

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

PREAMBLE

AI Assets Holding Limited endeavours to set a high standard of conduct for its Board members and senior management personnel. It aims to establish a sound framework of Corporate Governance based on the pillars of ethical practices and transparency. The purpose of the Code is to continually enhance ethical and transparent processes in managing the affairs of the Company.

Every Director and Senior Management Personnel of the Company has a responsibility to work on the principles of fairness, honesty, integrity, and transparency in their quest for achieving organizational goals.

CHAPTER I

1. Introduction

In line with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 the Board hereby adopts the “Code of Business Conduct & Ethics for Board Members and Senior Management Personnel” of AI Assets Holding Limited, which shall come into force with effect from the

The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company. It is intended to serve as a basis for ethical decision-making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint pertaining to violation of professional ethical standards.

2. Definitions & Interpretations

- 2.1. The term "Board Members" shall mean Directors on the Board of the Company.
- 2.2. The term “the Code” shall mean AIAHL’s ‘Code of Business Conduct and Ethics for Board Members and Senior Management Personnel’, as modified from time to time.
- 2.3. The term “the Company” shall mean ‘AI Asset Holding Limited’.
- 2.4. The term “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof;
- 2.5. The terms “Managing Director”, "Chief Executive Officer", "Chief Financial Officer" and “Company Secretary” shall mean an officer of the Company, who has been designated as such.
- 2.6. The term “Part-time Directors” shall mean Directors on the Board of Directors of the Company who are not in whole time employment of the Company. They shall include Independent Directors and Part-time Official directors.
- 2.7. The term “Relative” shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013, read with Rule 4 of the Companies (Specification of Definition Details) Rules, 2014.
- 2.8. The term “Senior Management Personnel” shall mean personnel of the Company who are members of its core management team, excluding Board of Directors and would comprise all members of management one level below the Chief Executive Officer/ Managing Director/ Whole-time Director (including Chief Executive Officer in case he is not part of the board) and shall specifically include the functional heads by whatever name called and the Company Secretary and Chief Financial Officer.
- 2.9. The term “Whole-time Directors” or “Functional Directors” shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.

In this Code words importing the masculine gender shall include feminine gender and words importing singular shall include the plural or vice versa.

3. Applicability of the Code

- 3.1. This Code shall be applicable to the following personnel:
 - A. All Whole-time Directors including the Chairman & Managing Director of the Company;
 - B. All Part-time Directors, and
 - C. Senior Management Personnel.
- 3.2. It is clarified that the Whole-time Directors and Senior Management Personnel should continue to comply with other applicable/ to be applicable policies, rules, and procedures of the Company.
- 3.3 All Directors and Senior Management Personnel (on joining) shall sign the acknowledgment form enclosed at **Annexure-I** and return the form to the Company Secretary or Manager (HR) respectively indicating that they have received, read, and understood the provisions of the Code, and agree to comply with the same.
- 3.4 All Directors and Senior Management Personnel shall be required to affirm compliance with this Code on an annual basis also. They shall submit an Annual Compliance Report within 30 days of close of every financial year to the Company Secretary, in the form enclosed at **Annexure-II**.

CHAPTER II

4. Contents of the Code

Part I - General Moral Imperatives

Part II - Specific Professional Responsibilities

Part III - Specific Additional Provisions of Board Members and Senior Management

PART I

GENERAL MORAL IMPERATIVES

5. Contribute to the Society and human well being

- 5.1. This Principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures.
- 5.2. Therefore, all Board members and Senior Management make others aware of both legal and moral responsibility for the safety and protection of human life and environment.

6. Be honest and trustworthy & practice integrity

- 6.1. Integrity and Honesty are essential components of trust. Without trust an organization cannot function effectively.
- 6.2. All Board Members and Senior Management Personnel are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting Company's business.

7. Be fair and take action not to discriminate

- 7.1. The value of equality, tolerance, respect for others, and the principles of equal justice govern this imperative. Except as specifically provided under law, discrimination on the basis of race, sex, religion, age, disability, national origins or other such factors, is an explicit violation of this Code.

8. Honour confidentiality

- 8.1. The principle of honesty extends to issues of confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code.
- 8.2. All Board Members and Senior Management Personnel, therefore, shall maintain the confidentiality of all confidential unpublished information about Company's business and affairs.

9. Pledge & Practice

- 9.1. To strive continuously to bring about integrity and transparency in all spheres of the activities.
- 9.2. Work unstintingly for eradication of corruption in all spheres of life.
- 9.3. Remain vigilant and work towards growth and reputation of the Company.
- 9.4. Bring pride to the organization and provide value-based services to Company's stakeholders.
- 9.5. Do duty conscientiously and without fear or favour.

PART II

SPECIFIC PROFESSIONAL RESPONSIBILITIES

10. Strive to achieve the highest quality, effectiveness, and dignity in both the processes and products of professional work

Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

11. Acquire and maintain professional competence

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

12. Compliance with Laws

The Company's Board Members and Senior Management Personnel shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow / obey the policies, procedures, rules and regulations relating to business of the Company.

13. Accept and provide appropriate professional review

Quality professional work depends on professional reviewing and critiquing. Whenever appropriate, individual members should seek and utilize peer review and provide a critical review of their work. They shall also keep the Board informed in an appropriate and timely manner any information in the knowledge of the member which is related to the decision making or is otherwise critical for the Company.

14. Manage personnel and resources to enhance the quality of working life

Organizational leaders are responsible for ensuring that a conducive environment is created for fellow employees to enable them to deliver their best. The Board Members and Senior Management Personnel would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

15. Be upright and avoid any inducements

The Board Members and Senior Management Personnel shall not, directly or indirectly, through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving

Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency etc.

16. Observe Corporate Discipline

Company's flow of communication is not rigid and people are free to express themselves at all levels though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.

17. Conduct in a manner that reflects credit to the Company

All are expected to conduct themselves, both on and off-duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behavior has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.

18. Identify, mitigate and manage business risks

It is everybody's responsibility to follow Company's Risk Management Framework to identify the risks that surround Company's function or area of operation and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.

19. Protect Company's properties

The Board Members and Senior Management Personnel shall protect the Company's assets including physical assets, information and intellectual rights and shall not use the same for personal gains.

PART III

SPECIFIC ADDITIONAL PROVISIONS

20. As Senior Management Personnel

20.1. They shall be accountable for their performance in conformity with established norms of conduct and shall ensure that there is no extravagance in expenditure.

21. As Board Members

21.1 They shall undertake to inform the Chairman & Managing Director/ Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events/ circumstances/ conditions that may interfere with their ability to perform Board/ Board Committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of the Listing Regulations.

21.2 They shall undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company at large. Illustrative cases can be:

- i. **Related Party Transactions:** Entering any transactions or relationship with Company or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a relative or other organization with which they are associated).
- ii. **Outside Directorship:** Accepting Directorship on the Board of any other Company that competes with the business of Company.
- iii. **Consultancy/ Business/ Employment:** Engaging in any activity (be it in providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties/ responsibilities towards Company. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of the Company.
- iv. **Use of official position for personal gains:** Should not use their official position for personal gains.

21.3 They shall undertake to actively participate in meetings of the Board/ Committees on which they serve.

21.4 They shall disclose to the Board, any personal interest that they may have regarding any matter that may come before the Board and abstain from discussion, voting or otherwise influencing a decision on any matter in which the concerned Director has or may have such an interest.

21.5 They shall act in accordance with and perform their duties as specified under Section 166 of the Companies Act, 2013, relevant extract given as **Annexure-III**.

21.6 Independent Directors shall also abide by the Guidelines of Professional Conduct and perform their Duties as specified in Schedule IV (Code of Independent Directors) of Companies Act, 2013, relevant extract given as **Annexures-IV & V** respectively.

21.7 They shall undertake to make necessary disclosures required to be made under the Companies Act, 2013 and Listing Regulations.

22. Compliance with the Code of Business Conduct & Ethics

22.1 All Members of the Board/ Senior Management of Company, shall uphold and promote the principles of this Code.

The future of an organization depends on both technical and ethical excellence. Not only it is important for Board Members/ Senior Management Personnel to adhere to the principles expressed in this Code, but each of them should also encourage and support adherence by others.

22.2. Treat violations of this Code as inconsistent association with the organization:

Adherence of Professionals to a code of ethics is largely and generally a voluntary matter. However, if any Board Members and Senior Management Personnel does not follow this Code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to initiate appropriate action against the defaulter.

23. Miscellaneous Points

23.1. Continual updation of the Code

This Code is subject to continuous review and updation in line with any changes in law, changes in Company's philosophy or otherwise as may be deemed necessary by the Board and all such amendments/ modifications shall take effect from the date stated therein.

This Code is in conformity with the statutory provisions. However, if, due to subsequent changes therein, the Code or any part thereof becomes inconsistent with the statutory provisions, the statutory provisions shall prevail.

24. Posting of the Code on AIAHL Website

Pursuant to the Listing Regulations and DPE Guidelines, this Code and any amendments thereto shall be circulated to all Board Members & Senior Management Personnel and posted on the website of the Company.

25. Where to seek clarifications

Any member of Board or Senior Management Personnel requiring any clarification may take up the issue with HR head/Company Secretary.



***Note:** It is understood that some words and phrases in the Code of Business Conduct and Ethics document are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.*

**ACKNOWLEDGEMENT OF
RECEIPT OF
CODE OF BUSINESS CONDUCT & ETHICS
FOR BOARD MEMBERS AND SENIOR MANAGEMENT
PERSONNEL**

(To be given on becoming a Director/ Senior Management Personnel)

I have received and read the Company's Code of Business Conduct & Ethics for Board Members and Senior Management Personnel. I understand the standards and policies contained in the Company Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job. I further agree to comply with the Company's Code of Business Conduct and Ethics.

If I have questions concerning the meaning or application of the Company's Code of Business Conduct and Ethics, any Company's policies, or the legal and regulatory requirements applicable to my job, I know I can consult Director (HR) or Company Secretary knowing that my questions or reports will be maintained in confidence.

AFFIRMATION

I, _____ (name), _____
(Designation), having received the Code of Business Conduct & Ethics for Board Members and Senior Management Personnel ('Code'), do hereby solemnly affirm that I have read and understood the provisions of the Code and agree to comply with this Code.

Signature
:.....

Name:.....
.....

Designation
:.....

Staff no. :
.....

Date:.....

Place:.....

**CODE OF BUSINESS CONDUCT AND ETHICS FOR
BOARD MEMBERS AND SENIOR MANAGEMENT**

Annexure-II

ANNUAL COMPLIANCE REPORT

(to be submitted by 30th April each year)

I,
(name), _____ (designation) do hereby solemnly affirm to the
best of my knowledge and belief that I have fully complied with the provisions of the
Code of Business Conduct and Ethics for Board Members and Senior Management
Personnel during the financial year ending 31st March _____

Signature

.....

Name:.....

.....

Designation

.....

Place:.....

Annexure III

Extract from Schedule IV of the Companies Act, 2013
(Extract from Sec 166 of the Companies Act, 2013)

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIORMANAGEMENT PERSONNEL

Duties of Directors

- (1) To act in accordance with the articles of the company.
- (2) To 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 interests of the company, its employees, the shareholders, the community and for the protection of environment.
- (3) To exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- (4) Not to involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
- (5) Not to achieve/attempt any undue gain or advantage either to himself or to his relatives, partners, or associates.
- (6) Not to assign his office and any assignment so made shall be void.

Annexure IV

Extract from Schedule IV of the Companies Act, 2013
(Extract from Sec 166 of the Companies Act, 2013)

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIORMANAGEMENT PERSONNEL

Guidelines of Professional Conduct of Independent Directors

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.

Annexure IV

Extract from Schedule IV of the Companies Act, 2013
(Extract from Sec 166 of the Companies Act, 2013)

CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

DUTIES OF INDEPENDENT DIRECTOR

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 behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

- (12) Acting within his 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.