



**IIFL WEALTH**

**CODE OF CONDUCT**

**OF**

**IIFL WEALTH MANAGEMENT LIMITED**

This Code shall be called the IIFL Wealth Management Code of Conduct (the “Code”).

## **1. OBJECTIVE**

The objective of the code is to ensure that the Board of Directors and the Senior Management maintain the highest ethical standards and transparent process in managing the affairs of the Company, to sustain the trust and confidence reposed by the shareholders of the Company in the Directors and the Senior Management.

Each Board member of Directors and the Senior Management personnel is expected to be aware, read and understand this Code for adherence and compliance with the provisions of this Code and the requisite standards hereunder in the performance of their duties, functions and responsibilities to avoid any potential conflict between the interest of the Company and the interest of the Directors and the Senior Management..

## **2. APPROVING AUTHORITY AND EFFECTIVE DATE**

This Code has been approved by the Board of Directors of the Company at their meeting held on June 25, 2019 and shall be applicable with immediate effect.

## **3. DEFINITIONS**

“the Company” or “Company” means IIFL Wealth Management Limited;

“Board of Directors” or “the Board” means the Board of Directors of IIFL Wealth Management Limited;

“Senior Management” shall mean all the members of core management team comprising of members of management one level below the Board of Directors and the Company Secretary and the Chief Financial Officer.

“Relatives” means a relative as defined in Section 2(77) of the Companies Act, 2013;

“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.

## **4. APPLICABILITY**

The Code is applicable to the Board of Directors and the Senior Management of the Company.

## **5. DISCLOSURES:**

**The director(s) shall disclose to the Board all the necessary disclosures as required under the provisions of the Companies Act, 2013.**

## **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 of the officers. The officers shall, in all cases adhere to these standards of conduct.

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

- a. The Directors and the Senior Management shall endeavor to comply with all legislations applicable to them in the 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 10th of the month following the quarter. The quarterly compliance reports shall be placed before the Board in its forthcoming Board Meeting.
- b. Wherever non-compliance is detected, all the efforts shall be made to ensure that it does not reappear.
- c. If any Director or Senior Management personnel 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 officer’s 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 Directors and the Senior Management personnel:

- 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 Directors and the Senior Management personnel 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 Director and the Senior Management personnel by virtue of his/ her employment and, or 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 Director/ the Senior Management personnel.
- b. The Directors and the Senior Management personnel 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 Directors and Senior Management personnel 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 Directors and the Senior Management personnel 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 Director and the Senior Management personnel of the Company or in influencing his independence while acting with that other party.

#### **6f. Insider Trading**

Directors and the Senior Management personnel are prohibited from dealing or consulting to the dealing in the securities of the Company while in possession of unpublished price sensitive information. The Directors and the Senior Management personnel shall adhere to the code of conduct policy for prevention of insider trading laid down by the company in this regard.

The Directors and the Senior Management personnel 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 Directors and the Senior Management personnel shall use property or assets belonging to the Company only for the purposes of business of the Company. The Directors and the Senior Management personnel 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 Directors and the Senior Management personnel 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. REGULATORY COMPLIANCE**

Every Director and the Senior Management personnel shall, in his/ her business conduct, comply with all applicable laws, rules and regulations, both in letter and in spirit.

#### **8. 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 Director and, or the Senior Management personnel 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.

#### **9. ANNUAL COMPLIANCE**

The board members shall affirm compliance with the code on an annual basis as per Annexure I. The Annual Report of the Company shall contain a declaration to this effect signed by the Vice Chairman and Managing Director.

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

The Code shall be reviewed by the Board of Directors from time to time. Any variation in the Code or any waivers from the provisions of this Code shall be approved by the Board of Directors of the Company.

**Annexure ‘I’**

\_\_\_\_\_ (Date)

To,  
The Company Secretary,  
IIFL Wealth Management Limited,  
IIFL Centre, Kamala City,  
Senapati Bapat Marg,  
Lower Parel(West),  
Mumbai (MH)- 400013

Dear Sir,

**Subject: Confirmation of Compliance to the Code of Conduct of the Company.**

I, \_\_\_\_\_, Director, hereby confirm that I have read and understood the provisions of the Code of Conduct of IIFL Wealth Management Limited, and confirm that I will comply with the same.

Thanking you,

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

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

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

## **Acknowledgement Slip**

From :

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

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

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

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

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