

**ASEEM INFRASTRUCTURE FINANCE LIMITED (AIFL OR COMPANY)****CODE OF CONDUCT AND ETHICS**

## Reviewing &amp; Approving Authority

Authority	Designation
Prepared By	Company Secretary
Reviewed By	Chief Executive Officer
Approved By	Board of Directors
Date of approval	November 09, 2022

## Version History

Version	Issue Date	Brief Description
V.1	July 22, 2020	New Policy Adopted
V.2	August 26, 2021	Amended to define Directors and Employees more clearly and making certain clauses applicable to the Directors as per requirements
V.3	February 04, 2022	Amended to include the duties of Independent Directors as required under SEBI LODR Regulations.
V.4	November 09, 2022	Annual review with no further changes.

**ASEEM INFRASTRUCTURE FINANCE LIMITED****Regd. Office:** Aseem Infrastructure Finance Limited | UTI Tower, GN Block, 4th Floor, BKC, Mumbai-400051, Maharashtra**CIN:** U65990MH2019PLC325794 | **Phone:** +91- 022 68591350 | **Website:** www.aseeminfra.in

## AIFL – Code of Conduct and Ethics

### 1. Preamble

- (a) Aseem Infrastructure Finance Limited (or AIFL or the “**Company**”) firmly believes and anticipates all its employees, interns/ personnel hired in the capacity of consultants (provided they are working exclusively with AIFL) and Directors to act in accordance with high professional and ethical standards. They must be, and be seen to be, committed to integrity in all aspects of their activities and comply with all applicable laws, extant regulations, guidelines and internal policies.
- (b) Each employee becomes accountable for compliance with applicable laws, with the Code of Conduct and Ethics (“**the Code**”) and with other internal policies as may be framed by the Company from time to time.
- (c) The standards of the Code are not necessarily prescribed by the Regulators, but they are something which a well- respected institution must have in place and adhere to on an ongoing basis. Therefore, a high level of ethical conduct is expected from all employees.  
  
**1)** Employees must conduct their duties in accordance to the language and spirit of this Code and seek to avoid even the appearance of improper behavior. They should be aware that even well- intentioned actions that violate the law or this Code may result in negative consequences for the Company and for the individuals involved. All employees of the Company must be subject to an annual written confirmation (as provided in **Annexure 1** on compliance to the code of conduct stipulated in this Code.
- (d) While covering a wide range of business practices and procedures, these standards cannot and do not cover every issue that may arise, or every situation where ethical decisions must be made, but rather set forth key guiding principles that represent this Code.
- (e) Every employee has to read and acknowledge the Code.

## **2. Conflicts of Interest and Outside Activities**

A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Employees should avoid any activities that may conflict with the interests of the Company. Further, employees should disclose any potential conflicts of interest as set out under this Code.

## **3. Employment/Outside Employment**

In consideration of employment with the Company, employees are expected to devote their full attention to the business interests of the Company. Employees are prohibited from engaging in any activity that interferes with their performance for or responsibilities towards the Company or that is otherwise in conflict with or prejudicial to the Company.

Company's policies prohibit employees from accepting simultaneous employment (whether full-time, part-time, temporary or as a consultant/ advisor) with any other organisation.

## **4. Business Interest**

If an employee is considering investing in any client, supplier or competitor of the Company, he or she must first take care to ensure that these investments do not compromise his or her responsibilities towards the Company.

Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment, the employee's ability to influence Company's decisions, his or her access to confidential information which belongs either to the Company or the other company; and the nature of the relationship between the Company and the other company.

## **5. Related Parties**

Employees should avoid conducting the Company business with relatives or businesses in which a relative plays a significant role.

## **6. Giving Gifts and Entertainment**

Under no circumstance, the employees may accept any offer, gift, payment, promise of payment, authorization of payment or anything of value (including entertainment and incentives) from clients, vendors, consultants, etc. except to the extent expressly permitted or provided under the Gift Policy of the Company;

## **7. Bribery and Corruption**

Bribery/Corruption is defined as receiving or offering of an undue reward from or to any third party.

An employee must note that the Company follows a zero-tolerance approach towards Bribery and Corruption. An employee must not make any payment to or for anyone for the purpose of obtaining or retaining business or for obtaining any favorable action. If an employee is found to be involved in making such payments, he/she would be subject to disciplinary action as well as potential civil or criminal liability for violation of the Code.

An employee should not offer or give any funds or property as donation to any government agency or its representatives other than the charitable donations such as to Prime Minister's Relief Fund and/or to Chief Ministers Relief Fund.

## **8. Privacy/Confidentiality**

### Proprietary and Confidential Information

- (a) Employees must always protect the confidentiality of proprietary and confidential information they obtain or create in connection with their activities for the Company, in accordance with the applicable laws. Employee's obligation to protect the Company's proprietary and confidential information continues even after an employee leaves the Company and such an employee must return all proprietary information in their possession upon leaving the Company.

- (b) Proprietary and confidential information includes any system, information or process that gives the Company an opportunity to obtain an advantage over competitors; any non-public information about the Company's business, its clients and its employees which also includes any other non-public information received.
- (c) Such proprietary and confidential information about the Company or its clients, should not be disclosed to anyone (including other employees) not authorized to receive it or has no need to know the information unless such disclosure is authorized by the client or is required by law, appropriate legal process or appropriate internal authorities.
- (d) Intellectual property of the Company such as trade secrets, patents, trademarks and copyrights, as well as business, research and new product plans, objectives and strategies, records, databases, salary and benefits, data, employee medical information, clients and employee lists and any unpublished financial or pricing information must also be protected.
- (e) Unauthorized use or distribution of proprietary information violates the internal policies and could be illegal. Such use or distribution could result in negative consequences for both the Company and the individuals involved, including potential legal and disciplinary actions.
- (f) Acts of ignorance that lead to divulgence of such confidential and proprietary information, especially through electronic means – like CDs, floppy etc., may lead to investigation and probe against the employees.

#### **9. Privacy of Employee Information**

The Company recognises and protects the privacy and confidentiality of employee's medical and personal records. Such records would be shared strictly on need to know basis or as required by any law, rule and regulation or when authorized by the employee or as per court order and requires approval by internal counsel.

#### **10. Know Your Customer / Anti Money Laundering**

- (a) Money Laundering legislations criminalize money laundering in respect of all crimes including drug trafficking, terrorism, theft, tax evasion, fraud, handling of stolen goods, counterfeiting and blackmail. It is also an offence to undertake and/or facilitate transactions with individuals and entities involved in criminal activities.
- (b) The Company does not conduct business with money launderers and other criminals. The Company is fully aware that no relationship is worth compromising the Company's commitment to combating money laundering.

(c) The Company has adopted the Know Your Client (KYC) & Anti Money Laundering (AML) Policy accompanied by detailed procedures with the principal objectives as under:

- (i) to put in place systems and procedures for client identification and verifying their identity and address;
- (ii) to put in place systems and procedures to help control financial frauds, identify money laundering, suspicious activities and to safeguard the Company from being unwittingly used for transfer or deposit of funds derived from criminal activity or for financing of terrorism; and
- (i) to monitor transactions of a suspicious nature.

(d) Employees must exercise requisite care in selecting those with whom the Company conducts its business. While conducting business, employees must adhere to checking the credit and character of clients and counter parties and ensure adequate client due diligence and ongoing monitoring of their transactions. This is done to detect suspicious transactions during the entire period of relationship.

**11. Accuracy of Company Records and Reporting**

(a) Employees must ensure that records, data and information owned, collected, used and managed by them for the Company are accurate and complete.

(b) Employees must assist in maintenance of appropriate records so as to ensure that financial transactions are prepared in accordance with generally accepted accounting principles and that they fairly present the financial conditions and results of the Company.

- (c) Employees must observe standards of good taste regarding content and language when creating business records and other documents (such as email) that may be retained by the Company or a third party.
- (d) Non-maintenance of these records that comes into Employee's notice and any misappropriation or tampering of records needs to be reported to a relevant authority.

## **12. Reporting to Government/externalagencies**

- (a) Company has a responsibility to communicate effectively with investors/ stakeholders so that they are provided with full and accurate information, in all material respects, about the Company's financial results and condition of operations. The Company's reports and documents are required to be filed with or submitted to regulatory authorities. Hence, such reports and any other public communications should be full, fair, accurate, timely and understandable.
- (b) Employees must, therefore, never make inaccurate or misleading reports, certificates, claims or statements to government / regulatory authorities.

## **13. Protecting Company's Assets**

Protecting Company's assets against loss, theft or other misuse is the responsibility of every employee and Director. Loss, theft and misuse of Company's assets directly impacts profitability of the Company. Any suspected loss, misuse or theft should be reported to your supervisor or the Chief Financial Officer.

## **14. Workplace Responsibilities**

### **(a) Fair Employment Practices and Diversity**

The Company is committed to adoption of fair employment practices. It ensures diversity at workplace through efforts to recruit, develop and retain the most talented people from a diverse candidate pool. It upholds the principle that advancement is based on talent and performance and there is a commitment to equal opportunity.

As a fair employment practice, the Company expects that employees shall not (during the course of their services or upon cessation of their service for a period of 6 (six) months from the date of cessation) directly or indirectly on their own accord or on behalf or in conjunction with any other person, convey or solicit or attempt to induce any employee or business associate to leave their current employment with the Company and join the service of the new employer or any competitor.

(b) Fair Competition

Although it is common to gather information about the general marketplace, including competitors' products and services, Company wants to compete fairly.

(c) Discrimination, Sexual Harassment and Intimidation

Company's philosophy is to be a professional organization, encouraging growth of individuals irrespective of gender, religion, caste or community.

The Company endeavors to ensure a safe, secure and congenial work environment, so that employees can deliver their best without inhibition.

Company is committed to prohibition of harassment and intimidation of employees in the workplace. Company discourages conduct that implies granting or withholding favours or opportunities as a basis for decisions affecting an individual, in return for that individual's compliance. Such action is a form of harassment because it takes the form of either a threat or a promise, whether explicit or implicit.

(d) Safety in the Workplace

Company considers safety of employees as the primary concern. Company is committed to safety of employees at work and expects its businesses and employees to comply completely with appropriate laws and internal regulations at all times.



Company encourages responsible behavior of its employees and colleagues that result in the best possible accident prevention measures. This applies both to the technical planning of workplaces, equipment, and processes and to safety management and personal behavior in everyday workplace.

The work environment, therefore, must conform to the requirements of health-oriented safety design and the employee must constantly be attentive to safety principles.

(e) Contact with Media

In order to pro-actively manage our reputation with the media and to ensure consistency of messages, interaction with media must only occur with the prior approval of the Chief Executive Officer (CEO).

(f) Social Media

Social media allows users to interact with each other by sharing information, opinions, knowledge and interests. Some examples of social media are sites such as Whatsapp, Facebook, YouTube, LinkedIn, Twitter etc.

There are various risks associated with communicating on the Social Media platform. Thus, there is a need to address such concerns in an appropriate manner keeping in mind employee's freedom and interest of the Company and its wider stakeholders.

Guidelines will be laid down that employees should adhere to while communicating internally, externally as well as online.

**15. Raising Ethical Issues**

- (a) Company encourages employees to report to their supervisor/ HR/ compliance, concerns and suspected violations of the Code, internal policies, external legal and regulatory requirements etc. All significant breaches should be escalated immediately.

- (b) Company will conduct prompt and thorough investigations of alleged violation and take appropriate corrective action.
- (c) HR shall take appropriate actions against individuals who have broken laws, rules and regulations.
- (d) An employee who knowingly violates the internal policies and these guidelines shall be subject to disciplinary action, including demotion or dismissal.

**16. Investigations**

Employees are required to cooperate fully with authorised internal and external investigations. Making false (or misleading) statements to regulators/ auditors/ Company representatives during investigations can be a criminal act that can result in heavy penalties.

**17. Special Responsibilities of Superiors and Managers**

In addition to responsibilities as employees, supervisors and managers must abide by the:

- (i) Duty of selection - Carefully select the employees for a job in light of their personal and professional qualifications. The duty of care increases with the importance of the obligation to be entrusted to the employee.
- (i) Duty of instruction – Formulate obligations in a precise, complete and binding manner, especially with a view to ensure compliance with provisions of instructions.
- (i) Duty of monitoring - Ensure that compliance with provisions of applicable laws / regulations is monitored on a constant basis.

- (iv) Duty of communication – Communicate to the employees that any violations of the applicable laws/regulations are disapproved of and would have Disciplinary implications.

**18. Duties of Independent Directors:**

Regulation 17(5) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 (as amended from time to time) mandates the Company to include the duties of the Independent Director's as laid out under the Companies Act, 2013 in the Code of Conduct and Ethics Policy of the Company:

Pursuant to the applicable provisions, the Independent Director ('ID') is required to discharge the following duties and perform the following roles and functions:

1.1 The role and duties of ID will be those normally required of a non-executive independent director under the Companies Act and other applicable laws. There are certain duties prescribed for all the directors, both executive and non-executive, which are fiduciary in nature and are as under:

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1.2.1 ID shall act in accordance with the Company's articles of association, as may be amended from time to time.

1.2.2 ID shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company.

1.2.3 ID shall discharge duties with due and reasonable care, skill and diligence.

1.2.4 ID shall not involve himself / herself in a situation in which they may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.

1.2.5 ID shall not achieve or attempt to achieve any undue gain or advantage either to themselves or their relatives, partners or associates.

1.2.6 ID shall not assign their office as Director and any assignments so made shall be void.

1.3 In addition to the above requirements, the Board also expect ID to perform the following functions:

1.3.1 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;

1.3.2 bring an objective view in the evaluation of the performance of Board and management;

1.3.3 scrutinise the performance of the management in meeting the agreed goals and objectives and monitor the performance;

1.3.4 satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

1.3.5 safeguard the interests of all stakeholders;

1.4 ID is also expected to:

1.4.1 undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company;

1.4.2 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;

1.4.3 strive to attend all meetings of the Board of Directors and of the Board committees of which you are a member;

1.4.4 participate constructively and actively in the committees of the Board in which you are chairpersons or members;

1.4.5 where ID 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;

1.4.6 keep themselves well informed about the Company and the external environment in which it operates;

1.4.7 not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

1.4.8 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;

1.4.9 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;

1.4.10 report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;

1.4.11 act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;

1.4.12 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 to the above ID shall abide with the provisions contained in Schedule IV of the Companies Act, other applicable laws, Articles of Association and the policies framed by the Company.

**19. Compliance with Laws, Rules and Regulations**

Company's policy is to maintain an open and co-operative relationship with our regulators and to comply with all applicable laws, rules and regulations.

**20. Compliance with the Code**

- (a) Company recognises the need for this Code to be applied equally to everyone it covers. All employees and Directors are expected to comply with all the provisions of this Code. The Code will be strictly enforced and violations will be dealt with immediately, including subjecting persons to corrective and/or disciplinary action such as dismissal or removal from office.
- (b) The employees and Directors are also expressly prohibited from making any gains or profit out of trading or investing in any client companies whether listed or unlisted by using any sensitive inside information of such client which may be in the possession/knowledge of the employee, while dealing or working with such clients.
- (c) The Compliance Officer will have primary authority and responsibility for implementing this Code across the Company, subject to the supervision of the CEO, Board Governance, and Nomination & Remuneration Committee or, in the case of accounting, internal accounting controls or auditing matters, the Audit Committee of the Board of Directors. Company will devote the necessary resources to enable the Compliance Officer to establish such procedures as may be reasonably necessary to create a culture of accountability and facilitate compliance with this Code.
- (d) Employees should promptly report any concerns about violations of ethics, laws, rules, regulations or this Code, including by any senior officer or director, to their supervisors/managers or the Compliance Officer or CEO or in the case of accounting, internal accounting controls or auditing matters,

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the Audit Committee of the Board of Directors.

- (e) Employees should report actions that may involve conflict of interest to the Compliance Officer. In order to avoid conflicts of interest, officers and Directors must disclose to the Compliance Officer any material transaction or relationship that reasonably could be expected to give rise to such a Conflict, and the Compliance Officer shall notify the Board, Remuneration & Nomination Committee of any such disclosure. Conflict of interest involving the Compliance Officer shall be disclosed and reported to the CEO, the Board and the Remuneration & Nomination Committee.
- (f) Company encourages all employees to report any suspected violations promptly and intends to thoroughly investigate any good faith reports of violations and the Company will not tolerate any kind of misconduct. Open communication of issues and concerns by all employees and Directors without fear of retribution or retaliation is vital for the successful implementation of this Code.

## **21. Waivers and Amendments**

Any waiver (including any implicit waivers) of the provisions in this Code may only be granted by the Board of Directors and will be promptly disclosed to the shareholders. Any such waiver will also be disclosed in the Annual Report under applicable laws. Amendments to this Code must be approved by the Board of Directors and the amended Code will be placed on the Company's website.

**Annexure 1**

Acknowledgement Form

I, \_\_\_\_\_  
(name) \_\_\_\_\_ (designation) do and hereby  
acknowledge and confirm to have read and fully understood the contents of the Code of Conduct  
and Ethics (**Code**) and its implication thereof.

I hereby agree unconditionally to abide by the provisions of the Code. I further acknowledge  
that I shall be bound by the provisions of the Code in addition to the terms of my appointment  
and other policies/procedures that may be framed by the Company from time to time.

Employee Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Employee Code: \_\_\_\_\_

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Note: To be signed every year in April and for a new Employee to be signed on the day of joining.