

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

Finova Capital Private Limited

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Table of Contents

BACKGROUND, PURPOSE & SCOPE.....	4
DEFINITIONS.....	4
ADMINISTRATION	5
REVIEW OF THE POLICY.....	6

BACKGROUND, PURPOSE & SCOPE

- **Background**

The Securities Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015, on 24th September, 2015 and amended from time to time (herein after referred to as the “Regulations”), to formulate a stated framework and code for fair disclosures of Unpublished Price Sensitive Information, events and occurrences (herein after referred to as the “Code”) that could impact price discovery in the market for its securities (listed or proposed to be listed).

- **Objects & Scope**

The Board of Directors of every company, whose securities are listed on a stock exchange shall formulate and publish on its official website, a code of practices and procedure for fair disclosure of unpublished price sensitive information that it would follow in Order to adhere to each of the principles set out in Schedule A to these Regulations, without diluting the provisions of these regulations in any manner.

The Company has adopted this Code of Fair Disclosure and Conduct in the Board Meeting held on June 01, 2021 after incorporating relevant clauses of Regulation 8 & Schedule A to the aforesaid Code, the provisions of this code must be read along, with the Regulations and if there is any Inconsistency/contradiction between the two, the provisions of the Regulations shall prevail.

DEFINITIONS

“Company” means Finova Capital Private Limited

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

NOTE: Information published on the website of a stock exchange/the company, would ordinarily be considered generally available.

“Insider” means any person, who is,

- i.a connected person; or
- ii.in possession of or having access to unpublished price sensitive information

“Unpublished Price Sensitive Information” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon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 and such other transactions;

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- v. changes in key managerial personnel;

NOTE: It is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

“Legitimate purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of this Code and regulations.

ADMINISTRATION

1. Compliance Officer of the Company will be designated as Chief Investor Relations Officers, to deal with dissemination of information and disclosure of unpublished price sensitive information.
2. The company shall ensure 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;
3. The company shall ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure;
4. The company shall ensure prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available;
5. The company shall ensure appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities;
6. The company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information;
7. The company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made;
8. The company shall handle all unpublished price sensitive information on a need-to-know basis;
9. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for the purposes of the Regulations and due notice shall be given to such person(s) to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations.

10. A structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Adequate and effective system of internal controls will also be laid out to ensure the compliance of maintenance of digital database for sharing the information for said legitimate purposes.

REVIEW OF THE POLICY

The Board shall review and amend this policy, pursuant to any amendment to the Regulations or as and when deemed appropriate.