



DMI FINANCE PRIVATE LIMITED

**CODE OF CONDUCT FOR BOARD MEMBERS
AND SENIOR MANAGEMENT PERSONNEL**

Document Review and Approval /Revision

S . N o .	Ver. No.	Summary of Change	Prepared/ Owned by	Reviewed by (Departmental Head)	Recommended by (Management Committee)	Further recommended by (Board Led Committee)	Approved by (Board of Directors)	Effective Date
1	1.0	Adoption of Code	Company Secretary	Chief Compliance Officer	N.A.	NRC in its meeting held on February 11, 2025	Board of Directors in its meeting held on February 14, 2025	February 14, 2025

Background:

DMI Finance Private Limited (“**DMI**” or “**the Company**”) is a Non-Banking Financial Company (“**NBFC**”) registered with the Reserve Bank of India (“**RBI**”). The Company is classified as a Middle Layer NBFC under the RBI’s Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (“**SBR Framework**”) as amended.

Further, the Company is identified as a “High-Value Debt Listed Company” in terms of regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“**Listing Regulations**”) and is required to comply with the provisions of Regulation 16 to 27 (“Corporate Governance Provisions”) of Listing Regulations on a ‘comply or explain’ basis until March 31, 2025 and mandatorily thereafter.

In requirement of regulation 17(5) of the Listing Regulations, DMI has formulated and adopted this **Code of Conduct for its Board of Directors and Senior Management Personnel** (“**Code**”), hereinafter referred to as **the “Code”**.

Applicability

The Code is applicable to all the members of the Board of Directors (hereinafter referred to as “**Board Members**”) and Senior Management Personnel of the Company (hereinafter referred to as “**SMPs**”).

The Code shall be effective from the date of its adoption by the Board of Directors of the Company.

Definitions and interpretations

- i. **Board Members:** Board Members shall mean the members on the Board of Directors of the Company.
- ii. **Senior Management Personnel:** Senior management personnel shall mean the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
- iii. **Family:** Family shall mean the dependent family members (i.e. spouse, son, daughter and parents) of an individual.
- iv. **Interest in Transaction:** Interest in transaction means any material pecuniary interest in any contract or arrangement, either by himself/ herself or through his/ her family.

Purpose

The purpose of the Code goes beyond the Legal Minimum and has been framed to:

- Promote ethical standards of business conduct;
- Maintain the culture of honesty, integrity, transparency and accountability in the Board Members and SMPs;
- Provide guidance in the identification and resolution of issues;
- Uphold the spirit of social responsibility and accountability in line with the legislations, regulations and guidelines governing the Company; and
- last of all, to comply with the provisions of the laws and regulations applicable on the Company.

Standards of ethical conduct for Board Members and SMPs

1. The Board Members and SMPs are expected to comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company. They shall act within the powers conferred on them and shall observe the highest standards of ethical conduct and integrity taking into account the interest of the Company and shall work to the best of their ability and judgement. They will ensure proper usage of authority as may be delegated to them.
2. The Board Members and SMPs have to secure, preserve, safeguard and use discreetly, confidential information in the best interest of the Company. They should not divulge or communicate such information to third parties except when authorized for the business reasons.

The term “Confidential Information” includes all non-public information, which if disclosed, might be prejudicial to the interests of the Company.

3. The Board Members and SMPs are expected to devote their attention with integrity and honesty to the business interests of the Company.
4. The Board Members and SMPs shall avoid and disclose actual and apparent conflict of personal interest with the interest of the Company and to disclose all contractual interests whether directly or indirectly in any manner which gives them or their relative or firm or associate, any pecuniary benefit, regardless of the value involved with the Company.

Although this duty does not prevent them from engaging in personal transactions and investments, it does, however, demand that they should avoid situations where a conflict of interest might occur or appear to occur.

A “Conflict of interest” occurs when personal interest of the Board Members and SMPs interferes or appears to interfere, in any way, with the interests of the Company.

5. The Board Members and SMPs, before conducting business of the Company with a Related Party or a relative and/or with a business in which a relative is associated in any significant role, shall promptly disclose their interest to the Board of Directors of the Company. For the sake of clarity, the term “Relative” shall mean “relative” as defined in Section 2(77) of the Companies Act, 2013.
6. The Board Members and SMPs are responsible for effective control and appropriate use of all Company’s resources entrusted to them in the official discharge of their duty.
7. The Board Members and SMPs shall also comply with the provisions of Code of Conduct for Prevention of Insider Trading framed and adopted by the Company pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
8. The Board Members and SMPs shall not commit any offence involving moral turpitude.
9. The Board Members and SMPs shall promote professionalism in the Company.
10. The Board Members and SMPs shall immediately bring to the notice of the Board about any unethical behavior, actual or suspected fraud or violation of Company’s policies as and when it comes to his / her knowledge.
11. The Executive Directors and SMPs shall also abide by the provisions of Code of Conduct for Employees.
12. The SMPs shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

For this purpose, conflict of interest relates to dealing in the shares of the Company, commercial dealings with bodies, which have shareholding of management and their relatives etc.

Duties of Independent Directors

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 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.

Waivers and Amendments of the Code

The Board shall review the Code as and when considered necessary and contingent upon any amendments introduced to the Listing Regulations. Any amendment or waiver of any provision of the Code must be approved by the Board of Directors of the Company and the updated Code should be disclosed as required by any applicable law or regulation and also on the Company's website, if any.

Notwithstanding anything contained in this Code, in case of any contradiction of the provision of this Code with any existing legislations, rules, regulations, laws or modification thereof or enactment of a new applicable law, the provisions under such law, legislation, rules, regulation or enactment shall prevail over this Code.

Acknowledgement of Receipt and Affirmation of Annual Compliance

The Board Members and SMPs shall acknowledge receipt of the Code or any modification(s) thereto, in the format annexed to the Code as **Annexure - A** and forward the same to the Compliance Officer within 30 days of joining.

As per Regulation 26(3) of the Listing Regulations, all members of the Board Members and SMPs shall affirm compliance with this Code on an annual basis as at the end of the each financial year within 30 days thereof, in the format annexed to the Code as **Annexure - B** and forward the same to the Compliance Officer.

ANNEXURE - A

CODE OF CONDUCT ACKNOWLEDGEMENT FORM

I, _____, have received and read the Code of Conduct for Board Members and Senior management Personnel of DMI Finance Private Limited (“the Code”).

I have understood the provisions of the Code and agree to comply with the same.

Signature:
Name :
Designation :

Date:
Place:

* to be submitted within 30 days of joining the Board / Company.

ANNEXURE - B

CODE OF CONDUCT ANNUAL COMPLIANCE REPORT

I, _____, do hereby affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Board Members and Senior Management Personnel of DMI Finance Private Limited (“the Code”) during the financial year ended March 31, _____.

Signature:
Name :
Designation :

Date:
Place:

* to be submitted within 30 days of close of every financial year.