

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Introduction

The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") requires the Board of Directors of every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (events and occurrences) that could impact price discovery in the market for its securities.

The Board of Directors of Hinduja Leyland Finance Limited ("the Company") pursuant to Regulation 8(1) has formulated the Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information ("Code") in compliance with the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

2. Objective

The Code intends to formulate a defined framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information and to prevent misuse of such information.

3. Unpublished Price Sensitive Information

Unpublished Price Sensitive Information ("UPSI") means any information, relating to a company or its securities, directly or indirectly, that is not generally available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 restricted to, information relating to the following:

- (i) Periodical financial results of the Company;
- (ii) Intended declaration of dividends (Interim and Final);
- (iii) Change in capital structure;
- (iv) Mergers, De-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) Changes in key managerial personnel; and 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;

a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (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 - For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable."

4. Principles of Fair Disclosure

The Company shall adhere to the following principles to ensure timely and fair disclosure of UPSI:

- (i) Prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, to make such information generally available.
- (ii) Uniform and universal dissemination of UPSI to avoid selective disclosure by communicating the same to the stock exchange(s) and disclosing the same on its website.
- (iii) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- (iv) Ensuring that information shared with analysts and research personnel is not UPSI. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- (v) Provide appropriate and fair responses to queries on news reports and requests for verification of market rumours by Regulatory Authorities such as stock exchange(s), etc.

(Note: The Company shall not comment on every market rumour. If stock exchange requests, the Company shall submit its response to the market rumour)

- (vi) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website to ensure official confirmation and documentation of disclosures made.
- (vii) Handling of all UPSI on a need-to-know basis. UPSI shall be

disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

5. Chief Compliance Officer and Chief Investor Relations Officer

The Board of Directors of the Company has designated the Company Secretary as the Chief Compliance Officer (CCO) and the Chief Financial Officer as the Chief Investor Relations Officer (CIRO) of the Company to deal with dissemination of information and disclosure of UPSI.

The CCO and CIRO is responsible for dissemination of information and disclosure of UPSI. The CCO is also responsible for ensuring compliance under this code, overseeing and coordinating disclosure of UPSI to the stock exchanges and for educating the Company's employees on disclosure policies and procedure.

Other than information which is price sensitive in accordance with the SEBI PIT Regulations or any other applicable law for the time being in force, the CCO in consultation with the Managing Director/Chairman shall decide whether information is price sensitive or not.

All UPSI is to be handled on "need to know basis", i.e., UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. All the non-public information directly received by any employee should immediately be reported to the CCO/CIRO.

In case of any doubt regarding release of information or understanding the nature of unpublished price sensitive information, CCO/CIRO shall consult and seek approval of any one of the following namely Chairman / Managing Director(s).

All information disclosure/dissemination may normally be approved in advance by the CCO/CIRO. In case information is accidentally disclosed without prior approval of CCO/CIRO, the person responsible shall immediately inform the CCO/CIRO.

The CCO and CIRO shall ensure that no UPSI is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.

Any queries or requests for verification of market rumor(s) by the Regulatory Authorities shall be forwarded to the CCO, who shall decide on the clarification to be provided.

6. Prompt disclosure of UPSI

The Company will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the stock exchanges in accordance with the SEBI PIT Regulations.

When a decision has been made that a piece of information is price sensitive and would have to be disclosed, the following process may be followed

- a) The draft news release will be prepared by CCO/CIRO in consultation with any one of the following, namely, Chairman / Managing Director(s), to ensure it is in compliance with applicable laws /

regulations.

- b) The CFO will be responsible to review and validate all financial data contained in news releases and will ensure that disclosures are consistent with prevailing accounting standards and guidelines.
- c) The Disseminated news release shall be promptly uploaded on Company's website.

To ensure that the information is disseminated in an uniform manner, the Company will transmit the information to all the stock exchanges where the securities of the Company are listed, at the same time and shall also publish the same on the website of the Company viz.

7. Disclosures to Analysts/Media and Research Personnel

The Company will provide only public information to the analyst/media and research personnel. Whenever meetings or conference calls are organised, the Company will intimate the stock exchanges and host the details of the same in the Company's website.

All UPSI shall be first communicated to the stock exchanges before the same is shared with Analysts/Media and Research personnel. Transcript of the meetings/conference calls with Analysts shall be furnished to the stock exchanges and then hosted on Company's website.

8. Responding to Market Rumors

The CCO/CIRO shall promptly respond to any queries for verification of market rumors by the stock exchanges.

The CCO and/or CIRO and /or any other official(s) authorised by the Board of Directors of the Company shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

9. Policy for sharing of UPSI for legitimate purpose

“Legitimate purpose” includes sharing of UPSI in the course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.

The UPSI should be shared where such communication is in furtherance of performance of duty(ies) and for discharge of legal obligation(s). It will be for any other genuine or reasonable purpose as may be determined by the CIO of the Company.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” for purposes of this Code and due notice shall be given to such persons to make aware such person that the information shared is or would be UPSI and requiring them to maintain confidentiality of the UPSI in compliance with the Code and the SEBI PIT Regulations.

10. Amendment

The Board of Directors of the Company from time to time, may amend the Code as per applicable laws, rules and regulations. The Code and any subsequent amendment(s) thereto, will be intimated to the Stock Exchanges and will also be hosted on the Company's website at www.hindujaleylandfinance.com