ADVENTZ SECURITIES ENTERPRISES LIMITED

COMPLIANCE POLICY

(Adopted by the Board of Directors of the Company at their meeting held on 10th November, 2025)

M/s. Adventz Securities Enterprises Ltd. ('ASEL', or 'the Company') is a non-deposit taking Non-Banking Financial Company (NBFC) registered with the Reserve Bank of India (RBI) and is classified as an Investment and Credit Company (NBFC-ICC), carrying on the business of investments companies, lending to corporates and rental income. The Company has a diversified investment portfolio across retail, realty, mutual funds and other securities. The company is committed to conducting business in accordance with an effective compliance culture and a strong compliance risk management framework.

The Board of Director (the "Board") the company, for the purpose of adhering and aligning with RBI circular Ref.No.DoS.CO.PPG./SEC.01/11.01.005/2022-23 dated April 11, 2022 has formulated a policy for implementation of Compliance Function and Role of Chief Compliance Officer.

The Board of the Company has adopted this policy and has introduced it newly which shall come into effect on and from 10th November,2025.

This policy will be known as the Compliance Policy.

1. PREAMBLE:

RBI has introduced a scale based regulatory framework which is effective from October 1, 2022 and has stated that Regulatory structure for NBFCs shall comprise of four layers based on their size, activity, and perceived risk.

It has also directed that Non-Banking Financial Companies in the Middle Layer (NBFC-ML) would be required to have an independent Compliance Function and a Chief Compliance Officer.

The Company has been identified for categorisation as NBFC-Middle Layer under Scale Based Regulation (SBR), a Revised Regulatory Framework for NBFCs as per the list issued by RBI as RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 and in its Press Release 2022-2023/975 dated September 30, 2022 and as per the latest

list of Non-Banking Financial Companies (NBFCs) and Asset Reconstruction Companies (ARCs) dated **09/05/2025** issued by the RBI.

In accordance with the Framework for Compliance Function in NBFCs in Middle Layer ('Framework'), NBFC-ML are required to put in place (a) a Board approved policy; and (b) a Compliance Function, including the appointment of a Chief Compliance Officer (CCO), based on the Framework latest by October 1, 2023.

2. DEFINITIONS:

"Company" means M/s Adventz Securities Enterprises Limited.

"Policy" means the Compliance Policy.

"CCO" mean Chief Compliance Officer.

"Board/Senior Management" means Board of Directors of Name of the Company.

"RBI" means the Reserve Bank of India.

3. PURPOSE /OBJECTIVES OF THE POLICY:

Compliance functions are one of the key elements in the Company's Corporate Governance Structure along with the internal control and risk management processes, which needs to be adequately enabled and made sufficiently independent so that it is capable of identifying, evaluating & addressing Legal/Reputation Risks.

Compliance function is the sum total of systems procedures and organisation infrastructure which ensures the following:

(a) Observance of all statutory and regulatory requirement.

(b) Standard of market conduct.

(c) Systems of managing conflict of interest.

(d) Dealing customer fairly.

(e) Ensuring suitability of customer service.

This Policy is established to ensure strict observance of all statutory and regulatory requirements, including standards of market conduct, managing conflict of interest, treating customers fairly and ensuring the suitability of customer service. One of the prime responsibilities of the Compliance Function is to ensure compliance of regulatory/

supervisory directions given by RBI in both letter and spirit in a time-bound and sustainable manner.

4. REVIEW OF COMPLIANCE RISK:

Compliance risk is 'the risk of legal or regulatory compliances, material financial loss which would inter alia result in loss of reputation of the Company, as a result of its failure to comply with laws, regulations, rules and codes of conduct, etc., applicable to its activities.

The Board shall review of compliance risk once in a year. The review of compliance risk shall be carried out to identify and assess the major compliance risk/ hurdles faced by the Company and formulate plans to manage it.

5. COMPLIANCE FUNCTION AND ITS ROLE:

The Board shall appoint a Chief Compliance Officer (CCO) who shall be responsible for overall execution and monitoring of the Compliance Function and shall play the following major roles:

i. Responsible for Regulatory and Statutory Compliance.
ii. Ensure compliance of regulatory/ supervisory directions given by RBI and other Regulatory Authorities in both letter and spirit in a time-bound and sustainable manner.
iii. To identify and analyse the level of Compliance risk in company and put risk mitigants in place.
iv. To report to the Board about any requirements, including Compliance Risk Assessment and change in risk profile, etc.
v. To carry out an Annual Risk Assessment in order to identify and assess major Compliance Risk.
vi. Right to seek opinion/ engage/ retain experts from the relevant fields.
vii. Upgradation of existing support systems for proper compliances.
viii. Periodical training with respect to the relevant statues and related compliances.

6. COMPLIANCE STRUCTURE:

The Board will set up a new Department to named as the “Compliance Department” which will be headed by the CCO appointed as per this Policy. The Department shall comprise of Officers qualified and semi qualified having expertise and knowledge in the requisite field.

The scope of the department is to implement the policy, execute the compliance function, identify compliance obligation, perform the same and report any non-compliance to the board and take remedial actions.

The CCO shall review Compliance Structure annually and shall have access to all information as required. The Compliance Department shall primarily focus on compliance risk assessment and Compliance functions.

7. APPOINTMENT AND TENURE OF CHIEF COMPLIANCE OFFICER (CCO):

i. **Selection:** CCO shall be appointed by the Board of directors of the company who shall possess the requisite qualification backed by experience based on the recommendation of the Nomination and Remuneration Committee.

ii. **Eligibility:** The CCO shall be required to meet the Fit and proper guidelines of the company in order to be eligible to be appointed.

iii. **Skills:** The CCO shall have a good understanding of the industry and risk management procedures, knowledge of regulations, legal requirements, and have sensitivity to Supervisory expectations.

iv. **Tenure:** CCO shall be appointed for a fixed period for not less than 3 years. However, in exceptional case, the Board may relax the minimum tenure by one year, provided appropriate succession planning is put in place. He shall act as ex offcio till the new CCO is appointed.

v. **Removal:** CCO shall be removed/transferred before completion of the tenure only in exceptional circumstance, with explicit prior approval of the Board.

vi. **Suo Moto Resignation-** In case the concerned person wants to discontinue as a CCO, except for medical grounds, then he shall serve 3 months' notice in advance to the Board citing the reason for the same.

8. MONITORING AND REVIEW:

The Board of Directors of the Company shall review the policy atleast once a year, to identify and assess the possible compliance risks that the Company may face and accordingly design plans to deal with them.

The CCO shall submit detailed annual review of the compliance to the Board.

The Board of Directors of the Company shall add, amend, modify this policy as and when it deems necessary in terms with statutory amendments.