

## SMFG India Home Finance Company Limited

Code of practices and procedures for fair disclosure of  
unpublished price sensitive information of the Company

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### 1 Regulation:

In compliance with the provisions of Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "PIT Regulations") and the principles as set out in Schedule A to the PIT Regulations, Company has formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company (the/this "Code"), providing the framework to facilitate fair disclosure of Unpublished Price Sensitive Information ("UPSI")

### 2 Applicability:

This Code shall be applicable and binding on all persons, including employees, Designated Persons ('DPs'), directors, Insiders and such other persons authorized for disclosure of "UPSI of the Company as defined hereunder.

### 3 Definition:

Term used	Definition
<b>Applicable Law</b>	shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider, who is with access to Unpublished Price Sensitive Information.
<b>Connected person</b>	Means Connected Person as defined under SEBI PIT Regulations and shall also include directors and key managerial personnel of the Company.
<b>Chief Investor Relations Officer</b>	means the Compliance Officer of the Company, who shall be responsible for dissemination of information and disclosure of Unpublished Price Sensitive Information/ material event(s) or information relating to the Company in a fair and unbiased manner.
<b>Designated Persons</b>	Shall mean and include the following: <ul style="list-style-type: none"> <li>i. Promoters of the Company.</li> <li>ii. All Directors of the Company;</li> <li>iii. Chief Executive Officer (CEO), Chief Financial Officer (CFO) or any such equivalent position, members of the Leadership Team and the Company Secretary of the Company;</li> <li>iv. Employees up to two levels below the Managing Director &amp; CEO ("MD&amp;CEO") of the Company and that of its material subsidiaries;</li> </ul>

Term used	Definition
	<ul style="list-style-type: none"> <li>v. Such other employees of the Company and that of its material subsidiaries designated on the basis of their functional role and access to unpublished price sensitive information ('UPSI') of the Company, as may be determined by the Compliance Officer, from time to time;</li> <li>vi. Such other employees working in the inside areas or having access to UPSI, as may be determined by the Compliance Officer, from time to time;</li> </ul>
<b>Generally available information</b>	means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media;
<b>Insider</b>	Means any person who is <ul style="list-style-type: none"> <li>i. a Connected Person or</li> <li>ii. in possession of or having access to Unpublished Price Sensitive Information.</li> </ul>
<b>Promoter and Promoter group</b>	Shall have the same meaning assigned to them in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
<b>SEBI</b>	Securities and Exchange Board of India
<b>Securities</b>	Shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.
<b>Unpublished Price Sensitive Information or UPSI</b>	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 including but not restricted to, information relating to the following: – <ul style="list-style-type: none"> <li>i. financial results;</li> <li>ii. dividends;</li> <li>iii. change in capital structure;</li> <li>iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions; and</li> <li>v. changes in key managerial personnel.</li> </ul>

**Note:** Words and expressions used and not specifically defined in this Code shall have the same meanings as ascribed to them in the Securities and Exchange Board of India Act, 1992 the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations made thereunder, as amended, from time to time.

#### **4 Functions of the Compliance Officer**

- i. Ensuring uniform and universal dissemination and disclosure of UPSI related to the Company.
- ii. Determination of questions as to whether any information amounts to UPSI related to the Company.

- iii. Determination of response, of the Company to any market rumor in accordance with this Code.
- iv. Dealing with any query received from any Insider on UPSI related to the Company, in consultation with the CFO and MD & CEO.

## **5 Disclosure of UPSI and/ or material information/ events**

The practices and procedures to ensure fair disclosure of UPSI relating to the Company and/or material information/ events, to the public, are as under:

- i. The Company shall ensure prompt public disclosure of UPSI and / or material information / events that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information 'generally available'.
- ii. The Company shall adhere to the timelines stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI LODR Regulations"), with respect to intimations / notices / notifications and ensure prompt public disclosure of UPSI and/ or material information/ events.
- iii. The Company shall ensure uniform and universal dissemination of UPSI and / or material information / events relating to the Company and / or that of its securities, to avoid selective disclosure.
- iv. The Company shall ensure that dissemination of UPSI and / or material information/ events shall be first made to the Stock Exchanges, before it is released to the media, to avoid selective disclosure of UPSI and/ or material information / events relating to the Company.
- v. The Company shall ensure that disclosures are corrected immediately if the Company is subsequently made aware that its earlier disclosure contained a material error or omission at the time it was given.
- vi. To facilitate timely disclosure of UPSI, all Employees including DPs & Insiders as defined in the PIT Regulations and/or the Insider Trading Code of the Company will be required to communicate any UPSI to the CIRO as soon as credible and concrete information comes into existence.
- vii. All Employees and Directors of the Company shall handle UPSI and / or material information / events, including onward communication, on a need to know principle to comply with the obligations under the Code and the PIT Regulations till such time the UPSI and / or material information / event, becomes generally available.

## **6 Fair response to queries on News Reports/Market Rumors**

- i. The Company shall ensure that appropriate and fair response is given to queries on news reports related to the Company and to requests for verification of market rumours, received from Stock Exchanges or Regulatory Authorities.
- ii. It is clarified that the Company will be within its right to not to divulge further details especially, if the matter is pending for review before the Stock Exchanges or Regulatory Authorities.
- iii. Additionally, in respect of any market rumours, the Company may proactively issue appropriate and fair clarifications or responses in relation to such market rumours to the Stock Exchanges, as decided by the MD & CEO or the CFO of the Company.

## **7 Information shared with Research Analysts**

- i. The Company may participate in investor conferences/ analyst meets, from time to time. All interactions with institutional shareholders, fund managers and analysts will be based on generally available information that is accessible to the public on a non-discriminatory basis.
- ii. Only the MD & CEO or the CFO of the Company is authorized to engage with the analysts or research personnel. Under no circumstances shall any other employee or Director of the Company, share any

UPSI relating to the Company, with any other person, without prior authorization of the CFO of the Company.

- iii. The presentations, made to analysts and fund managers, if any, shall be uploaded on the website of the Company. The official press releases will also be uploaded on the website of the Company.

## **8 Sharing of UPSI on a Need-to-Know Basis**

- i. All Employees and Directors of the Company, under the PIT Regulations, shall ensure that sharing of UPSI relating to the Company and/ or that of its securities, including onward communication, is done strictly on a need-to-know basis and in line with this Code and the Insider Trading Code.
- ii. No UPSI relating to the Company and/or that of its securities, shall be procured/ communicated by employees, DPs and Directors of the Company, to any person(s) except in furtherance of legitimate purposes, performance of his/ her duties or legal obligations, for and on behalf of the Company. Legitimate purpose for the purpose of this Code, shall mean legitimate transactions undertaken for performing a fiduciary duty in the interest of the Company, or transactions undertaken in public interest, or transactions undertaken without any intent to make unlawful profit or gain or without a view to misuse UPSI relating to the Company, or the like, which is not intended to evade or circumvent the provisions of the PIT Regulations.  
It is further clarified that "legitimate purpose" shall include sharing of UPSI in the ordinary course of business on a need to know basis with Statutory/ Regulatory Authorities, professional firms (Statutory Auditors, Secretarial Auditors, Accountancy firms, Law firms) analyst, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, secretarial auditors, insolvency professionals or other advisors or consultants who are advising the Company, provided that such sharing of UPSI is not been carried out to evade or circumvent the provisions of the PIT Regulations.
- iii. Communication/ procurement of UPSI relating to the Company shall be considered to have been carried out for legitimate purpose, under any one or more of the following circumstances:
  - a. Sharing of UPSI for the performance of fiduciary duties, or discharge of legal obligations in the ordinary course of the business of the Company, duly authorized by the Company in writing;
  - b. Sharing of UPSI in good faith for any other genuine or reasonable purpose as may be determined by the CISO;
  - c. Sharing of UPSI for any other purpose as may be prescribed under any applicable law for the time being in force, as amended, from time to time.
- iv. Any person in receipt of UPSI relating to the Company, pursuant to a legitimate purpose shall be considered an "Insider" under Regulation 3 (2B) of the PIT Regulations and due notice shall be given by the Company to such persons, who shall be responsible for maintaining confidentiality of such UPSI, in compliance with the PIT Regulations. Such Insider, shall abide by the Code, formulated and adopted by the Company, under Regulation 9 (2) read with Schedule C of the PIT Regulations.

## **9 Measures to Deal with Incidents of Leakage or Inadvertent Disclosure etc., of UPSI / Material Information/ Events**

- i. The Company shall take necessary steps to prevent leakage of UPSI and/ or material information/ events, in the interest of the stakeholders of the Company.
- ii. However, in the event of such UPSI and/ or material information/ event is inadvertently leaked, the CISO of the Company shall on becoming aware of such leakage, in the media (including social media)



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shall in consultation with the CFO and the MD & CEO, take effective steps to disseminate such information to the Stock Exchanges and upload on the website of the Company. Said disclosure shall contain relevant information as can be furnished without compromising the business interests of the Company and that of its stakeholders, and without waiting for any query from the Stock Exchanges, in this regard.