In case of any doubt as to the best course of action, the concerned Director or Senior Management Personnel should promptly contact the Compliance Officer.

7. MONITORING, EVALUATION AND WAIVER

This Code may be amended, modified, varied or waived by the Board as may be deemed necessary in the interests of the Company and subject to the provisions of applicable laws, regulations or guidelines.

No waiver or suspension of any or all requirements of the Code, or any modifications of this Code, shall be valid unless approved by the Board of Directors and formally minuted with reasons for such action.

8. DISCLOSURE

The Code and every amendment thereto shall be published on official website.

9. CLARIFICATIONS

This Code has been formulated as per prevailing provisions of applicable laws. However, if, due to subsequent changes in the law, a particular part thereof becomes inconsistent with the law, in such case the provisions of the law will prevail.

This Code shall be subject to such clarifications, informal guidance and FAQs as may be issued by SEBI from time to time.
