



IIFL Finance Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

INTRODUCTION

IIFL Finance Limited (“**IIFL/ Company**”) is committed to fair disclosure of information to its investors in compliance with all applicable laws.

The Board of Directors of the Company have adopted the following Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) (hereinafter referred to as “**Code**”).

1. Preface

As part of Company’s commitment to transparency and good governance, this Code of practices and procedures for fair disclosure of UPSI has been framed with an objective to ensure fair and uniform disclosure of events and occurrences that could impact price discovery in the market for the securities of the Company. This code is formulated pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The terms used but not defined in this Code shall have the meaning as defined under the Company’s Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons under SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereto.

2. Objective

The objective of this Code is to formulate a framework and policy for fair disclosure of events that could impact price discovery in the market for its securities.

3. Chief Investor Relations Officer

The Company has appointed the Company Secretary of the Company as Chief Investor Relations Officer (“**CIRO**”) to deal with dissemination of information and disclosure of UPSI with respect to the Company.

4. Basic Principles of Disclosure of UPSI

- i. The Company would make prompt public disclosure of UPSI that would impact price discovery as soon as credible and concrete information comes into being and will make the same information generally available.
- ii. The Company would ensure that UPSI is disseminated uniformly and universally and shall avoid selective disclosure.
- iii. Disclosure/dissemination of UPSI may normally be approved in advance by CIRO. In case of doubt, the CIRO shall consult and seek approval of the Managing Director / Executive Director(s) / the Chief Financial Officer of the Company pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, before dissemination of such information.
- iv. If any UPSI is disclosed selectively, inadvertently or otherwise without prior approval, the CIRO on having knowledge of such partial dissemination may upload the information on the website of the Company and if required intimate the Stock Exchanges to ensure that the UPSI is generally available.
- v. The Company shall not comment, affirmative or negatively, on market rumours or press reports. However, should a regulatory authority including SEBI or stock exchanges require clarification on any market rumors, the Company shall promptly respond to the same and disseminate its responses through stock exchanges.
- vi. Utmost care would be taken to ensure that the information shared with analysts/ research personnel is not unpublished price sensitive information.
- vii. The Company would enable making 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.
- viii. The Company would disclose / disseminate information through various media so as to achieve maximum reach and quick dissemination. The Company shall facilitate disclosure through the use of its dedicated Internet website.
- ix. All UPSI shall be handled only on a “Need-to-Know” basis.



Explanation: The term ‘need-to-know basis’ shall mean that UPSI should only be disclosed to/procured by such persons who need to share/need access to the UPSI in furtherance of legitimate purposes or performance of duties or legal obligations and whose possession of such UPSI will not give rise to a conflict of interest or amount to the misuse of such UPSI.

5. Policy for determination of Legitimate Purpose

“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 these regulations.

The sharing of UPSI shall be deemed to be for “Legitimate Purpose” if it satisfied the following criteria:

- i. Sharing of UPSI in the ordinary course of business by any employee or any authorised person with existing or proposed partners, lenders, customers, suppliers etc.
- ii. Sharing of relevant UPSI with consultants, advisors, intermediaries, merchant bankers, auditors and other parties engaged in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
- iii. Sharing of relevant UPSI where such sharing is mandatory for performance of duties or discharge of legal obligations and such mandate/obligation is recorded by the provider of such UPSI and informed to the Compliance Officer of the Company.
- iv. Where the intent behind sharing is not to evade or circumvent the prohibitions of the Regulations.
- v. Any person with whom the Unpublished Price Sensitive Information (“UPSI”) is shared for “legitimate purpose” shall be considered an “insider” and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations
- vi. Insiders shall share the UPSI with the external agencies only in the interest of the Company and/or in compliance with the requirements of the law.



- vii. The person who has the UPSI should ideally recuse himself from assigned task of the sharing the UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- viii. The agreements entered into involve sharing of UPSI should have a “confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.

6. Manner of Disclosure

Information of any UPSI intended to be made generally available shall be brought to the notice of the Chairman or Managing Director. The CIRO and/or Compliance officer in consultation with the Chairman or Managing Director shall determine the content and timing of disclosure and accordingly, disclose to the stock exchanges. The Company shall be guided by the Policy to determine materiality of events framed in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The UPSI disclosed to the stock exchanges and to the Press may also be supplemented by prompt updates on the Company's website.

7. Amendment to the Code

The Board of Directors are authorized to make such alterations as considered appropriate to the Code subject, however, to the condition that any such alterations shall not be inconsistent with the provisions of the Regulations. In an event any provision of this Code conflicts with any law, rules or regulations that is in force for the time being, the said law, rules or regulations shall take precedence over such conflicting provisions

8. Disclosure

This Code and every amendment thereto shall be promptly intimated to stock exchanges where the securities are listed and shall also be hosted on the website of the Company.