

AVENDUS FINANCE PRIVATE LIMITED

**CODE OF PRACTICES AND PROCEDURES FOR FAIR
DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE
INFORMATION PERSONS UNDER SEBI (PROHIBITION OF
INSIDER TRADING) REGULATIONS, 2015**

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

1. This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (**Code**) is framed under Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 based on the principles of fair disclosure outlined in Schedule 'A' therein.

2. This Code shall come into force on August 20, 2019.

3. Definitions

3.1 The following terms shall, unless the context otherwise requires, have the meaning specified below:

“Board” shall mean the board of directors of the Company.

“Chief Investor Relations Officer” or **“CIRO”** shall mean a senior officer designated by the Company to deal with dissemination of information and disclosure of UPSI.

“Company” means Avendus Finance Private Limited.

“Generally Available Information” means information that is accessible to the public on a non-discriminatory basis, such as information published on the website of the stock exchanges; and **“Generally Available”** with respect to information shall be construed accordingly.

“Insider Trading Regulations” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

“SEBI” shall mean the Securities and Exchange Board of India constituted under the Securities and Exchange Board of India, 1992.

“Securities” shall have the meaning as ascribed under the Securities Contracts (Regulation) Act, 1956 but shall exclude: (i) units of a mutual fund and (ii) securities of a company which are neither listed on a recognized stock exchange nor are Proposed To Be Listed, and shall include foreign securities.

“Unpublished Price Sensitive Information” or **“UPSI”** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not be restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v) changes in key managerial personnel.

4. Principles of Fair Disclosure

The Company shall ensure:

- 4.1 Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- 4.2 Uniform and universal dissemination of UPSI to avoid selective disclosure.
- 4.3 Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 4.4 Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- 4.5 Information shared with analysts and research personnel is not UPSI.
- 4.6 Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website of the Company to ensure official confirmation and documentation of disclosures made.
- 4.7 Handling of all UPSI on a need-to-know basis.

5. Responding to market rumors

The Company shall not comment or respond to every market rumour. If specifically requested by SEBI or any stock exchange, the CIRO or a person specifically authorized by the CIRO shall provide a response on behalf of the Company.

6. Disclosure / dissemination of UPSI with special reference to Analysts and Research Personnel

No person, except those authorized by the CIRO, shall disclose any information relating to the Company and its listed Securities to analysts and research personnel. All persons authorized by the CIRO to interact with analysts and research personnel shall follow the guidelines set out herein:

6.1 Only Public information to be provided

The Company shall provide only public information to analysts and research personnel. The CIRO shall ensure that information shared with them is not UPSI. Further the CIRO shall endeavor to disseminate widely the information given to analysts and research personnel

6.2 Recording of discussion and simultaneous release of Information

In order to avoid misquoting or misrepresentation, the Company shall endeavor to have at least two Company representatives present at meetings with analysts and research personnel, and to preferably have such discussions recorded.

If the Company organizes any analyst meet or organizes any investor relations conference, the CIRO shall ensure that the transcripts or records of proceedings are posted on the official website of the Company as and when practicable to ensure official confirmation and documentation of the disclosures made.

6.3 Handling of unanticipated questions

The Company representatives shall be careful when dealing with unanticipated questions and the representatives may defer a response to such questions to a later date or time. Where the response by the Company to analysts and research personnel is likely to include non-public information or UPSI, such information shall be made generally available before responding.

7. Policy for determination of “Legitimate Purpose” as per Regulation 3 (2A) of the Insider Trading Regulations

7.1 Legitimate Purpose means and includes any transaction or course of action undertaken to achieve objects of the Company, to achieve a corporate purpose, to perform a fiduciary duty, to undertake the day-to-day business of the Company or any transactions undertaken without

an intent to make unlawful profit or gain and without a view to misuse the UPSI relating to the Company.

The purposes involving sharing of UPSI which shall be deemed to be legitimate, shall include, but shall not be sharing of UPSI, in the ordinary course of business or for a specific business or corporate purpose with professional firms (auditors, accountancy firms, law firms, insolvency professionals), collaborators, lenders, customers, suppliers, merchant bankers, or other advisors or consultants etc. assisting or advising the Company, provided that such sharing of UPSI is done on a need-to-know basis, and not done to evade or circumvent the prohibitions contained in the Insider Trading Regulations.

- 7.2 Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered as an “insider” in terms of Regulation 3 (2B) of the Insider Trading Regulations and due notice shall be given to such person(s) with regard to their obligation to maintain confidentiality of such UPSI, in compliance with the Insider Trading Regulations.

The implementation of this Code shall be overseen by the CIRO of the Company. The CIRO shall act in consultation with the Managing Director. The Board may review the Code from time to time and make any changes or modifications as it may deem necessary.