

DEVKI LEASING AND FINANCE LIMITED

CODE OF CONDUCT OF BOARD OF DIRECTORS

AND SENIOR MANAGEMENT PERSONNEL

I. PREAMBLE

This Policy has been framed as per Regulation 17 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“**Listing Regulations**”). It will be applicable to all Board Members and Senior Management Personnel of Devki Leasing and Finance Limited (herein after referred to as “**the Company**”).

The term “Senior Management” shall mean officers/personnel of the Company who are members of its core management team excluding the Board of Directors and normally this shall comprise of all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The Company is committed to comply with all the applicable laws, rules and regulations and with highest standards of business ethics. Each Director and Senior Management Person (herein after “Officers” / “officer”) of the company is expected to comply with letter and spirit of this Code. They should act and conduct free from fraud and cheating and ensure to make work environment friendly which encourages the interest of the stakeholders. They should act in good faith, responsibility, with due care and diligence without misrepresenting the material facts. All Officers should read and understand this code of Ethics and Business Conduct.

II. DEFINITIONS

In this code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them.

1. “Board Members” means Board of directors of the Company.
2. “Price Sensitive Information” shall have the same meaning as assigned to them in SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
3. “Conflict of Interest” means where the interest or benefit of one person or entity conflicts with the interest or benefits of the Company.
4. “Related Party” means a related party as defined under sub-section (76) of Section 2 of the Companies Act, 2013 or under the applicable accounting standards.
5. “Relative” shall have the same meaning assigned to them in Section 2(77) of the Companies Act, 2013 and rules prescribed there under.
6. “Related Party Transaction” means a transaction referred to in Section 188 (1) of the Companies Act, 2013 read with Rule 15 of the Companies (Meeting of Board & its Powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other applicable provisions as amended from time to time.

III. CODE

A. HONEST AND ETHICAL CONDUCT

Officers are expected to act in accordance with the highest standards of personal and professional integrity and maintain honest and ethical conduct while working on the Company’s premises at offsite locations where the Company’s business is being conducted or any other place where the Officers are representing the Company.

B. CONFLICTS OF INTEREST

Officers should ensure that their actions do not affect the Company’s interest. While Directors should be free to make personal investments and enjoy social relations and normal business courtesies, they must not have any interests that adversely influence the performance of their duties, functions and responsibilities as Directors of the Company. Conflicts of interest may not always be clear-cut. Any

question therefore about a Director's actual or potential conflict of interest with the Company should be brought promptly to the attention of the Managing Director of the Company, who will review the question and determine a proper course of action, including whether consideration or action by the full Board is necessary. Directors involved in any conflict or potential conflict situations shall recuse themselves from any discussion or decision relating thereto.

C. CORPORATE OPPORTUNITIES

Officers are prohibited from competing with the company directly or indirectly and also should avoid using company's property, information or position for personal gains during their association with the company or any time thereafter, for a period of three years, you will not be associated in any manner whatsoever, directly or indirectly, for consideration or otherwise, commercially / professionally or as a hobby, as an employee, partner, director, trustee, associate or in any of the capacity whatsoever with any work or activity similar or allied to the one /s that are being undertaken and are being proposed to be undertaken by the company.

D. CONFIDENTIALITY

Officers shall maintain the confidentiality of information of the Company and never disclose the information which is harmful and that might be used by competitors. The Officers should not release confidential information to the third parties without prior clearance from the Managing Director of the Company unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, Officers shall surrender any document and other materials made available to him/her by the Company. The use of confidential information for own advantages or profit is prohibited.

E. FAIR DEALING

Each Officer should deal fairly with customers, suppliers, competitors. They should not take unfair advantage of anyone through manipulation, concealment, misrepresentation of material facts, or any other unfair dealing-practices.

F. PROTECTION AND PROPER USE OF COMPANY'S ASSETS

All Officers should protect Company's assets and property and ensure its efficient use. Theft, carelessness and waste of the Company's assets and property have a direct impact on the Company's profitability. The Company's assets should be used only for legitimate business purposes.

All Officers shall have a responsibility to protect the assets of the Company, ensure optimal utilization of assets and to report and record all transactions. Officers should protect the Company's assets from loss, damage, misuse or theft and assets may only be used for business purposes and other purposes specifically approved by management and must never be used for illegal purposes. Officers who have access to proprietary and confidential information must take every precaution to keep it confidential. Every Officer should protect the reputation of the Company, its employees and its products. Officers should never make any false or artificial entries in any records.

G. INTELLECTUAL PROPERTY RIGHTS

The Company shall enjoy forever the exclusive sole ownership of intellectual property rights and the rights for commercial exploitation of all work that may be undertaken for Company's business whether by individually or jointly with others, independently or in group. It shall be Company's prerogative to decide whether to secure the intellectual property rights and / or exploit it commercially in the form of patents, trademarks, copyrights, design etc. and also with respect to the territory as to when and where the same have to be secured. All Officers have an utmost obligation to themselves to identify and protect the intellectual properties, trade secrets and other confidential information owned by the Company and its clients or associates because it is critical to Company's success. By "Intellectual Property Rights (IPR)", we mean generally patented or potentially patentable inventions, trademarks, service marks, trade names, copyrightable subject matter, and trade secrets.

H. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Officers shall comply with all applicable laws, rules, and regulations. Any officer who is unfamiliar or uncertain about the legal rules involving Company business conducted by him/her should consult the Legal Department of the Company before taking any action that may jeopardize the Company or that individual. No Officers subject to this Code shall commit an illegal or unethical act, or instruct others to do so, for any reason.

I. ACCOUNTING PRACTICES

The Company's responsibilities to its stockholders and the investing public require that all transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the Company's Auditors and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documents and approval are strictly prohibited. There shall be no wilful omissions of any Company transactions from the books and records. All Officers shall make full, fair, accurate, timely, and

understandable disclosure in reports and documents that the Company files with, or submits or makes periodically, to the shareholders, government authorities, and to the public. Any wilful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code.

J. POLICY AGAINST INSIDER TRADING

Insider Trading generally involves the act of subscribing or buying or selling of the Company's securities, when in the possession of any unpublished price sensitive information about the Company. It also involves disclosing any unpublished price sensitive information about the Company to others who could subscribe or buy or sell the Company's securities. Insider Trading invokes severe civil and criminal penalties not only on the Insider but also on the Company in certain circumstances under the Regulations issued in India under the Securities and Exchange Board of India (SEBI) Act, 1992.

"Unpublished Price Sensitive Information" is information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of Securities of a Company. It is important to note that both positive and negative information could be price sensitive.

K. GIFTS AND DONATIONS

A Company and its Officers shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended to, or perceived to obtain business or uncompetitive favours for the conduct of its business. However, a Company and its Officers may accept and offer nominal gifts which are customarily given and are of commemorative nature for special events.

L. COMPLIANCE WITH CODE OF ETHICS AND BUSINESS CONDUCT

If any Officer who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of conduct, he/she must immediately report the same to the Managing Directors of the Company. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

Managing Director of the Company shall determine appropriate action in response to violations of this Code of Ethics.

IV. DUTIES OF DIRECTORS OF THE COMPANY

The Companies Act, 2013 significantly specifies certain duties and responsibilities of the Directors of the Company. While the list of duties as per the provisions of the Companies Act, 2013 has been enumerated below, it should however, by no means be considered to be exhaustive:

1. A Director shall devote sufficient time and attention to professional obligations for informed and balanced decision making.
2. A Director shall act in accordance with the articles of association of the company and 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. A Director shall have a clear understanding of the aims and objectives, capabilities and capacity and various policies of the Company.
4. A Director shall exercise their duties with due and reasonable care, skill and diligence, and shall exercise independent judgment.
5. A Director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflict, or possibly may conflict, with the interest of the company.
6. A Director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to the company.
7. A Director shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice.
8. A Director shall not assign his office and any assignment so made shall be void.

V. DUTIES OF NON-EXECUTIVE DIRECTORS

Non- Executive Directors shall:

1. always act in the interest of the Company and ensure that any other business or personal association, which they may have, does not involve any conflict of interest with the operations of the Company and their role therein.

2. comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to them in their individual capacities
3. safeguard the confidentiality of all information received by them by virtue of their position.
4. perform such other duties as per the terms of appointment and as may be provided in the Companies Act, 2013 (including amendments made from time to time) and other applicable laws.

VI. DUTIES OF INDEPENDENT DIRECTORS

Independent Directors shall abide by duties as per schedule IV of the Companies Act, 2013 including any subsequent modification/s from time to time, such as

1. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
2. strive to attend the general meetings of the company;
3. keep yourself well informed about the company and the external environment in which it operates;
4. acting within your authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
5. (Further as explained in Annexure I.)

VII. AMENDMENT TO THE CODE

The provisions of this Code can be amended or modified by the Board of Directors from time to time

VIII. ANNUAL COMPLIANCE REPORTING

This "Code" applicable to Board Members and Senior Managerial Personnel of the Company sets forth guidelines for their conduct who shall affirm compliance with the aforesaid "Code" on annual basis and will annually sign a confirmation that they have read and complied with this "Code" and a declaration to this effect shall be given in the Annual Report of the Company to be signed by the Managing Director of the Company. The Board shall determine appropriate actions to be taken in the event of violations of the "Code". (As per Annexure II within 30 days of the close of every financial year).

ANNEXURE I

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

(As per Schedule IV of Companies Act, 2013)

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.

I. Guidelines of professional conduct:

An independent director shall:

1. uphold ethical standards of integrity and probity;
2. act objectively and constructively while exercising his duties;
3. exercise his responsibilities in a bona fide manner in the interest of the company;
4. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
5. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. refrain from any action that would lead to loss of his independence;
8. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
9. assist the company in implementing the best corporate governance practices.

II. Role and functions:

The independent directors shall:

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;
2. bring an objective view in the evaluation of the performance of board and management;
3. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. safeguard the interests of all stakeholders, particularly the minority shareholders;
6. balance the conflicting interest of the stakeholders;
7. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties :

The independent directors shall—

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
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;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;

5. strive to attend the general meetings of the company;
6. 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;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. 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;
10. 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;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. act within their authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. 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.

IV. Manner of appointment:

1. Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
2. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
3. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent

director proposed to be appointed fulfils the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.

4. The appointment of independent directors shall be formalized through a letter of appointment, which shall set out :
 - a) the term of appointment;
 - b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
 - c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
 - d) provision for Directors and Officers (D and O) insurance, if any;
 - e) the Code of Business Ethics that the company expects its directors and employees to follow;
 - f) the list of actions that a director should not do while functioning as such in the company; and
 - g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
5. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
6. The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or removal:

1. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
2. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of three months from the date of such resignation or removal, as the case may be.

3. Where the company fulfils the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

VII. Separate meetings:

1. The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
2. All the independent directors of the company shall strive to be present at such meeting;
3. The meeting shall:
 - a) review the performance of non-independent directors and the Board as a whole;
 - b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Evaluation mechanism:

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

ANNEXURE II

ANNUAL COMPLIANCE REPORT

I _____ do hereby confirm that I have read and understood the Code of Conduct applicable to the Board Members and Senior Management Personnel of the Company Pursuant to Regulation 26 (3) read with Regulation 17(5) and other applicable regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the Code of Conduct for Board Members and Senior Management Personnel of **Devki Leasing and Finance Limited**, during the financial year ending 31st March 20_____.

Signature: _____

Name: _____

Designation: _____

Date: _____

Place: _____

* To be submitted by 30th April each year.