

LAFFAN SOFTWARE LIMITED

CODE OF CONDUCT OF

THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

OF

LAFFAN SOFTWARE LIMITED

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Introduction

The adoption of this Code of Conduct of the Board of Directors and Senior Management (the “Code”) stems from the fiduciary responsibility which the Board Members and Senior Management have towards the stakeholders in Laffan Software Limited (“Company”), and ensures compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreements issued by the Securities and Exchange Board of India (“SEBI”). Therefore, Board Members and Senior Management will act as trustees in the interest of all stakeholders of the Company by balancing conflicting interest, if any, between stakeholders for optimal benefit. In the observance of the Code, the Directors in their capacity as Directors per se, will have a Directional role and the Executive Directors and Senior Management Personnel will have executive responsibility.

The Code is applicable to the following persons, referred to as Officers:

- Our Board members; and
- Our Senior Management holding positions such as Managing Director/Executive Director, President, Senior Vice Presidents, General Managers, Senior Managers.

Honest and Ethical Conduct

The Officers shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working for the Company.

We consider honest conduct to be conduct that is free from fraud or deception. We consider ethical Conduct to be conduct conforming to the accepted professional standards of conduct. Ethical conduct includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

The Officers shall to the best of their knowledge and ability, adhere to, comply with and advocate the principles set out in this Code governing their professional and ethical conduct in the fulfillment of their responsibilities.

The Officers shall create an environment free from gender specific harassment, discrimination and exploitation.

Conduct of Business

The conduct of Company's business shall be consistent with the core values, which are set out below:

- Customer Sovereignty
- People Orientation
- Innovation and Entrepreneurship
- Transparency and Integrity
- Anticipation, speed and flexibility
- Passion for superior performance

The Officers shall not be involved in any activity that would have any adverse effect on the objectives of the Company or against national interest. The corporate objectives to be pursued shall be to sustain the competitive edge of the company and not to indulge in any activity which is detrimental to the society at large.

Conflict of Interest

The Officers shall avoid any conflicts between the Officers and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Board of Directors. A conflict of interest can occur when:

- An Officer's personal interest is adverse to or may appear to be adverse to the interests of the Company as a whole.
- An Officer or his or her relative, as defined by the Companies Act, 2013, receives improper personal benefits as a result of his/her position as an Officer of the Company.
- The Officer commits himself or on behalf of the Company in regard to any arrangement or control of abiding nature unless specifically authorized by the Board of Directors in that behalf.

Some of the more common conflicts, which Officers should avoid, are listed below:

Relationship of Company with third parties:

The Officers may not receive a personal benefit from a person or firm, which is seeking to do business or to retain business with the Company. An Officer shall keep away himself/herself from any decision taken by the Board of Directors of the Company involving another firm or company with which the Officer is affiliated.

Directorship in other companies:

The members of the Board shall not accept any position of influence or of pecuniary interest including directorship in any other organization whose business is in direct competition with that of the Company.

Gifts:

Officers may not offer, give or receive gifts from persons or entities that deal with the Company in those cases where any such gift is being made in order to influence the Officers' actions as the member of the Board of Directors or senior management official, or where acceptance of the gifts could create the appearance of a conflict of interest. Nominal gifts of commemorative nature for special events may be accepted or given and reported.

Personal use of Company assets:

Officers may not use the corporate assets, labour or information for personal use unless approved by proper authority, or as a part of a compensation or expense reimbursement program available to all Officers.

Corporate Opportunities:

Officers may not exploit for their personal gains, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors decline to pursue such opportunity.

Other Situations:

Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, Officers must consult the Company's audit committee.

Duties of Independent Directors as per Companies Act, 2013

The Independent Directors shall abide with the duties of directors and duties of Independent Directors as laid down by the Companies Act, 2013, the Schedules and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force). The duties of directors as per Section 166 and the duties of Independent Directors in accordance with Schedule IV of the Companies Act, 2013 are appended and marked as **Annexure I**.

Safety Health and Environment

The Officers are committed to sustained development by conserving natural resources and by ensuring that our present and future operations comply with the applicable environmental standards, legislations and customers' requirements.

The Company shall continue to take environmental care by:

- Endeavoring for continual improvement of our environmental performance by prevention of pollution as well as reduction of waste generation and minimization of the impact of our activities, products and services on the environment.
- Conservation of energy, natural and nonrenewable resources by effective monitoring and improvement of processes.
- Encouraging our neighbors, suppliers, contractors and customers to work in an environmentally responsible manner.

The Officers will continually seek to increase the awareness and the sense of responsibility of each individual employee for environmental protection during all stages of performance of work and we shall also facilitate the involvement of our suppliers and customers in this effort.

Confidential Information

The Company's confidential information is a valuable asset. The Company's confidential information includes all information developed within the Company with respect to its business, is confidential and should not be disclosed to any unauthorized person. The confidential information is the property of the Company and may be protected by patent, trademark, copyright laws. All confidential information must be used for Company business purposes only. Every employee, agent and contractor must safeguard it. This responsibility includes, not disclosing the Company's confidential information such as information regarding the Company's services or business over the internet. This responsibility includes the safeguarding, securing and proper disposal of confidential information such as information in accordance with the Company's policy. This obligation extends to confidential information of third parties, which the Company has rightfully received under Non-Disclosure Agreements.

Disclosure of Company Confidential Information:

To further the Company's business, from time to time our confidential information may be disclosed to potential business partners. However, such disclosure should never be done without carefully considering its potential benefits and risks.

Requests by Regulatory Authorities:

The Company and its employees, agents and contractors must cooperate with appropriate government inquiries and investigations. In this context, however, it is important to protect the legal rights of the

Company with respect to its confidential information. No financial information may be disclosed without the prior approval of the Chief Financial Officer.

Media Disclosure:

In the normal course of business, the Officers may receive inquiries from representatives of the news media. Such inquiries must be referred to the Officer appointed to deal with media representatives.

Compliance with Governmental Laws, Rules and Regulations

Officers must comply with all applicable governmental laws, rules and regulations. Officers must acquire appropriate knowledge of the legal requirements relating to their duties sufficient to enable them to recognize potential dangers, and to know when to seek advice from the finance department. Violations of applicable governmental laws, rules and regulations may subject Officers to individual criminal or civil liability, as well as to disciplinary action by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of business.

Financial Reporting and Records

The Officers must ensure that they prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conduct its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions and disposition of assets. All required information shall be accessible to Company Auditors and other authorized parties and government agencies. There shall be no willful omissions of any Company transactions from the books and records, no advance income recognition, and no hidden bank account and funds.

Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant law.

Reporting of any Illegal or Unethical Behavior

The Officers shall promote ethical behavior and take steps to ensure that the Company:

- Encourages employees to talk to supervisors, managers and other appropriate personnel, when in doubt about the best course of action in a particular situation.
- Encourages employees to report violations of laws, rules and regulations of this Code or the code of conduct for personnel.
- Informs the employees that the Company will not allow retaliation for reports made in good faith.

Violations of the Code

Part of an Officer's job and of his/her ethical responsibility, is to help enforce this Code. Officers should be alert to possible violations and report this to the HR department or the finance department. Officers must cooperate in any internal or external investigations of possible violations. Reprisal, threat, retribution or retaliation against any person who has, in good faith, reported a violation or a suspected violation of law, this Code or other Company policies or against any person who is assisting in any investigation or process with respect to such a violation is prohibited.

The Company will take appropriate action against any Officer whose actions are found to violate the Code or any other policy of the Company. Disciplinary actions may include immediate termination of employment at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.

Waivers and Amendments of the Code

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of the amendments or waiver.

ANNEXURE I

Duties of Directors pursuant to section 166 of the Companies Act, 2013

1. Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
2. A director of a company shall 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. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. A director of a company shall 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.
5. A director of a company shall 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, he shall be liable to pay an amount equal to that gain to the company.
6. A director of a company shall not assign his office and any assignment so made shall be void.

CODE FOR INDEPENDENT DIRECTORS

Duties of Independent Directors (Pursuant to section 149(8) read with clause III of Schedule IV of the Companies Act, 2013)

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. 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.
