

## CODE OF CONDUCT

### **1. TITLE**

This Code may be called the IIFL Securities Code of Conduct (“the code”).

### **2. OBJECTIVE**

The objective of the code is to ensure that the Board of Directors and the Senior Management Personnel maintain the standards of conduct required to maintain by them and also become aware of those situations where there is likely to be a potential conflict between the interest of the company and the interest of the Directors / Senior Management and in such circumstances, no step is taken against the interest of the Company.

### **3. AUTHORITY**

This code of conduct has been approved by the Board pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at their meeting held on October 13, 2017.

### **4. DEFINITIONS**

- i. “the Company” or “Company” means IIFL Securities Limited
- ii. “Board of Directors” or “the Board” means the Board of Directors of IIFL Securities Limited
- iii. “Officers” shall mean all the Directors and members of management one level below the Board of Directors.
- iv. “Relatives” means a relative as defined in Section 2(77) of the Companies Act, 2013.
- v. “Associates” shall include any person or entity, whose relation or association with the officer is such so as to influence the objective decision making by the officer.

### **5. APPLICABILITY**

The code is applicable to all the Officers of the Company.

### **6. WHAT IS EXPECTED FROM THE OFFICERS :**

All the Officers hold positions, which are of crucial significance to the day to day operations of the company. There are therefore, certain standards of conduct expected by the officers. The officers shall, in all cases adhere to these standards of conduct.

#### **6a. Compliance with Legislations :**

(a) The officers shall endeavor to comply with all legislations applicable to them in compliance of their duties. The heads of respective departments shall generate reports of compliance with the legislations applicable to the respective departments at the end of each quarter, latest by the 10<sup>th</sup> of the month following the quarter. The quarterly compliance reports shall be placed before the Board in its forthcoming Board Meeting.

(b) Wherever a non-compliance is detected, all the efforts shall be made to ensure that it does not reappear.

(c) If any Officer is not clear with any part of the legislations handled by him then, such officer should consult the legal department of the company before taking any action which will affect the interests of the company.

#### **6b. Conflict of Interest :**

A situation of “conflict of interest” arises wherein any officers interest, whether directly or indirectly, through his relatives or associates, is or appears to be in conflict with the interest of the company. Some situations may arise which make it difficult for the officer to take decisions objectively and effectively, in the interest of the company. Following can be examples of such situations:

- a. Where any officer simultaneously serves as a Director / senior managerial person / consultant or owns interest or stake in any person or entity which is a competitor / customer / business associate of the company;



b. Where the officer himself or through his relatives or associates, enters or proposes to enter into any arrangement, collaboration, venture, agreement or transaction with the company;

Under such circumstances, following conduct is expected of the officers:

- a. As far as possible, dealings involving conflict of interest should be avoided.
- b. If such dealings are unavoidable, the Directors should disclose to the Board and other officers should disclose to the Chairman and Managing Director: (1) the existence and nature of the actual or potential conflict of interest and (2) all facts known to him/her regarding the transaction that may be material to a judgment about whether to proceed with the transaction. The transaction should be proceeded with only after the approval from the Board / CMD.

## **6c. Corporate opportunities:**

There are two aspects to corporate opportunities:

a. The officers of the company, in the course of performing their duties, may come across certain opportunities or potential opportunities for the company. Any such opportunity or information, which comes to the knowledge of the officer by virtue of his employment, position in the company should be made known to the company. In no case should such opportunity be exploited for the personal benefit of the officer.

b. The officers of the company should not use the assets, information or their position in the company to generate opportunities for themselves, though such opportunities may not be of interest to the company, since this will amount to a misuse of such assets, information or position.

## **6d. Confidentiality of Information:**

Any information belonging to the company which is not published / not put in public domain should be considered to be confidential information. Such information should be dealt with utmost care. The officers shall provide such information in their control to people within the organization only to the extent to which it is required for the performance of their duties. Such information should not be provided to people outside the organization except in cases where it is legally required and binding to do so.

## **6e. Gifts / Donations / Favors:**

The officers shall not, in any case, request or seek gifts / donations / favors from people doing business with the company.

Unsolicited and voluntary gifts which are customary for the other party or are normal business courtesies may be accepted provided that such acceptance does not result in creating any obligation on behalf of the officer of the company or in influencing his independence while acting with that other party.

## **6f. Insider Trading**

Officers are prohibited from dealing or consulting to the dealing in the securities of the company while in possession of unpublished price sensitive information. The officers shall adhere to the code of conduct for prevention of insider trading laid down by the company in this regard.

The officers shall also not deal in the securities of the clients and other business associates of the company, if, in possession of unpublished price sensitive information if received in the course of business from the clients / business associates.

## **6g. Company Property**

The officers shall use property or assets belonging to the company only for the purposes of business of the company. The officers shall be responsible to safeguard and properly use the property of the company, including intangible / electronic property under their direct control. On becoming aware of the misuse of company property by anyone, the

same should be promptly reported to the respective departmental heads and in case of Directors, to the Board.

#### **6h. General standards of conduct**

The officers shall:

- a. act with high standards of personal and professional integrity and ethical conduct in the course of business of the company and on the premises of the company and also at the company sponsored business and social events and in all circumstances where they are representing the company.
- b. endeavor to attend the Board and Departmental meetings of the company regularly and also to actively participate and contribute to the same by dedicating adequate time and attention to any material that may be circulated in advance and making the requisite preparation on the issues listed in the agenda for the meeting.
- c. perform their duties diligently as laid down in the Memorandum and Articles of Association of the Company, the Corporate Governance and other policies of the Company.
- d. not charge their personal expenses to the Company's accounts and ensure, as regards their respective departments, that the funds of the company are used for legitimate business purposes only.
- e. in the case of Directors, inform the company immediately about the emergence of any situation, which will disqualify him from Directorship.
- f. help the other officers in enforcement and compliance with this code.
- g. affirm on an Annual Basis, the compliance with this code and send the affirmation to the compliance officer of the company in the format enclosed as Annexure 'A'.

#### **7. VIOLATION OF THE CODE**

The violations or suspected violations to this code shall be reported to the Chairman of the Audit Committee or the Chairman of the Board. The Audit Committee or in the case of breach of the code by any Director, the Board of Directors shall take appropriate action in response to the breach of the code.

The Officer who is alleged to have committed the breach of the code shall not participate in the discussions on the action to be taken in response to the breach.

#### **8. WAIVER AND AMENDMENTS TO THE CODE**

The Code shall be reviewed by the Board of Directors from time to time when it is found necessary to do so. Any waiver of the applicability of this code to any officer shall be approved only by the Board of Directors.



# IIFL SECURITIES

Dt. \_\_\_\_\_

To,  
The Board of Directors,  
IIFL Securities Limited,

IIFL House, Sun Infotech  
Park, Road No. 16 V,  
Plote No. B-23, MIDC,  
Thane industrial Area,  
Wagle Estate,  
Thane - 4000604

Dear Sir,

**Reg. : Affirmation of Compliance with the Code of Conduct**

I hereby affirm compliance with the Code of Conduct of IIFL Securities Limited for the year ended 31<sup>st</sup> March, \_\_\_\_\_.

Thanking you,

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

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

Designation : \_\_\_\_\_



**Acknowledgement Slip**

From :

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

Designation : \_\_\_\_\_

Address : \_\_\_\_\_

I hereby acknowledge the receipt of The Code of Conduct of IIFL Securities Limited.

Sign : \_\_\_\_\_