



SMFG
IndiaCredit
Pragati Ki Nayi Pehchaan

SMFG India Credit Company Limited

**Code of Practices and Procedures for Fair Disclosure of Unpublished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



Code of practices and procedures for fair disclosure of unpublished price sensitive information of the Company

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to the PIT Regulations, Company has formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company (the/this "Code"), providing the framework to facilitate fair disclosure of Unpublished Price Sensitive Information ("UPSI")

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.

Definition:

Term used	Definition
Applicable Law	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standards and or guidance notes as may be applicable in the matter of trading by an Insider, who is with access to Unpublished Price Sensitive Information.
Connected person	Shall mean the following: 1. any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, 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 the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access. 2. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be

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	connected persons unless the contrary is established: a) relative of connected persons specified in point 1 above; or b) a holding company or associate company or subsidiary company; or c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or d) an investment company, trustee company, asset management company or an employee or director thereof; or e) an official of a stock exchange or of clearing house or corporation; or f) a 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; or g) a 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; or h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or i) a banker of the company; or j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent. of the holding or interest k) a firm or its partner or its employee in which a connected person specified in point 1 above is also a partner l) a person sharing household or residence with a connected person specified in point 1 above.
Chief Investor Relations Officer or CIRO	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.
Designated Persons	Shall mean and include the following: i. Promoters of the Company. ii. All Directors of the Company; 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; iv. Employees up to two levels below the Chief Executive Officer and Managing Director ("CEO & MD") of the Company and that of its material subsidiaries; v. Employees of the Company and that of its material subsidiaries designated on the basis of their functional role and access to

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	unpublished price sensitive information ('UPSI') of the Company, as may be determined by the Compliance Officer, from time to time;
	vi. All employees of the Company, in Finance, Business Planning & Analysis, Treasury, Taxation, Secretarial Department and those employees in IT and other departments who have access to UPSI, as maybe determined by the Compliance officer, in consultation with CEO & MD and CFO, from time to time.
Generally available information	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;
Insider	Means any person who is a Connected Person or in possession of or having access to Unpublished Price Sensitive Information.
Promoter and Promoter group	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.
SEBI	Securities and Exchange Board of India
Securities	Shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.
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 including but not restricted to, information relating to the following: – i. financial results; ii. dividends; iii. change in capital structure; iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business , award or termination of order/contracts not in the normal course of business and such other transactions; v. changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor; vi. change in rating(s), other than ESG rating(s); vii. fund raising proposed to be undertaken; viii. agreements, by whatever name called, which may impact the management or control of the company; ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

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	x. resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions; xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016; xii. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report; xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company; xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the company; xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business; xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals. Explanation 1- For the purpose of sub-clause (ix): a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations. Explanation 2- For identification of events enumerated in this clause as UPSI, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the SEBI LODR Regulations as may be specified by SEBI from time to time and materiality as referred at paragraph B of Part A of Schedule III of the SEBI LODR Regulations shall be applicable.

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.



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 the CEO & MD.

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 CISO 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.

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 CEO & MD or the CFO of the Company.

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 CEO & MD 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.

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.

Sharing of UPSI for Legitimate Purpose

- i. 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 which 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.

- ii. 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 CIRO;
 - 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.
- iii. 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 of Conduct to regulate, monitor and report trading in securities of the Company by Designated Persons and their Immediate Relatives formulated and adopted by the Company, under Regulation 9 (2) read with Schedule C of the PIT Regulations.

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 CIRO of the Company shall on becoming aware of such leakage, in the media (including social media) shall in consultation with the CFO, and the CEO & MD, 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.

Review of the Code

This Code shall be reviewed by the Board atleast once a year and shall be amended as and when any changes are to be incorporated in the Policy due to change in applicable law/regulations or as may be felt appropriate.

In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy.