

**Code Of Conduct for Board Members, Key Managerial
Personnel (KMP) And Senior Management
Personnel (SMP)**

Version 1.1

November 2023

1. PURPOSE

The purpose of this Code is to enhance integrity, ethics & transparency in the governance of the Company and thereby reinforce the trust and confidence reposed in the Management of the Company by the shareholders and other stakeholders.

2. APPLICABILITY

The Code is applicable to the following persons:

1. All Members of the Board of Directors of the Company; and
2. Senior Management Personnel, who are members of the core management team excluding Board of Directors of the Company and would comprise of all members of management one level below the Managing Director or Whole Time Director including the functional heads.

Further, the term functional head means the Head of Departments who is directly reporting to Managing Director or Whole-Time Director.

Key Managerial Personnel, which specifically include the Managing Director, Company Secretary and the Chief Financial Officer of the Company.

Directors, Key Managerial Personnel and Senior Management Personnel are expected to read and understand this Code, uphold these standards in their day-to-day activities, and comply with all applicable laws, rules and regulations and all applicable policies and procedures adopted by the Company that govern the conduct of its employees.

The principles described in this Code are general in nature. Directors, Key Managerial Personnel and Senior Management Personnel should also review the Company's other applicable policies and procedures for more specific instruction.

3. DUTIES OF DIRECTORS

All Directors of the SATYA shall

- i. act in accordance with the Articles of Association of the Company
- ii. act in good faith in order to promote the objectives 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.
- iii. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgement.
- iv. not 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.

- v. not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain.
- vi. Shall maintain and help the Company in maintaining highest degree of Corporate Governance practice.

4. DUTIES OF INDEPENDENT DIRECTORS: IN COMPLIANCE TO SCHEDULE IV AND SECTION 149(8) OF THE COMPANIES ACT 2013

In addition to complying the requirements as stipulated in the Schedule IV of the Companies Act, 2013, an Independent Director Shall inter alia do the following:

- i. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- ii. 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;
- iii. strive to attend all meetings of the Board and of the committees of the Board, which the independent director(s) is a member of;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the Company;
- vi. 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 meeting of Board;
- vii. keep themselves well informed about the Company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committees of the Board;
- ix. 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;
- x. ascertain and ensure that the Company has an adequate and functional Whistle Blower Policy and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xi. report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- xii. acting within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- xiii. 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.

5. DUTIES OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL:

All KMP & SMP shall

- i. Shall maintain and help the Company in maintaining highest degree of Corporate Governance practice.
- ii. Shall not seek, accept or receive, directly or indirectly, any gift, payments or favour in whatsoever form from Company's business associates, which can be perceived as being given to gain favour or dealing with the Company and shall ensure that the Company's interests are never compromised.
- iii. Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage.
- iv. Shall ensure compliance of the prescribed safety & environment related norms and other applicable codes, laws, rules, regulations and statutes.

6. GUIDELINES

The Directors, KMP and SMP must act in good faith and in such manner as they reasonably believe to be in the best interests of the Company. The Directors, KMP and SMP are also expected to:

- a. comply with all applicable laws, regulations, confidentiality obligations and other corporate policies, of the Company.
- b. follow all policies, procedures and internal control systems of the Company.
- c. act honestly, in good faith and in the best interests of the Company.

7. INTEGRITY

All Directors, KMP and SMP of the Company shall conduct their activities on behalf of the Company and on their own behalf, with honesty, integrity and fairness. The Directors of the Company will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgement to be subordinated. The Directors, KMP and SMP of the Company will act in the best interest of and fulfil their fiduciary obligations to the Company and its shareholders.

8. CONFLICT OF INTEREST

The Directors, KMP and SMP of the Company should not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interests of the Company. Every Director, KMP and SMP should make a full disclosure to the Board of any transaction that they reasonably expect, could give rise to actual conflict of interest with the Company and seek Board authorization to pursue such transaction.

9. COMPANY PROPERTY

Every Director, KMP and SMP should endeavor to ensure that they use the Company's assets, proprietary information and resources only for legitimate business purpose of the Company and not for personal gains.

10. CONFIDENTIAL INFORMATION

The Directors, KMP and SMP should maintain confidentiality of information entrusted to them in carrying out their duties and responsibilities. The matters discussed at the Board/ Committee Meetings must not be disclosed outside appropriate and reasonable circles. The Company's confidential information and proprietary information shall not be inappropriately disclosed or used for personal gain or advantage of any Director. These obligations apply not only during a Director's term, but thereafter as well unless the said information becomes public.

11. GIFTS, DONATIONS & ENTERTAINMENT

The Directors, KMP and SMP shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of its business. However, the Directors, KMP and SMP may accept and offer nominal gifts, which are customarily given and are of a commemorative nature, for special events.

12. FAIR DEALING

The Directors, KMP and SMP should endeavor to deal fairly and not seek to take unfair advantage of the Company through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or other unfair dealing.

13. SAFETY

The Directors, KMP and SMP shall respect safety and health of all employees and provide working conditions, which are safe and healthy.

14. EQUAL OPPORTUNITIES

The Directors, KMP and SMP shall endeavor to provide equal opportunities to all employees and aspirants for employment in the Company irrespective of gender, caste, religion, race or colour, merit being the sole differentiating factor. The Directors, KMP and SMP shall prevent and redress sexual harassment at workplace and institute good employment practices.

15. NON-COMPETE

The Directors, KMP and SMP shall not take up directly or indirectly any activities competing with the business of the Company.

16. CORDIAL RELATIONS

The Directors, KMP and SMP shall endeavor to make all efforts to establish cordial relationships with all stakeholders of the Company with whom they interface while carrying out their duties for the Company and would try to make positive contributions to the communities in which they perform such duties.

17. COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out their duties and responsibilities, Directors, KMP and SMP comply and endeavor to ensure that the management is causing the Company to comply with applicable laws,

rules and regulations.

The Directors, KMP and SMP should comply with all applicable laws, rules and regulations for the time being in force. In addition, if any Director becomes aware of any information that he believes constitutes evidence of a material violation of any laws, rules or regulations

applicable to the Company or operation of its business, by the Company, any employee or another Director, then such Director should bring such information to the attention of the Chairman of the Audit Committee.

18. AMENDMENTS, MODIFICATION & WAIVERS:

This Code shall be reviewed from time to time and any amendments or modifications thereto, shall be subject to the review and approval of the Board of Directors of the Company.

This Code of Conduct shall be uploaded on the website of the Company in compliance of the Corporate Governance norms.

19. INSIDER TRADING

None of the Director, KMP and SMP shall derive any benefit nor assist to derive any benefit by giving investment advice from access to and possession of information about the Company, which is not in public domain or constitutes insider information.

20. DUTIES OF DIRECTORS

Every Director of the Company shall endeavor to comply with the provisions of Section 166 of the Companies Act, relating to the duties of directors.

In addition, Independent Directors shall also perform the duties as prescribed in Schedule IV of the Companies Act, 2013, as amended from time to time.

21. NON-COMPLIANCE

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations shall be appropriately investigated. Any waiver of this Code must be approved by the Board of Directors and publically disclosed if required by any applicable law.

22. DISCLOSURE

All Director, KMP and SMP shall acknowledge receipt of this Code or any modification thereto, in the acknowledgement form as at **Annexure - I(a)** and forward the same to the Company Secretary indicating that they have received, read, understood and agreed to comply with the Code. Further, the Board Member, KMP and SMP shall also affirm the compliance with the Code on annual basis in the form as at **Annexure -I(b)**.

Annexure - I(a)

DECLARATION

To,
The Company Secretary
SATYA MicroCapital Limited
Fifth Floor, DPT 519, 5th
Floor,
DLF Prime Tower, Block- F,
Okhla Phase-1, New Delhi,
110020

Dear Sir/ madam

I, Mr./Mrs./Ms. _____, _____ (designation) have received and read the Company's Code of Conduct for Directors, Key Managerial Personnel and Senior Management Personnel ("this Code"). I understand the provisions and policies contained in this Code and I agree to comply with this Code.

Signature:

Name:

Designation:

Place:

Date:

Annexure - I(b)

DECLARATION

To,
The Company Secretary
SATYA MicroCapital
Limited Fourth Fifth Floor, DPT
519, 5th Floor, DLF Prime Tower,
Block- F, Okhla Phase-1, New
Delhi, 110020

Dear Sir/ madam

I, Mr./Mrs./Ms. _____, _____ (designation) do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Code of Conduct for Directors, Key Managerial Personnel and Senior Management Personnel during the financial year ending 31st March .

Signature:

Name:

Designation:

Place:

Date:

1. Kindly sign and return this declaration on or before April 15, _____.
2. This declaration shall be valid for the financial year _____.