



**BHARAT**  
Financial Inclusion Ltd  
Prayaas se pragati

(Formerly known as 'SKS Microfinance Limited')

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Corporate Identity Number: L65999MH2003PLC250504

Registered Office: Unit No. 410, Madhava, Bandra-Kurla Complex  
Bandra (East), Mumbai - 400 051, Maharashtra, India T: +91 22 2659 2375

April 1, 2019

**The General Manager,  
Department of Corporate Services – Listing Department.  
BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
MUMBAI – 400 001.

**The Vice President – Listing Department  
The National Stock Exchange of India Limited**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Bandra - Kurla Complex,  
MUMBAI – 400 051.

Dear Sir / Madam,

**Sub: Revision in the Company's Code of Conduct for Prevention of Insider Trading and  
the Code of Practice and Procedures for Fair Disclosure of UPSI**

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has revised its Code of Conduct for Prevention of Insider Trading and the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The revision in these Codes shall be effective from April 1, 2019.

A copy each of the aforesaid Codes are attached hereto for your information and record.

Thanking you,

Yours faithfully,  
For **Bharat Financial Inclusion Limited**

**Rajendra Patil**  
Sr. EVP – Legal & Company Secretary



# **Bharat Financial Inclusion Limited**

## **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

*Version No. 9, April 1, 2019*

**CERTIFIED TRUE COPY**

Bharat Financial Inclusion Limited



Rajendra Patil  
Sr. EVP- Legal & Company Secretary

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## 1. TITLE, COMMENCEMENT AND EXTENT:

- 1.1. This Code is called “**BFIL Code of Conduct for Prevention of Insider Trading**”.
- 1.2. It shall come into force with effect from May 15, 2015.
- 1.3. This Code is applicable to Promoter(s) and Insider(s) (as defined in this Code) which inter alia includes Designated Persons, Employees and their Immediate Relatives. It is clarified that the provisions of Clause 10 of this Code shall not be applicable to those Employees, who are not Designated Persons.

## 2. DEFINITIONS:

In this Code, unless the context otherwise requires,

“**Act**” means the Securities and Exchange Board of India Act, 1992, as may be amended, modified and replaced from time to time.

“**Board**” or “**Board of Directors**” means the board of directors of BFIL.

“**Board Member/s**” or “**Directors**” means the member/s of the Board of BFIL.

“**Code**” or “**Code of Conduct**” means BFIL Code of Conduct for Prevention of Insider Trading as may be amended from time to time.

“**Company**” or “**BFIL**” means Bharat Financial Inclusion Limited.

“**Compliance Officer**” means any senior officer of the Company, who is financially literate and is capable of appreciating the requirements for legal and compliance, appointed as compliance officer pursuant to clause 3 of the Code.

For the purpose of this definition, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account and statement of cash flows.

“**Connected Person**” means:

- (i) any person who is or has during the six months prior to the concerned act been associated with BFIL, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a Director, officer or an Employee of BFIL or holds any position including a professional



or business relationship between himself and BFIL whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.

- (ii) Without prejudice to the generality to the foregoing, the person falling in any of the following category shall be deemed to be Connected Person unless the contrary is established:-
- a. an Immediate Relative of Connected Person;
  - b. a holding company or associate company or subsidiary company of BFIL;
  - c. an intermediary as specified in section 12 of the Act or an employee or director thereof;
  - d. an investment company, trustee company, asset management company or an employee or director thereof;
  - e. an official of a Stock Exchange or of clearing house or corporation;
  - f. member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof;
  - g. member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013;
  - h. an official or an employee of a self-regulatory organization recognized or authorized by SEBI;
  - i. banker of the Company; or
  - j. any concern, firm, trust, hindu undivided family, company or association of persons wherein a Director of the Company or his Immediate Relative or banker of the Company, has more than ten per cent of the holding or interest.

**“Core Management Team” or “CMT”** means Employees who are in rank of Assistant Vice President and above or as may be designated by the Company from time to time.

**“Designated Person(s)”** means person(s) occupying any of the following position in the Company):

- a. Promoters of the Company;
- b. Directors including whole-time directors;
- c. Key Managerial Personnel;
- d. Members of Core Management Team;
- e. Departmental heads;
- f. Employees in the cadre of Zonal Managers or equivalent and above;
- g. Employees in the following departments at registered and head office viz. Finance & Accounts and Secretarial and Legal; and
- h. Any other Employee, who is in the opinion of Compliance Officer, to be designated as the “Designated Person”.



**"Employee"** means employee of BFIL.

**"Generally Available Information"** means information that is accessible to the public on a non-discriminatory basis.

**"Immediate Relative"** means a spouse of a concerned person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in Securities of the Company.

**"Insider"** means any person who is:

- (i) a Connected Person; or
- (ii) in possession of or having access to Unpublished Price Sensitive Information

**"Key Managerial Personnel"** in relation to the Company, means and includes the following-

- a. Managing Director;
- b. Whole-time Director;
- c. Manager appointed pursuant to the provisions of the Companies Act, 2013;
- d. President;
- e. Chief Executive Officer;
- f. Chief Operating Officer;
- g. Chief Financial Officer;
- h. Company Secretary;
- i. any other Employee as may be prescribed under the provisions of the Companies Act, 2013 or designated by the Board from time to time.

**"Need to know"** means Unpublished Price Sensitive Information shall be disclosed only to those person who need the information in the course of performance or discharge of their duty and possession of such information will not in any manner give rise to a conflict of interest or likelihood of misuse of such information.

**"Promoter"** and **"Promoter Group"** shall have the meanings assigned to them under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**"Regulations"** means The SEBI (Prohibition of Insider Trading) Regulations, 2015 and as may be amended, modified and replaced from time to time.

**"SEBI"** means Securities and Exchange Board of India.



"Securities" shall mean -

- (a) equity share of the Company; and
- (b) any other convertible marketable instrument issued by the Company including futures and options.

"Stock Exchange" means BSE Limited, National Stock Exchange of India Limited or any other recognized stock exchange where the Securities of the Company are/to be listed.

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Securities, and the term "trade" shall be construed accordingly.

"Trading day" means a day on which the Stock Exchanges are open for trading.

"Trading plan" is an advance plan to trade in Securities of an Insider, who may be perpetually in possession of Unpublished Price Sensitive Information, and which would enable him/her to trade in Securities of the Company in a complaint manner.

"Trading Window" shall have the meaning ascribed thereto in clause 7.1 of the Code.

"Unpublished Price Sensitive Information" or "UPSI" means any information, relating to BFIL or its Securities, directly or indirectly, that is not Generally Available Information, which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily including but not restricted to, information relating to the following: -

- i) periodical financial results;
- ii) dividends;
- iii) change in capital structure;
- iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
- v) changes in Key Managerial Personnel

Words and expressions used and not defined in this Code but defined in the Act, Regulations, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

### **3. COMPLIANCE OFFICER:**

The Company Secretary of BFIL shall be the Compliance Officer for the purpose of the Code and will report to the Board. In the absence of the Company Secretary, any other person as may be



designated by the Managing Director/Whole-time Director shall be the Compliance Officer for the purpose of the Code.

In case the Compliance Officer is not available either on account of his being on leave or on his being away from the Company for a period of seven (7) days or more he may delegate his authorities to any executives in consultation with the Managing Director/Whole-time Director who shall act as the Compliance Officer during the period of his absence.

#### **4. DUTIES OF COMPLIANCE OFFICER:**

The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre-clearing of all Board Members' / Designated Person / Immediate Relatives' proposed Trading, provide status reports on the compliance of the Code to the Chairman of the audit committee of the Company at such frequency as directed by the Board, addressing any clarifications / difficulties regarding the Regulations and / or the Code and the implementation of the Code under the overall supervision of the Board, and discharge such other duties as may be prescribed under the Regulation, Code or by the Board.

#### **5 PRESERVATION AND CONFIDENTIALITY OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

##### **5.1 Confidentiality Requirement:**

- 5.1.1 Insider shall preserve and maintain the confidentiality of all Unpublished Price Sensitive Information in their possession.
- 5.1.2 Insider shall not advise, communicate, provide, or allow access to UPSI to any person including other Insiders directly or indirectly, other than communication required to be made/done in the ordinary course of business, or under any law.
- 5.1.3 UPSI should be handled on a Need-to-Know basis and no person shall induce or procure from or cause the communication of UPSI by any Insider except in furtherance of legitimate purpose (as determined as per BFIL Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information), performance of duties or discharge of legal obligations.
- 5.1.4 UPSI received by any Insider shall be immediately reported to the head of the department or the Compliance officer.





## **5.2 Limited Access to Unpublished Price Sensitive Information:**

- 5.2.1 Files containing UPSI shall be kept secure. Computer files must have adequate security of login and password.
- 5.2.2 Insider is required to follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time to time in consultation with the person in charge of the information technology function.

## **5.3 Prevention of Misuse of Unpublished Price Sensitive Information:**

- 5.3.1 In order to prevent the misuse of confidential information, the Company shall adopt a Chinese wall policy which separates those areas of the Company which routinely have access to confidential information considered as inside areas from those areas which deal with Member Services/ Business Development/ or other departments providing support services, considered as public areas.

In exceptional circumstances Employees and/ or any Designated Person from the public areas may be brought over the Chinese wall and be given confidential information on the basis of "Need to Know" criteria with the prior approval of Compliance Officer.

An Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured on in exceptional circumstances with respect of transactions that would:-

- entail an obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and/or any other regulation prescribed by the appropriate authorities where the Board is of informed opinion that the sharing of such information is in the best interests of the Company; or
- Not attracting the obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and/or any other regulation prescribed by the appropriate authorities but where the Board is of informed opinion that such sharing of information is in the best interests of the Company. Provided however that the information that constitutes Unpublished Price Sensitive Information be made Generally Available Information at least two (2) Trading Days prior to the said transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.



For the aforesaid purpose, the Board shall require the concerned parties to execute agreements to undertake confidentiality and/ or non-disclosure obligations on the part of such parties and such parties to keep the information so received confidential, except for the limited purpose as mentioned herein above and concerned parties shall not otherwise trade in Securities of the Company when in possession of Unpublished Price Sensitive Information.

## 6 TRADING PLAN

### 6.1 Trading Plan

An Insider shall be entitled to formulate a Trading Plan for Trading in Securities and submit the same to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such Trading Plan.

#### 6.2 Trading Plan shall:

- (i) not entail commencement of Trading by or on behalf of the Insider earlier than six months from the public disclosure of the Trading Plan;
- (ii) not entail Trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second Trading Day after the disclosure of such financial results;
- (iii) entail Trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another Trading Plan is already in existence;
- (v) set out either the value of trades to be effected or the number of Securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail Trading in Securities for market abuse.

6.3. The Compliance Officer shall consider the Trading Plan made as above and shall either approve or reject the same. Such approval or rejection of Trading Plan shall be communicated within two (2) days from the date of receipt of the Trading Plan. While approving the Trading Plan, the Compliance Officer shall be entitled to seek such information and/or request to provide such undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the Trading Plan as per provisions of the Regulations. No pre-clearance of trades shall be required for a trade executed as per the approved trading plan.



- 6.4 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the Trading Plan, without being entitled to either deviate from it or to execute any trade in the Securities outside the scope of the Trading Plan. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the Trading Plan, the Insider is in possession of any Unpublished Price Sensitive Information and the said information has not become Generally Available Information at the time of the commencement of implementation of the Trading Plan. The commencement of the Trading Plan shall be deferred until such Unpublished Price Sensitive Information becomes Generally Available Information. Further, the Insider shall also not be allowed to trade in Securities of the Company, if the date of Trading in Securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.
- 6.5 Upon approval of the Trading Plan, the Compliance Officer shall notify the approved Trading Plan to the Stock Exchanges.

## **7 TRADING RESTRICTIONS**

No Insider shall trade in Securities when in possession of Unpublished Price Sensitive Information. All Designated Persons Employees and their Immediate Relatives shall be subject to trading restrictions which are enumerated in this Code.

Explanation: – When a person who has traded in Securities has been in possession of UPSI, his/her trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

### **7.1. Trading Window**

The “Trading Window” for the purpose of this Code shall mean the period during which Trading in Securities is permitted.

The Designated Persons and their respective Immediate Relatives shall trade in Securities of the Company only when the Trading Window is open.

Unless otherwise specified by the Compliance Officer, the Trading Window shall be, inter alia, closed for a period commencing from the first day of each succeeding quarter(s) or twenty (20) days prior to declaration of quarterly financial results, whichever is earlier, and till the expiry of the two (2) trading days from the declaration of financial results for each preceding quarter(s) and at any other time for such period as specified by the Compliance Officer if any Unpublished Price



Sensitive Information is under active consideration of BFIL, such as the following:

- a) Issue of Securities by way of public/rights/bonus etc.
- b) Declaration of dividend (interim or final)
- c) Any major expansion plans or undertaking of new business/projects.
- d) Amalgamation, mergers, takeovers and buy-back.
- e) Disposal of whole or substantially whole of the undertaking.
- f) Any changes in policies, plans or operations of the Company.
- g) Such other purpose as may be notified by the Compliance Officer from time to time in consultation with the Managing Director & Chief Executive Officer of the Company.

The Trading Window shall be opened after two (2) Trading Days subsequent to the information referred hereinabove is made Generally Available Information.

The Compliance Officer is also authorized to close the Trading Window for any Employee or class of Employees, if he is of the view that the said Employee(s) is reasonably expected to have possession of Unpublished Price Sensitive Information and he/they should be restricted from Trading in Securities.

Exercise of stock options granted and vested under Employee Stock Option Plans ("ESOP") of BFIL may be made at any time in accordance with the ESOP schemes of BFIL.

Provided that the sale of such Securities allotted on exercise of stock options shall be permitted only during the valid Trading Window.

It shall be responsibility of Designated Person to ensure that the obligations/restrictions stipulated under this Code are strictly followed by his/her Immediate Relatives.

## **7.2. Pre- Clearance for Trading in Securities**

7.2.1 Pre-clearance for Trading in Securities of BFIL by Board Members and their Immediate Relatives:

- A. The Board Member or his/her Immediate Relatives who intends to trade in Securities of BFIL is required to seek pre-clearance from the Compliance Officer, if the value of the proposed trade is **in excess of Five Thousand (5000) numbers or Rupees Five Lac (Rs. 5,00,000) in market value or 1% of total shareholding, whichever is lower. [THESE THRESHOLD LIMITS ARE ON PER DAY BASIS].** Further, pre-clearance would also be required if the trade value exceeds a cumulative limit of Rupees Twenty Five Lac (Rs.25,00,000) per calendar month. Application for pre-clearance of proposed Trading in Securities along with an undertaking in **Form I** should be made to the Compliance Officer.



- B. The Compliance Officer shall consider the application made as above, inter alia, having regard to the Trading Window, and in consultation with the Managing Director and CEO may clear/refuse to clear the same, with or without assigning any reason(s) for refusal to clear the same.
- C. In the event, the clearance in terms of sub-clause B above has been given, the concerned Board Member or his/her Immediate Relative shall carry out the Trading in Securities of BFIL within seven (7) working days of such clearance. If the proposed Trading in Securities of BFIL is not completed within the aforesaid period, the concerned Board Member or his/her Immediate relative must pre-clear the proposed Trading in Securities again by following the procedure mentioned herein above.

7.2.2 Pre-clearance for Trading in Securities by Designated Person (other than Board Members), Employees and their Immediate Relatives

Designated Person (other than Board Members), Employees and their Immediate Relatives who intends Trading in Securities should pre-clear the transactions as per the pre-clearance procedure described hereunder:-

- A. Application for pre-clearance of proposed Trading in Securities along with an undertaking in **Form I** should be made, after getting the approval of his/her Departmental Head/Immediate Supervisor, to the Compliance Officer, if the value of the proposed trade is **in excess of Five Thousand (5000) numbers or Rupees Five Lac (Rs. 5,00,000) in market value or 1% of total shareholding, whichever is lower. [THESE THRESHOLD LIMITS ARE ON PER DAY BASIS]. Further, pre-clearance would also be required if the trade value exceeds a cumulative limit of Rupees Twenty Five Lac (Rs.25,00,000) per calendar month.** In case, the Compliance Officer intends to trade in Securities then he/she shall submit the application for pre-clearance to trade along with an undertaking in **Form I** to the Managing Director & CEO / his or her Supervisor.
- B. The Compliance Officer or the Managing Director & CEO / Supervisor, as the case may be, shall consider the application made as above, inter alia, having regard to the provisions of the Code and may clear/refuse to clear the same, without assigning any reason(s) for refusal to clear the same.
- C. In the event, the clearance in terms of sub-clause B above has been given, the concerned person and their Immediate Relative shall carry out the Trading in Securities within seven (7) working days of such clearance. If the proposed Trading in Securities is not completed



within the aforesaid period, the concerned person must pre-clear the proposed Trading in Securities again by following the procedure mentioned herein above.

- D. No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person is in possession of Unpublished Price Sensitive Information even if the Trading Window is closed.
- E. Subject to other provisions of the Code, the Employees (including Designated Person) shall not be required to seek pre-clearance for exercise of stock options granted and vested in accordance with the provisions of BFIL ESOP scheme(s).

- 7.2.3 The Head of Department/Immediate Supervisor while approving the trades should consider, among other things, the following:
- a) possession of Unpublished Price Sensitive Information;
  - b) Appearance of impropriety (trades which appears to be manipulative/speculative/improper)
  - c) unusual trading activity; etc.

The Compliance Officer will pre-clear the application to trade in Securities based on the approval received from the respective Head of the Department/Immediate Supervisor and also after checking other provisions of the Code.

### **7.3 Prohibition on forward dealing in Securities of the Company by Designated Person**

7.3.1. No Designated Person shall have –

- a) a right to call for delivery or a right to make delivery of the Securities; or
- b) a right, as he/she may elect, to call for delivery or to make delivery at a specified price and within a specified time, of a specified number or amount of Securities.

7.3.2. Where a Designated Person acquires Securities in contravention of clause 7.3.1, then he/she shall, subject to the provisions of Section 194 of the Companies Act, 2013, be liable to surrender the same to the Company and the Company shall not register the Securities so acquired in his/her name in the register, and if they are in dematerialised form, it shall inform the depository not to record such acquisition and such Securities. As such the Securities shall continue to remain in the names of the transferors.

### **8 MINIMUM HOLDING PERIOD:**

8.1 Designated Person and their Immediate Relatives must hold Securities allotted under ESOP schemes for a minimum period of fourteen (14) days from the date of allotment of the Securities



in the Company.

When investment is by way of subscription in the primary market i.e. rights issue/ public issue / follow on public offer or allotment of Securities as bonus, the Designated Person and their Immediate Relatives shall hold their Securities acquired through allotment, for a minimum period of thirty (30) days from the date of allotment.

8.2 The Designated Person and their Immediate Relatives who buy or sell the Securities of BFIL in the secondary market and/ or through off-market deal shall not enter into opposite transaction (i.e. the sell or buy any number of Securities in BFIL) during the period of next six months following the prior transaction.

8.3 In case the Trading in Securities is necessitated by personal emergency of the Designated Person and their Immediate Relative such Designated Person and their Immediate Relative may seek the waiver of the holding period specified herein above by making an application to the Compliance Officer and in case of Compliance officer to Managing Director/his or her Supervisor in **Form II**. The Compliance Officer or the Managing Director, as the case may be, may waive the holding period after recording in writing, the reasons in this regard.

## **9 REPORTING REQUIREMENTS FOR TRADING IN SECURITIES:**

### **9.1 Initial Disclosure:**

Every Promoter, member of the Promoter group, Key Managerial Person and Director of the Company shall be required to submit the details of Securities held by him/her and their Immediate Relatives as on May 15, 2015 to the Compliance Officer within thirty (30) days from the May 15, 2015. i.e. June 14, 2015 in prescribed **Form A**.

Every person on appointment as Designated Person of the Company or upon becoming a promoter or member of the promoter group shall be required to submit the details of the Securities held by him/her and their Immediate Relatives as on the date of appointment or becoming a promoter or member of the promoter group to the Company within seven (7) days from such date in the prescribed **Form B**.

### **9.2 Continual Disclosure:**

Every Promoter, member of the Promoter Group, Designated Person and Director of the Company shall be required to submit the details of the number of Securities acquired or disposed of, if the value of the securities traded, whether in one transaction or a series of transactions over any



calendar quarter, aggregates to a traded value in excess of Rs.10 Lac (Rupees Ten lakh only) by him/her and/or his/her Immediate Relatives within two (2) Trading Days of such transaction in the prescribed **Form C**.

### 9.3 **Annual Disclosures:**

Every Promoter, persons belonging to Promoter Group and Designated Person of the Company shall be required to submit the details of Securities of the Company held by them and their Immediate Relatives as on March 31 of every year within fifteen (15) days from the commencement of the succeeding financial year in the prescribed Form AD.

Every Designated Person shall also provide in Annual Disclosure and as and when the information changes, the names and PAN or any other identifier authorized by law of the following persons to the Company in the format specified by Compliance Officer, within 30 days from the end of the year/ change of information:

- i) Immediate Relatives
- ii) persons with whom such Designated Person(s) shares a material financial relationship
- iii) phone, Mobile and cell numbers which are used by them

Explanation: "Material financial relationship" mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.

Every Designated Person also shall disclose the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

### 9.4 **Notification to Stock Exchange:**

The Compliance Officer shall notify to the Stock Exchange the particulars of the trading within 2 Trading Days of receipt of the disclosure or from becoming aware of such information in following circumstances:

- in case the value of securities traded by a promoter or Designated Person , whether in one day or a series of transactions over a calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten Lakh only).
- incremental transaction after the above disclosure to be made when the transactions effected after the prior disclosure crosses the monetary threshold of Rs.10,00,000 (Rupees





Ten Lakh only).

**Reporting requirements stipulated under this Code is summarized in Annexure – I.**

The Compliance Officer shall maintain records of all the above disclosures in an appropriate form for a minimum period of five (5) years from the date of the filing thereof.

**10 Mechanisms for Prevention of Insider Trading**

The Managing Director & CEO shall put in place an adequate and effective system of internal controls to ensure compliance with the requirements of this Code and Insider Trading Regulations to prevent insider trading. Such internal controls shall include the following:

- 10.1 all Employees who have access to UPSI are identified as designated employee/ designated person.
- 10.2 all the UPSI shall be identified and its confidentiality shall be maintained;
- 10.3 adequate restrictions shall be placed on communication or procurement of UPSI;
- 10.4 lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed, or notice shall be served to all such employees and persons;
- 10.5 all other relevant requirements specified under this Code or the Regulations shall be complied with;
- 10.6 periodic process review to evaluate effectiveness of such internal controls.
- 10.7 The Board of Directors of the Company shall ensure that the Employees of the Company are complying with this Code and the Regulations as and may be amended from time to time.
- 10.8 The Audit Committee shall review compliance with the provisions of the Code and Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- 10.9 In case of leak of UPSI or suspected leak of UPSI, then the same shall be enquired as per the investigation process stipulated under the Whistle Blower Policy of the Company.
- 10.10 A report detailing leak of UPSI or suspected leak of UPSI, related inquiry(ies) and result(s) of such inquiry(ies) shall be submitted to the Board promptly.

**11 PROHIBITION ON DEALING WITH SECURITIES OF ANOTHER COMPANY**

The Company shall not deal in the securities of another company or associate of that other company while in possession of any Unpublished Price Sensitive Information.

**12 NON ADHERENCE OR CONTRAVENTION OF THE CODE:**

Any Designated Person or Employee, who trades in Securities or communicates any information for trading in Securities in contravention of this Code, shall be penalized and



appropriate action shall be taken against him/her after giving reasonable opportunity to him/her to show cause. He/she shall also be subject to disciplinary action, as appropriate, including wage freeze, suspension, in-eligibility for future participation in ESOPs.

The Company reserves the right to report violation of the Code to SEBI.

In addition to the action which may be taken by the Company, the persons violating the Regulations or this Code shall also be subject to action by SEBI as per SEBI Act. Further, Sections 194 and 195 of the Companies Act, 2013 also provides for penalty and imprisonment. An extract of Sections 194 and 195 are attached hereto as Annexure II.

**13 DELEGATION:**

The Compliance Officer is authorised to delegate the powers conferred upon him by this Code to one or more Employees of the Company whilst proceeding on leave or during his temporary absence from the Company, to be exercised by them in consultation with the Managing Director.

**14 CLARIFICATION:**

For all queries concerning this Code, the Directors, Employees or Designated Person may please contact the Compliance Officer.



## Annexure I

Disclosure	Categories required to make disclosure	Particulars	Time period	Form to be used
Initial Disclosure to the Company at time of commencement of the Code.	- Promoter -- Director -Key Managerial Personnel	Holding of Securities as on May 15, 2015.	Within 30 days from May 15, 2015 i.e., June 14, 2015	Form A
Initial Disclosure to the Company upon appointment or becoming Promoter or member of the Promoter Group	- Promoter or member of Promoter Group - Designated Person	Holding of securities of the company as on date of appointment.	Within 7 days of appointment	Form B
Continual Disclosure to be made to the Company	- Promoter or member of Promoter Group - Director	No. of securities of the Company acquired or disposed of , if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees	Within 2 trading days of such transaction.	Form C
Annual Disclosure to the Company	Every Promoter, Persons belonging to Promoter Group and Designated Person, of the Company.	Annual statement of all securities held by them and by their immediate relatives as on March 31 of every year	within a period of 15 (fifteen) calendar days from the commencement of the relevant financial year	Form AD



## Annexure II

### EXTRACT OF SECTIONS 194 AND 195 OF THE COMPANIES ACT, 2013

#### **Section 194 - Prohibition on forward dealings in securities of company by director or key managerial personnel.**

(1) No director of a company or any of its key managerial personnel shall buy in the company, or in its holding, subsidiary or associate company –

- (a) a right to call for delivery or a right to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures; or
- (b) a right, as he may elect, to call for delivery or to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures.

(2) If a director or any key managerial personnel of the company contravenes the provisions of sub-section (1), such director or key managerial personnel shall be punishable with imprisonment for a term which may extend to two years or with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees, or with both.

(3) Where a director or other key managerial personnel acquires any securities in contravention of sub-section (1), he shall, subject to the provisions contained in sub-section (2), be liable to surrender the same to the company and the company shall not register the securities so acquired in his name in the register, and if they are in dematerialised form, it shall inform the depository not to record such acquisition and such securities, in both the cases, shall continue to remain in the names of the transferors.

#### **Section 195 - Prohibition on insider trading of securities.**

1) No person including any director or key managerial personnel of a company shall enter into insider trading:

Provided that nothing contained in this sub-section shall apply to any communication required in the ordinary course of business or profession or employment or under any law.

Explanation. – For the purposes of this section, –

(a) “insider trading” means –

- (i) an act of subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell or deal in any securities by any director or key managerial personnel or any other officer of a company either as principal or agent if such director or key managerial personnel or any



other officer of the company is reasonably expected to have access to any non-public price sensitive information in respect of securities of company; or

(ii) an act of counselling about procuring or communicating directly or indirectly any non-public price-sensitive information to any person;

(b) "price-sensitive information" means any information which relates, directly or indirectly, to a company and which if published is likely to materially affect the price of securities of the company.

(2) If any person contravenes the provisions of this section, he shall be punishable with imprisonment for a term which may extend to five years or with fine which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher, or with both.



**BHARAT FINANCIAL INCLUSION LIMITED**  
**FORM A -INITIAL DISCLOSURE AS ON MAY 15, 2015**  
**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (a) read with Regulation 6 (2)]**

(For use by every Promoter/Key Managerial Person/Director of the Company pursuant to clause 10.1 of BFIL Code of Conduct for Prevention of Insider Trading ("the Code"))  
 Name of the Company: **Bharat Financial Inclusion Limited** ("the Company")

ISIN: INE180K01011

**Details of securities<sup>1</sup> held by Promoter, Key Managerial Personnel (KMP), Director of the Company and other such persons<sup>2</sup> as mentioned in Regulation 6 (2)**

Name, PAN No. , CIN / DIN & Address with contact nos.	Category of Person (Promoters / KMP /Directors /immediate Relatives <sup>3</sup> / other such person <sup>2</sup> etc)	Securities held as on the date of regulation coming into force i.e. May 15, 2015		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force i.e. May 15, 2015		Open Interest of the Option contracts held as on the date of regulation coming into force i.e. May 15, 2015	
		Type of security (For eg. Shares, Warrants, Convertible Debentures etc.	No. of the securities held as on May 15, 2015		No. of units (Contracts lot size )	Notional value in Rupee terms	No. of units (Contracts lot size )	Notional value in Rupee terms
1	2	3	4	5	6		7	

Name of Promoter/KMP/Director \_\_\_\_\_

Date: \_\_\_\_\_

Signature \_\_\_\_\_

Place: \_\_\_\_\_

Notes:

1. "Securities" shall have the same meaning as defined under regulation 2 (1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations).
2. As per Regulations, the term "Other such persons" shall mean a person for whom Promoter / Director / Key Managerial Personnel of the Company as the case may be takes trading decisions relating to trading in Securities of the Company.
3. "Immediate Relatives" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities of the Company.
4. Form A shall be submitted to the Compliance officer within 30 days from May 15, 2015.



**BHARAT FINANCIAL INCLUSION LIMITED**  
**FORM B - INITIAL DISCLOSURE AS ON THE DATE OF APPOINTMENT**  
**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (b) read with Regulation 6 (2)]**

*(For use by every person upon joining as Designated Person or upon becoming a Promoter or member of the Promoter of the Company pursuant to clause 10.1 of BFIL Code of Conduct for Prevention of Insider Trading ("the Code"))*

Name of the Company: **Bharat Financial Inclusion Limited ("the Company")**

ISIN: **INE180K01011**

**Details of Securities<sup>1</sup> held on appointment of Designated Person or upon becoming a Promoter or member of the Promoter Group of the Company and other such persons<sup>2</sup> as mentioned in Regulation 6(2)**

Name, PAN No. CIN / DIN & Address with contact nos.	Category of Person (Promoters / Member of Promoter Group/KMP /Directors /immediateRelatives <sup>3</sup> / other such person <sup>2</sup> etc)	Date of appointment of Director /KMP or Date of becoming Promoter or member of the Promoter Group	Securities held at the time of becoming Promoter or member of the Promoter Group / appointment of Director / KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter or member of the Promoter Group /appointment of Director/KMP		Open Interest of the Option contracts held at the time of becoming Promoter or member of the Promoter Group /appointment of Director/KMP	
			Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.		No. of units (Contracts lot size )	Notional value in Rupee terms	No. of units (Contracts lot size )	Notional value in Rupee terms
1	2		3	4	5	6		7	

**Signature** \_\_\_\_\_

**Date:**

**Designation**

**Place:**

Notes:

- "Securities" shall have the same meaning as defined under regulation 2 (1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations).
- As per Regulations, the term "Other such persons" shall mean a person for whom Promoter / Director / Key Managerial Personnel of the Company as the case may be takes trading decisions relating to trading in Securities of the Company.
- "Immediate Relatives" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities of the Company.
- Form B shall be submitted to the Compliance officer within 7 days from the date of appointment.



**BHARAT FINANCIAL INCLUSION LIMITED**

**FORM C - CONTINUAL DISCLOSURE**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (2) read with Regulation 6 (2)]**

*(For use by every Promoter, Director and Employees if the value of trading in Securities exceeds the limits specified in clause 10.2 of BFIL Code of Conduct for Prevention of Insider Trading ("the Code"))*

Name of the Company: Bharat Financial Inclusion Limited ("the Company")

ISIN: INE180K01011

**Details of change in holding of Securities<sup>1</sup> of Promoter or Member of Promoter Group, Employee or Director of the Company and other such persons<sup>2</sup> as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters or member of Promoter Group / KMP /Directors / immediate relatives <sup>3</sup> to/ others etc.)	Securities held prior to acquisition / disposal		Securities acquired / disposed				Securities held post acquisition/disposal		Date of allotment advice / acquisition of shares / sale of shares specify		Date of intimation to company	Mode of Acquisition (market Purchase / public rights/Preferential offer / off market / Inter-se transfer etc.
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg.-Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge/ Revoke/ Invoke)	Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options, etc)						Exchange on which the trade was executed
Type of Contract	Contract Specifications	Buy		Sell		
15	16	Nominal Value	No. of units (contracts * lot size)	Value	No. of units (contracts * lot size)	21
		17	18	19	20	

Name & Signature : \_\_\_\_\_

Designation : \_\_\_\_\_

Notes:

- "Securities" shall have the same meaning as defined under regulation 2 (1) (i) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations).
- As per Regulations, the term "Other such persons" shall mean a person for whom Promoter / Director / Key Managerial Personnel of the Company as the case may be takes trading decisions relating to trading in Securities of the Company.
- "Immediate Relatives" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities of the Company.
- Form C shall be submitted to the Compliance officer within 2 trading days of such transaction if the value of the securities traded, whether in one transaction or series of transaction over any calendar quarter, aggregates to a traded value in excess of Rs. 10 Lac.

Date:

Place:





**BHARAT FINANCIAL INCLUSION LIMITED****FORM AD**

ANNUAL DISCLOSURE FOR THE F.Y. \_\_\_\_\_

*(for use by every Promoter, persons belonging to Promoter Group and Designated Person of the Company pursuant to the clause 10.3 of the Code)*

The Compliance Officer

**Bharat Financial Inclusion Limited****Details of securities held by (1) Promoter, (2) Person belonging to Promoter Group, (3) Designated Person of the Company and (4) Immediate Relatives of Designated Person****I. Promoter/Promoter Group/Designated Person**

Name and DP/Client ID No.	No. of securities held on April 1, _____ (last year)	Date(s), No(s). & value of securities purchased during the year	Date(s), No(s). & value of securities sold during the year	No. of securities held on March 31, _____ (current year)
1	2	3	4	5

**II. Immediate Relatives of Designated Person**

Name(s) and DP/Client ID No.	No. of securities held on April 1, _____ (last year)	Date(s), No(s). & value of securities purchased during the year	Date(s), No(s). & value of securities sold during the year	No. of securities held on March 31, _____ (current year)
1	2	3	4	5

I / we hereby declare that I / we have not entered into opposite transaction for a period of at least 6 months from the date of acquisition/ sale of securities during the period to which this disclosure relates.

I further declare that acquisition/sales for which pre-clearance have been obtained either for myself or on behalf of Immediate relatives have been executed within 7 days of approval.

Date:

Signature

Place:

Name of the Promoter/Des igned Person

Designation

Note: Form D shall be submitted to the Compliance Officer within fifteen (15) days from the commencement of the relevant financial year.



**BHARAT FINANCIAL INCLUSION LIMITED**

**FORM I**

**APPLICATION FOR PRE-CLEARANCE**

*(for use by every Designated Person pursuant to the clause 8.2 of BFIL Code of Conduct for Prevention of Insider Trading ("the Code"))*

Date:

The Compliance Officer  
Bharat Financial Inclusion Limited ("the Company")

**Dear Sir,**

**Application for pre-clearance for trading in securities of the Company**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulation, 2015 and Company's Code of Conduct for prevention of Insider Trading ("Code"), I \_\_\_\_\_ or on behalf of \_\_\_\_\_ (Immediate Relative name), \_\_\_\_\_ (relationship) seek approval purchase/sale/subscription of \_\_\_\_\_ securities (\*) of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	No. of securities held as on date of application	
4.	Folio No./DP Id & Client Id No.	
5.	Mode of transaction	
6.	Proposed date of trading in securities	
7.	Estimated No. of securities to be dealt with.	
8.	Estimated consideration value	
9.	Balance holding post transaction (in no.)	



In relation to the above, I undertake the following:

1. I or \_\_\_\_\_ (my "Immediate Relative") as the case may be, is not in possession of or otherwise privy to any Unpublished Price Sensitive Information (as defined in the Code) up to the time of signing this Undertaking.
2. In the event that I or my Immediate Relative have access to or received any information that could be construed as "Unpublished Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.
3. I have not contravened the provisions of the Code as notified by the Company from time to time.
4. If approval is granted, I or my Immediate Relative shall execute the trade within 7 days of the receipt of approval failing which I shall seek pre-clearance again.
5. I or my Immediate Relative will hold the above security (ies) for the holding period prescribed in the Code..
6. I or my Immediate Relative shall not enter into any opposite transaction for a minimum period of six months from the last transaction.
7. I declare that I have made full and true disclosure in the matter.

Name of the Applicant	
Designation	
Employee No.(if applicable):	
Signature:	
Date:	

Recommended / Not Recommended	
Signature	
Name of Dept. Head	
Designation	
Date:	

Approved/Rejected	
Signature of Compliance Officer	
Date:	

Notes(\*)

1. The Board Member or his/her Immediate Relatives who intends to trade in Securities of BFIL is required to seek pre-clearance from the Compliance Officer, if the value of the proposed trade on per day basis, is in excess of
  - a. 5000 numbers or
  - b. Rupees 5 Lakh in market value or
  - c. 1% of total shareholding,
 whichever is lower.
2. Pre-clearance would also be required if the trade value exceeds a cumulative limit of Rs.25 Lakh per calendar month.



BHARAT FINANCIAL INCLUSION LIMITED

FORM II

APPLICATION OF WAIVER FOR MINIMUM HOLDING PERIOD

(for use by every Designated Person pursuant to the clause 9.4 of BFIL Code of Conduct for Prevention of Insider Trading ("the Code"))

Date: \_\_\_\_\_

The Compliance Officer

**Bharat Financial Inclusion Limited**

I request you to grant me waiver from the minimum holding period as required under the Code with respect to \_\_\_\_\_ (nos.) \_\_\_\_\_  
(description of the Securities) held by me / \_\_\_\_\_ [name of Immediate Relative (s)] singly / jointly acquired on \_\_\_\_\_ [Date(s)].

I / \_\_\_\_\_ [name of Immediate Relative (s)] desire to sell the above securities on account of \_\_\_\_\_ (give reasons).

I declare that the above details are true, correct and complete in all respects.

Signature:

Name:

Designation:

Employee No: \_\_\_\_\_

**For Compliance Officer Use**

With reference to the above application, I approve / reject the selling of \_\_\_\_\_ (no. & description of securities).

Signature of Compliance Officer:

Date of Receipt of Application		Sr. No. and Date of Approval	
Reasons for not giving pre-clearance			



# **Bharat Financial Inclusion Limited**

## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

**Version 6: April 1, 2019**

**CERTIFIED TRUE COPY**

Bharat Financial Inclusion Limited



**Rajendra Patil**  
**Sr. EVP- Legal & Company Secretary**

1. TITLE, COMMENCEMENT AND EXTENT:

1.1. This Code is called “**BFIL Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**”.

1.2. It shall come into force with effect from May 15, 2015.

2. Principles of fair disclosure on unpublished price sensitive information:

The Code seeks to ensure timely, fair and adequate disclosure of unpublished price sensitive information to the investor community by the Company and to enable them to take informed investment decisions with regard to the Company’s securities. Further, the Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. To achieve these objectives and in compliance with the Regulations, the Company and the members of the Board and all employees of the Company shall adhere to the following principles of fair disclosure of unpublished price sensitive information:

- ✓ The Company will make prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- ✓ The Company will make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- ✓ The Chief Communication Officer of the Company or any other person appointed by the Managing Director and Chief Executive Officer, under the Regulations shall act as a Head - Investor Relations Officer to deal with the dissemination of information and disclosure of unpublished price sensitive information. The Compliance Officer of the Company shall deal with the dissemination of information and disclosure of the unpublished price sensitive information as required under the Listing Agreement executed by the Company with the Stock Exchanges and/ or as per the applicable laws/ directions of the courts, regulatory authorities, government departments and other appropriate authorities. Before public disclosure of unpublished price sensitive information in accordance with this Code, the Head – Investor Relations Officer/ Compliance Officer shall ensure that such unpublished price sensitive information culminates into finality so as to make the same credible and concrete to avoid speculation in the market. In other words, any unpublished price sensitive information, which is contingent upon happening and non-happening of any event, shall be disclosed in accordance with this Code only after happening or non-happening of such an event becomes definitive.
- ✓ The Company will make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.



- ✓ The Company will provide appropriate and fair responses to queries on news reports and requests for verification of market rumours by regulatory authorities.
- ✓ The Company will ensure that information, if any, shared with analysts and research personnel is not unpublished price sensitive information.
- ✓ The Company will develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences available on the official website to ensure official confirmation and documentation of disclosures made.
- ✓ The Company will handle all unpublished price sensitive information on a need-to-know basis.

### 3. *Sharing of UPSI for legitimate purpose:*

#### 3.1 **Authorised Persons for dealing with disclosure of UPSI**

The UPSI shall be shared by the Head – Investor Relationship Officer, the Compliance Officer or other any person(s) authorized by the Managing Director & CEO of the Company in this behalf, only in furtherance of legitimate purpose(s) which shall include the following:

- a) Sharing of UPSI in the ordinary course of business **on need to know basis** by any Insider, Designated Person, or by any authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
- b) Sharing of UPSI where such communication is in furtherance of performance of duty(ies);
- c) Sharing of UPSI for discharge of legal obligation(s).
- d) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Managing Director & CEO or the Head – Investor Relationship Officer of the Company.
- e) Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of PIT Regulations.

Provided further that other provisions / restrictions as prescribed under the PIT Regulations or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

#### 3.2 **Issue of Notice to the recipient of UPSI**



Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of this Code and due notice shall be given to such persons, in the format as set out in “Annexure A” to this code:

- (i) To make aware such person that the information shared is or would be UPSI.
- (ii) To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
- (iii) To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

### **3.3 *Digital Database of recipient of UPSI***

The Compliance Officer shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under this regulation, which shall contain the following information;

- a) Name of such recipient of UPSI;
- b) Name of the Organization or entity to whom the recipient represent
- c) Postal Address and E-mail ID of such recipient
- d) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The Compliance Officer shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

The Head – Investor Relationship Officer and/or other any person(s) authorized by the Managing Director & CEO of the Company for disclosure of UPSI shall forward the document containing UPSI disseminated by them along the aforesaid details of the recipient to the Compliance Officer.

- 4. The Managing Director of the Company is authorized to make such amendment(s) or modification(s) as may be necessary to comply with the regulatory requirements.
- 5. The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information.

