



# **CODE OF CONDUCT FOR BOARD OF DIRECTORS**

### Document History

<b>Version</b>	<b>Date (DD/MM/YY)</b>	<b>Author</b>	<b>Reviewed by</b>	<b>Approved by</b>	<b>Revision History</b>
1.0	8 <sup>th</sup> November 2021	Board Secretariat	Chief Executive Officer	Board	First Version
1.1	7 <sup>th</sup> November 2022	Board Secretariat	Chief Executive Officer	Board	No changes, except minor editorial changes
1.1	7 <sup>th</sup> November 2023	Board Secretariat	Chief Executive Officer	Board	No changes

TABLE OF CONTENTS

<b>Content</b>	<b>Page no.</b>
Preamble	4
Definitions and Interpretation	5
Applicability	5
Duties and Obligations	5
Compliance with Law	7
Other Directorships	7
Related Party Disclosures	8
Confidentiality of Information	8
Protection of Assets	9
Amendments to the Code	9
Placement of the Code on website	9
Annual Compliance Reporting	9
Enforcement of Code of Conduct	10
Consequences of Non-Compliance of the Code	10
Acknowledgement of Receipt of the Code	10
Annual Compliance Report	11
Acknowledgement Form	12

## Philosophy of the Code

This Code helps to maintain the standards of business conduct of NPCI Bharat BillPay Limited (the Company or NBBL) and is designed to be a deterrence against misconduct and promote among other things (a) honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationships (b) full, fair, timely and accurate disclosure in reports and documents (c) compliance with applicable laws, rules and regulations (d) prompt internal reporting of the violations of this Code and (e) accountability for adherence to this Code. All Directors are expected to read and understand this Code and uphold these standards.

### 1. Preamble

1.1 This Code of Conduct (the Code) for all members of the Board of Directors of NBBL in alignment with the Company's vision and values and aims at enhancing ethical and transparent processes in managing the affairs of the Company. This Code of Conduct intends to ensure adherence to highest business and ethical standards while conducting the business of NPCI and compliance with all the legal and regulatory requirements.

### 2. Definitions and Interpretation

#### 2.1 Definitions

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

**The Board or Board of Directors** means the Board of Directors of the Company;

**The Company** means NPCI Bharat BillPay Limited or NBBL;

**Conflict of Interest** means a conflict or a competition or a contradiction between the interests or benefits of one person, a group of persons or entity or entities with that of the Company;

**Director** means an individual member of the Board;

**Governmental Authority** means the government of any nation, state, city, locality or other political subdivision thereof or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertain to government;

**Order** means any judgment, injunction, writ, award, decree or order of any nature of any Governmental Authority or competent court or tribunal;

**Relative** shall have the meaning given to it under the Companies Act, 2013, as amended, from time to time;

## **2.2 Interpretation**

- (a) Terms used but not defined herein shall have the meaning assigned to them in the Companies Act, 2013 and/or Memorandum of Association and Articles of Association of NBBL.
- (b) This Code can be modified, amended or altered only by Board of Directors of the Company.
- (c) Unless the context otherwise requires, all words (whether gender specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders, and words importing the singular include the plural and vice versa.

## **3. Applicability**

This Code shall be applicable to all the Directors of the Board. Every Director is expected to read, understand, adhere to, comply with and uphold the provisions of this Code and the standards laid down hereunder in the performance of his/her duties, functions and responsibilities.

## **4. Duties and responsibilities**

Each Director shall always act in the best interests of the Company and in accordance with the authority conferred upon him/ her and shall, without prejudice to the foregoing, always:

- a) keep himself/herself informed about the business, activities and financial status of the Company to the extent of information disclosed to him/her;
- b) attend Board and Committee (as and when constituted) meetings regularly and participate in the deliberations and discussions effectively.

- c) involve actively as Director on the Board thoroughly in the matter of formulation of general policies and also gain assurance that performance of the Company is monitored adequately at Board on the premise of the information disclosed to the Board.
- d) be familiar with the broad objectives of the Company and the various laws and legislations applicable to the functioning of the Company.
- e) ensure confidentiality of the Company's agenda papers, notes or any other information disclosed at the Board level meetings or in any other meetings or form of communication in which he or she is privy to.
- f) bring independent judgment to bear on all matters which has an impact on the Company which are brought before the Board including but not limited to statutory compliances, performance reviews, compliances with internal control systems and procedures and standards of conduct;
- g) in exercise of his/her judgment in matters brought before the Board or entrusted to him/her by the Board be free from any business or other relationship which could materially interfere with the exercise of his/her independent judgement;
- h) express his/her views and opinions at Board meetings without any fear, favor or prejudice and without any influence on exercise of his/her independent judgement;
- i) gain assurance that the business practices of the Company would always be fair and transparent.
- j) act with the utmost care, skill, diligence and integrity;
- k) act with the utmost good faith and fulfill his/her fiduciary obligations without allowing his/her independence of judgment to be compromised;
- l) make disclosures to the Board in relation to all material financial and commercial transactions where he/she has a personal interest that could conflict with the interest of the Company.
- m) without the prior approval of Board of Directors and in accordance with law, abstain from entering into business with any of the following in his/her official capacity:
  - (i) a relative;
  - (ii) a private limited company in which he/she or his/her relative is a member or a director;

- (iii) a public limited company in which he/she or his/her relative holds 2% or more paid-up share capital; or
- (iv) with a firm in which his/her relative is a partner.
- n) avoid acquiring any personal or financial interest in any business dealings concerning the Company;
- o) abstain from exploiting, for his/her own personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to Board of Directors and the Board declines to pursue such opportunity and allow him/her to avail such opportunity;
- p) abstain from seeking or accepting, directly or indirectly, any gift amounting to Rs.5,000/- (Rupees Five Thousand only) or more, in relation to his/her business dealings/association with the Company;
- q) abstain from making any adverse criticism of any policy or action of the Government of India or any other Government Authority of India or of the Company or which is capable of embarrassing the relations between the Company and the public including all the stakeholders; and
- r) abstain from committing any offence involving moral turpitude.

Provided that nothing in this clause (4) shall apply to any statement made or views expressed by a Director which are purely factual in nature and are not considered as confidential, in his/her official capacity or in due performance of the duties assigned to him/her in good faith or in execution of any Order of any Government Authority.

## **5. Compliance with Law**

Each Director shall ensure compliance with all laws, rules and regulations applicable to the business of the Company to the best of his/her capacity.

## **6. Other Directorships**

- 6.1 Unless specifically permitted by the Board of Directors of the Company, any Director shall not serve as a director of any other company or as a partner of a firm that is engaged in a business activities that competes with the business activities of the Company or that of an entity with which the Company has a business relationship.
- 6.2 The restriction as stated in Clause 6.1 shall not apply to:
- (a) joint venture companies with management control vested in the Company; or
  - (b) Holding Company, Subsidiary companies or Associates of the Company, if any; or
  - (c) when such directorship/ association was held prior to their joining the Company as Director, and their appointment has been made with full knowledge of their such association.

## **7. Related Party Disclosures**

Each Director shall make complete disclosure of all the transactions in which he/she is interested, whether directly or indirectly, to the Board of the Company in accordance with applicable provisions of the Companies Act, 2013 and rules prescribed thereunder from time to time.

## **8. Confidentiality of Information**

Any information concerning the Company's business or activity to which a Director has access or which is in his /her possession in discharge of his/her official position, must be considered confidential and held in confidence. No Director shall provide any information either formally or informally, to the press or any other media or competitors or agencies, unless specifically authorized by the Company, prior to such disclosure. Provided that a Director can disclose such information which is:

- (a) part of the public domain at the time of disclosure;
- (b) authorised or required to be disclosed pursuant to a decision of the Board or any of its Sub- Committees as may be constituted; or
- (c) required to be disclosed in accordance with applicable laws, rules, regulations, order, guidelines, or directions from the Government of India or any other Governmental/Statutory Authority including court of competent jurisdiction.



To further the Company's business, confidential information may have to be disclosed to potential business partners. Such disclosures should be made after considering its potential benefits and risks at Board level. Care should be taken to divulge the sensitive information, only after the said potential business partner has signed a confidentiality agreement with the Company.

Any publication or publicly made statement that might be perceived or construed as attributable to NBBL, made outside the scope of any appropriate authority in NBBL, should include a disclaimer that the publication or statement represents the views of the specific author and are made in his/her personal capacity and not of NBBL.

### **9. Protection of Assets**

The Directors shall protect or ensure protection of the Company's assets including physical assets, information and intellectual property rights and shall not use the same for personal gain.

### **10. Amendments to the Code**

The provisions of this Code can be amended or modified by the Board of Directors of the Company from time to time and all such amendments or modifications shall take effect from the date stated therein.

Any waiver of any provision of this Code of Conduct for a member of the Company's Board of Directors must be approved in writing by the Board of Directors of the Company, with reasons thereof.

The Code of Conduct will be effective from the date of approval and review of the same will be performed annually. The amendments, if any, shall be approved by the Board of Directors.

### **11. Placement of the Code on website**

This Code (including any amendment thereto) shall be hosted on the website of the Company.

### **12. Annual Compliance Reporting**

12.1 All Directors shall affirm compliance with this Code within 30 days of close of every financial year. The Annual Report of the Company shall contain a declaration to this effect signed

by the Chief Executive Officer of the Company. A format of the Annual Compliance Report is set out in **Appendix I**.

12.2 The Annual Compliance Report shall be forwarded to the Company Secretary.

12.3 The Chief Executive Officer of the Company and the Chief Financial Officer of the Company shall certify to the Board on an annual basis, that there are, to the best of their knowledge and belief, no transactions entered into by the Company during the preceding financial year which are fraudulent, illegal or in violation of the Code.

### **13. Enforcement of Code of Conduct**

Each Director shall be accountable for fully complying with this Code.

### **14. Consequences of Non-Compliance of the Code**

Any Director who violates the Code will be subject to disciplinary action as the Board may deem fit, depending upon the nature and gravity of such violation(s) on provision of an opportunity of being heard after making him or her aware of such violations alleged against him/her.

### **15. Acknowledgement of receipt of the Code**

Each Director shall acknowledge receipt of this Code or any modifications thereto, in an acknowledgement form substantially similar to that in Appendix-II and shall forward the same to the Company Secretary indicating that he/she has received, read, understood and agreed to comply with this Code.

**Appendix I**

**ANNUAL COMPLIANCE REPORT**

I, ....., 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 during the financial year ending 31<sup>st</sup> March 20.....

Signature :.....Name:.....

Designation:.....

Date :.....

Place :.....

Note: To be submitted by 30<sup>th</sup> April each year

**Appendix II**

**ACKNOWLEDGEMENT FORM**

I, ....., have received and read the CODE OF CONDUCT FOR DIRECTORS (the Code). I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature:.....

Name:.....

Designation:.....

Date:.....

Place:.....