



STAR HOUSING FINANCE LIMITED

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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Code of Conduct of Directors and Senior Management

I. PURPOSE OF THE CODE

The operation of the company managed under the direction of Board and Senior Management within the framework set by Companies Act, the Listing Agreement with Stock Exchange and Article of Association of the Company.

The company is committed to conducting its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. This code is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanism to report unethical conduct and to help foster a culture of Honesty and Accountability.

The Board & Senior Management is also governed by Internal Codes/ Procedures prescribed within the company from time to time. Accordingly company has laid down this code for its Directors & Senior Management. Each Director and Senior Official is expected to comply with the letter and spirit of this Code.

Pursuant to Listing Agreement this Code is framed reflecting its underlying core values, commitment to personal integrity, respect for the individual, transparency, fairness, accountability, and pursuit of excellence. In compliance with the above, this Code of Conduct for Directors & Senior Management has been framed.

II. DEFINATION AND INTERPRETATION

In this Code, unless repugnant to the meaning or context thereof, the following expression shall have the meaning given to them below:

The term “**Board Members**” shall mean the Directors on the Board of Directors and its committees of the company.

The term “**Senior Management Personnel / Officials**” shall mean personnel of the company who are members of its core management team and generally this would comprise all members of the management one level below Board of Directors the company.

The term “**Relatives**” shall mean ‘relative’ as defined under the Companies Act, 2013.

The term “**Compliance Officers**” shall mean the company secretary or any other officer designated by the Board of Directors of the company for the purpose of this code.

The term “**The Company**” shall mean **Star Housing Finance Limited**.

III. VALUES OF THE CODE:

This Code of Conduct is a guiding principle on which the Board & Senior Management Shall operate and conduct its daily business with its stakeholders, government and regulatory agencies and anyone else with whom it is connected. It recognizes that in order to fulfill its fiduciary obligations and responsibilities, it has to maintain and continue to enjoy the trust and confidence of its stakeholders.

Board acknowledges the need to uphold the integrity of every transaction it enters into and believes the honesty and integrity in its internal conduct would be judged by its external behavior. Board shall be committed in all its actions to the interest of states/territories in which it operates. The Board is conscious of the reputation it carries amongst its customers and shall Endeavour to do all it can do sustain and improve upon the same in its discharge of obligation. Board shall continue to initiate policies, which are customer centric and which promote financial prudence.

IV. PHILOSOPHY OF THE CODE:

The Code envisages and expects –

- a. Adherence to the highest standards of honest and ethical conduct, including proper and ethical procedures in dealing with actual or apparent conflicts of interest between personal and professional relationships.
- b. Full, fair, accurate, sensible, timely and meaningful disclosures in the periodic reports required to be filed by the Company with government and regulatory agencies.
- c. Compliance with applicable laws, rules and regulations.
- d. To address avoidance of misuse or misapplication of the company’s assets and resources.
- e. The highest level of confidentiality and fair dealing within and outside the company.
- f. General standards of conduct.

Company expects all Directors to exercise good judgment to ensure the interest, safety and welfare of customers, employees and other stakeholders and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization.

The Directors while discharging duties of their office must act honestly and with due diligence. They are expected to act with the amount of utmost care and prudence, which an ordinary person is expected to take in his/ her own business. These standards need to be applied while working in the premises of the Company, at offsite locations or at any other place where they act as representatives of Company.

V. GUIDELINES FOR CONDUCT:

Each Directors should seek to use due care in the performance of his/her duties, be loyal to the Company, act in good faith and in a manner such Director reasonably believes to be not opposed to the best interest of the Company. A Director should seek to:

Make reasonable efforts to attend Board and committee meetings;

Dedicate time and attention to the Company; and

Seek to comply with all applicable laws, regulation and confidentiality obligations and corporate policies of the Company.

The Directors and Senior Officials should be scrupulous in avoiding “conflicts of interest” with the Company. In case there is likely to be a conflicts of interest, he/she should make full disclosure of facts and circumstances whereof to the Board of Directors or any committee/officers nominated for the purpose by the Board and a prior approval should be obtained.

VI. KEY ELEMENTS:

a. Conflict of Interest :

A “conflicts of interest” occurs when personal interest of any member of the Board of Directors and/or of the Senior Management Personnel interfere or appears to interfere in any way with the interest of the Company. Every member of the Board of Directors and of the Senior Management Personnel has a responsibility to the Company, its stakeholders and to each other. Although this duty does not prevent them from engaging in personal transactions and investments, it does demand that they avoid situations where a conflicts of interest might occur or appear to occur. They are expected to perform their duties in a way they do not conflicts with the company’s interest.

Employment/Outside Employment : The members of the Board & Senior Management Personnel are expected to devote their total attention to the business interest of the Company. They are prohibited from engaging in any activity that interferes with their performance or responsibilities to the company or otherwise is in conflict with or prejudicial to business interest of Company.

Business Interests: Many factors including the size and nature of the investments, their ability to influence the Company's decisions, their access to confidential information of the company or other entity and their nature of the relationship between the company and the customer, supplier or competitor should be considered in determining whether a conflict exists. Additionally, they should disclose to the Company any interest that they have which may conflict with the business of the Company.

Related Parties: As a general rule the Directors and members of the Senior Management Personnel should avoid conducting company's business with a relative or any other person or any firm, company, Association in which the relative or other person is associated in any significant role. Relative shall mean a person as defined under Companies Act, 2013.

- If such a related party transaction is unavoidable, they must fully disclose the nature of the related party transactions to the appropriate authority. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to that party.

In the case of any other transaction or situations giving rise to conflicts of interest, the appropriate authority should after due deliberation decide on its impact.

b. Use of Company's Assets and Resources:

Each member of the Board of directors and the Senior Management Personnel has a duty to the Company to advocate its legitimate interest while dealing with the Company's assets and resources. Members of the Board of Directors and Senior Management Personnel are prohibited from:

- Using corporate property, information or position for personal gain;
- Soliciting, demanding, and accepting or agreeing to accept anything of value from any person while dealing with the Company's Assets and Resources.

- Acting on behalf Company in any transaction in which they or any of their relative(s) have a significant direct or indirect interest.

C. Confidentiality and Fair Dealings

- ***Company's Confidential information:***

Company's confidential information is valuable asset. It includes all trade related information, trade secrets, confidential and privileged information, customer information, employee related information, strategies, administration, research in connection with the company and commercial and, legal, scientific, technical data that are either provided to or made availability to each member of the Board of Directors and the Senior Management Personnel by the company either in paper form or electronic media to facilitate their work or that they are able to know or obtain access by virtue of their position with the company. All confidential information must be used for company's business purpose only.

This responsibility includes the safeguarding, securing and proper disclosure of disclosure of confidential information in accordance with the company's policy of maintaining and managing the records. This obligation extends to confidential information of third parties, which the company has rightfully received under non-disclosure agreements.

Company's continued success depends on the use of its confidential information and its non-disclosure to third parties. Unless required by law or authorized by their management, employees shall not disclose confidential information or allow such disclosure. This obligation continues beyond the termination of employment. Furthermore, employees must use best efforts to avoid unintentional disclosure by applying special care when storing or transmitting confidential information

To further, the company business, confidential information that they may have to be disclosed to potential business partners. Such disclosures should be made after considering its potential benefits and risks.

➤ ***Other Confidential Information:***

Company has many kinds of business relationships with many individuals. Sometimes, they will volunteer confidential information about their products or business plans to induce the company to enter into a business relationship. Therefore, special care must be taken by the Board of Directors and Senior Management of the Company to handle confidential information of others responsibility. Such confidential information should be handled in accordance with the agreements with the third parties.

Company requires that every senior management should fully comply with laws, statues, rules and regulations that have the objective of preventing unlawful gains of any nature whatsoever.

Directors and the Senior Management shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift or anything of value from customers, suppliers, shareholders, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commission of fraud.

d. Disclosure Standards

Company shall make full, fair, accurate, timely and meaningful disclosure in the periodic reports required to be fulfilled with the government and Regulatory agencies. The members of the management of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board of Directors, Auditors and other Statutory Agencies, as maybe required by applicable laws, rules and regulations.

Board Members and Senior Officials shall make appropriate and timely disclosures as required under the Provision of the Companies Act, and Amendment thereon, Listing Agreement, Insider Trading Code of the Company and all other Applicable Laws, Rules & regulations as applicable from time to time.

e. Share Dealing & insider trading

Company prohibits the purchase and sale of Company's shares or securities on the basis of potentially share price relevant information which is not yet public. Non-compliance may not only entail disciplinary sanctions, but also result in criminal charges. When in doubt regarding the interpretation or applicability of Company's insider trading rules, employees shall consult with the compliance department.

f. Compliance with all appropriate Laws, Rules and Regulations

The directors of the Company and Senior Management Personnel must comply with all the applicable Laws, regulations, rules and regulatory orders. They should report any inadvertent non-compliance, if detected subsequently, to the concerned authorities.

g. Quality of Treatment

Our company is committed to the principle of equal opportunity, equality of treatment and creating a dynamic climate where diversity is valued as a source of enrichment and opportunity.

Board Members and Senior Management Personnel are expected to take responsibility for upholding company's standard by treating with dignity and respect all job applicants, fellow employees, customers and any other individual associated with the company.

h. Sexual Harassment

The board and senior management personnel shall not indulge in sexual harassment whether directly or by implication which includes such unwelcome behaviour or physical contact and advances, or a demand or request for sexual favours, sexually coloured remarks, display of pornographic material or any other verbal or non-verbal communication of sexual nature is strictly prohibited.

i. Books and Records

It is the responsibility of each Director to ensure that our books and records are accurate so that they reflect the true and fair view of company's business. While preparing records emphasis, will be laid on compliance with all applicable Laws, rules and regulations, Accounting Standards and Practices.

j. Information Technology and Network Security

Computer System software and the network information are vital and must be used intended. These must be used with responsibility and only for legitimate purpose. For instance, network IDs and Password should not be revealed to unauthorized users,. No Board Member and Senior Management Personnel shall, except in the ordinary course of his duties, give or cause to be given any documents, papers or records on matters relating to the activities of the company or its subsidiary.

k. Good Corporate Governance Practices:

Each member of the Board of Directors and the Senior Management of the Company should adhere to the following as may be applicable so as to ensure compliance with good corporate governance practices:

(a) DoS:

- Study the Board papers thoroughly and enquire about follow-up reports on definite time schedule (if any).
- Involve activity in the matter of formulation of general policies.
- Be familiar with the board objectives of the company and the policies laid down by the Government and the various laws and legislations.
- Ensure confidentiality of the company's agenda papers, notes and minutes.

(b) Dont's

- Do not interfere in the day to day functioning of the company.
- Do not reveal any information relating to any constituent of the Company to anyone.
- Do not display the logo/ distinctive design of SHFL on their personal visiting cards/ letter heads.
- Do not do anything, which will interfere with and/ or be subversive of maintenance of discipline, good conduct and integrity of the staff.

The matters covered in this Code of Conduct are of the utmost importance to the company, its stakeholders and its business partners and are essential to the company's ability to conduct its business in accordance with its value system.

VII. Enforcement of Code of Conduct

The compliance officer shall oversee the compliance of this Code. Each Board Member and senior Management Personnel shall be accountable for fully complying with this code.

a. Amendment of the Code

The Provision of this code can be amended/ modified by the Board of Directors of the company from time to time and all such amendment/ modifications shall take effect from the date stated therein.

b. Placement of code of conduct

Pertaining to Clause of Listing Agreement, this code/ amendments if any, shall be posted on the website of the Company.

c. Annual Compliance Reporting

In term of Listing Agreement, all Board Members and Senior Management personnel shall affirm compliance with this code within 30 days or as specified of close of every financial year. The annual Compliance Report shall be forwarded to the Compliance Officer of the Company.

d. Penalty for Contravention of Code of conduct

Any Designated Employee / Officer/ Director who trades in securities or communities any Price Sensitive information for trading in securities, in contravention of the code of Conduct would be penalized and appropriate action would be taken as decided by the Company and applicable Laws.

Designated Employees/officers/ Directors of the Company who violates the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligibility for future participation in ESOP's etc.

The action taken by the Company shall not preclude SEBI from taking action in case of violation of SEBI (prohibition of insider trading) Regulations, 1992.

e. Acknowledgment of the receipt of the Code

All board Members and Senior Management Personnel shall acknowledge the receipt of this code in the acknowledge and it shall be the duty of the Compliance officer of the Company to Circulate this code /amended Code to the Board Members including new Directors at the time of their appointment and Senior Management Personnel.

IX. General

The Company reserves to itself the right to alter/delete/add to these codes at any time without prior individual notice and such alterations/deletion/addition shall be binding.



ANNEXURE I
AKNOWLEDGEMENT

To,
Star Housing Finance Limited
603, Western Edge I, Above Metro
Cash & Carry, Borivali East,
Mumbai 400066

Dear Sir/ madam,

I have read and understood the company's code of conduct for the Board of Directors and Senior Management Personnel's.

I hereby undertake to comply with the standards, policies and rules specific to my responsibilities to the company.

Signature

Date:

Place:

1. Please Sign the form and return to Company Secretary.
2. This declaration shall be valid for the Financial Year.....

ANNEXURE II
DECLARATION

To,
Compliance Officer
Star Housing Finance Limited
603, Western Edge I, Above Metro
Cash & Carry, Borivali East,
Mumbai 400066

Dear Sir/ Madam

I being a member of Board of Directors/ senior management of Star Housing Finance Limited (The Company) here by acknowledge, confirm and certify that:

- i. I am aware of code of conduct of the Board of directors and senior management.
- ii. The said conduct has been and is applicable by my function as the Board of Director/Senior management of the company.
- iii. During the financial year I have complied with the provision of the said code.
- iv. I confirm that during the financial year to the best of my knowledge and belief, I have not violated any of the provision of this code or any of the policies of the company or legal/ regulatory requirements, as may be applicable to my responsibility.
- v. I am not aware with the any of the Non- compliance with the said code.

Signed:

Name:

Designation:

Date:

Place:

1. Please sign and send it to Company Secretary/Compliance Officer.
2. This declaration shall be valid for this financial Year.