



Piramal Capital & Housing Finance Limited

CODE FOR FAIR DISCLOSURE OF INFORMATION AND DETERMINATION OF MATERIALITY

Original Effective Date: 28th July, 2023

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I. Introduction

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**Insider Trading Regulations**”) require the board of directors of every company, whose securities are listed on a stock exchange, to formulate and publish on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in line with the principles set out in Schedule A to the Insider Trading Regulations and also make a policy for determination of ‘legitimate purposes’ as a part of the said Code.

As per the Scale Based Regulation (“**SBR**”): a Revised Regulatory Framework for NBFC’s, issued by the Reserve Bank of India (RBI) vide its Circular no. DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October, 2021 and as per the RBI press release dated 30th September, 2022, Piramal Capital & Housing Finance Limited (“**PCHFL**” or “**the Company**”) has been identified as an Upper Layer NBFC (NBFC-UL). One of the requirements of the SBR is that the NBFC-UL shall be mandatorily listed within 3 years of identification as NBFC-UL and the disclosure requirements shall be put in place on the same lines as applicable to a listed company even before the actual listing. In view of the same, PCHFL is adopting this Policy on Determination of Materiality in compliance with sub-regulation (4)(ii) of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

This Code has been formulated in compliance with the requirements of the Insider Trading Regulations and the Listing Regulations, as amended from time to time.

II. Title, Commencement & Extent

This Code is called the Piramal Capital & Housing Finance Limited Code for Fair Disclosure of Information and Determination of Materiality.

III. Definitions

In this Code, unless the context otherwise requires,

- 1) “Chief Investor Relations Officer” shall mean the officer appointed by Piramal Capital & Housing Finance Limited (“**PCHFL**” or the “**Company**”) as chief investor relations officer pursuant to Schedule A read with Regulation 8(1) of the Insider Trading Regulations.

- 2) “Compliance Officer” shall mean the officer appointed by PCHFL as Compliance Officer under the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PCHFL.
- 3) “Code” means this Code for Fair Disclosure of Information and Determination of Materiality, as may be modified from time to time.
- 4) “Designated Person” shall have the meaning as specified in the Code of Conduct to Regulate, Monitor and Report Trading by Insiders in the Securities of PCHFL.
- 5) “Generally available information” shall have the meaning as defined in the Insider Trading Regulations, as per which, it means information that is accessible to the public on a non-discriminatory basis. For avoidance of doubt, it is clarified that information is considered to be generally available if it is published on the website of National Stock Exchange of India Limited / BSE Limited and / or the Company’s website which is www.piramalfinance.com.
- 6) “Insider Trading Regulations” mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
- 7) “Listing Regulations” mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 8) “Material Information” shall have the meaning as described in Schedule III to the Listing Regulations, and is defined in para 1.2(i) of Annexure I hereto for ease of reference;
- 9) “Material Subsidiary” shall have the meaning assigned to it under the Listing Regulations, or any modification thereof.
- 10) “SEBI” means the Securities and Exchange Board of India.
- 11) “Unpublished Price Sensitive Information” or “UPSI” shall have the meaning as defined in the Insider Trading Regulations, as per which, it means any information, relating to the 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 be restricted to, information relating to the following:
 - (i) financial results;
 - (ii) dividends;
 - (iii) changes in capital structure;
 - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - (v) changes in key managerial personnel.

Words and expressions used and not defined in the Code but defined in the Insider Trading Regulations, the Listing Regulations, 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 rules and regulations made thereunder, shall have the same meanings respectively assigned to them in those legislations.

IV. Appointment of Chief Investor Relations Officer

1. The Company shall designate Executive Director or Chief Financial Officer or Company Secretary or Senior Officer of the Company as Chief Investor Relations Officer (“CIRO”) for the purpose of this Code.
2. The Chief Investor Relations Officer shall be responsible for disclosure of Material Information under the Listing Regulations and to deal with dissemination of information and disclosure of UPSI under the Insider Trading Regulations.

V. Disclosures under this Code

1. The Chief Investor Relations Officer shall ensure:
 - (i) prompt public disclosure of Material Information that would impact price discovery no sooner than credible and concrete information comes into being in the manner set out in this Code. For the purpose of this Code, the term ‘credible and concrete information’ shall mean such information that is definitive and which binds PPL;
 - (ii) uniform and universal dissemination of Material Information and UPSI to avoid selective disclosure; and
 - (iii) prompt dissemination of any Material Information and UPSI that may, inadvertently or otherwise, get disclosed selectively, to ensure that such information is made generally available.
2. The Chief Investor Relations Officer shall be responsible for approving any disclosure or dissemination of Material Information: (i) by way of intimation to the stock exchanges; (ii) on PCHFL’s official website; (iii) through release of an official press release by the Company, to the media; (iv) statements by official spokesperson of PCHFL to the media, both newspapers and news channels; and (v) in any other manner as may be decided by the Chief Investors Relations Officer.
3. Any communication containing Material Information to be made to the stock exchange, media outlets, including newspapers and news channels, whether in the form of Press Release or otherwise (herein collectively referred to as ‘Investors Communication’), shall require the prior authorization of the Chief Investor Relations Officer. Such Investors Communication should be made in the manner and contain such information as prescribed in Standard Operating Procedure for Investors Communication in Annexure I of this Code.



4. The Chief Investor Relations Officer shall also be responsible for supervising information posted on the Investor Section of the website of PCHFL ('herein referred to as 'Website Content for Investors') in terms of this Code.
5. The Chief Investor Relations Officer shall have the power to constitute such teams or authorize such persons to evaluate proposed Investors Communication and Website Content for Investors before it is submitted for his/ her review and approval. The Chief Investor Relations Officer shall also have the power to formulate such processes to be followed for preparation of Investors Communication and Website Content for Investors.

VI. Handling Unpublished Price Sensitive Information

1. All employees, directors and connected persons of PCHFL are required to ensure that handling of all Unpublished Price Sensitive Information, is done strictly on a need-to-know basis and in line with any other applicable codes, policies and procedures of PCHFL, including the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in the Securities of PCHFL.

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

2. To prevent leakage of Unpublished Price Sensitive Information it is advised that all employees, directors and connected person of the Company shall:
 - a) Not discuss Unpublished Price Sensitive Information in public places where such Unpublished Price Sensitive Information may be overheard (for example, elevators, restaurants, airplanes, taxis, etc.) or participate in, host or link to internet chat rooms, online social networking sites, newsgroup discussions or bulletin boards which discuss matters pertaining to the Company's activities or its securities;
 - b) Not carry, read or discard Unpublished Price Sensitive Information in an exposed manner in public places;
 - c) Not discuss Unpublished Price Sensitive Information with any other persons, except as required in furtherance of legitimate purposes, performance of his/ her duties or discharge of legal obligations;
 - d) Advise, at the commencement of any meeting where Unpublished Price Sensitive Information is likely to be discussed, the other attendees of such meeting, that they must not divulge the Unpublished Price Sensitive Information;

- e) Ensure that the sharing of Unpublished Price Sensitive Information, wherever required, is done by way of the Company's email system on a secured file-sharing platform within the Company's internal network. The passwords of protected files shall be sent via a separate official email or SMS to safeguard the confidentiality of the information.
 - f) Ensure that subsequent queries/ clarifications shall be responded to by way of official e-mail, meetings, over the phone (including SMS) but shall be addressed only to concerned persons. Communication which entails Unpublished Price Sensitive Information via social networking applications shall not be used, unless authorised.
3. The Company shall ensure that all employees and directors handling Unpublished Price Sensitive Information are cautioned to share such Unpublished Price Sensitive Information with other persons only on a need-to-know basis.

VII. Policy for determination of legitimate purposes

1. Any Unpublished Price Sensitive Information shall only be shared in furtherance of legitimate purpose(s), performance of duties or discharge of legal obligations. The term "legitimate purposes" shall be construed in accordance with the following principles:
- a) Sharing of UPSI in the ordinary course with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors/ consultants;
 - b) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIRO of the Company;
 - c) Sharing of UPSI for any other purpose as may be prescribed under the Insider Trading Regulations or Companies Act, 2013 or any other law for the time being in force, in this behalf, as may be amended from time to time;
 - d) Sharing of UPSI with any regulatory body, judicial or quasi – judicial authority, pursuant to an order and / or direction as may be issued to the Company;

Provided that sharing of UPSI is in accordance with law and has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations.

VIII. Issue of Notice to the recipient of UPSI

Any person in receipt of unpublished price sensitive information pursuant to a 'legitimate purpose' shall be considered an "insider" for purposes of this Code and due notice shall be given by the CIRO to such persons:

- a) To make aware that the information shared is or would be UPSI.

- b) To make aware the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
- c) To maintain confidentiality of such USPI in compliance with the Insider Trading Regulations.

IX. Interaction with Research Analysts

1. The Chief Investor Relations Officer will identify the specific set of employees, directors, Designated Persons or other insiders who can interact with research analysts and stock brokers on behalf of PCHFL.
2. Any person not a part of this identified list will need to be pre-authorized by the Chief Investor Relations Officer before they interact with such research analysts or stock brokers on behalf of PCHFL.
3. All such persons shall ensure that any information shared with analysts, research personnel and stock brokers is not Material Information or UPSI.
4. In order to avoid any misrepresentation or misquoting, at least two PCHFL representatives shall try to be present at all such meetings with analysts and stock brokers. However, in case of unplanned or unscheduled meetings, presence of two PCHFL representatives though desirable, shall not be mandatory.
5. Where queries are raised outside the intended scope of discussion and the PCHFL representative is of the view that certain responses could lead to disclosure (directly or indirectly) of Material Information or UPSI, it is advisable to refrain from providing a response, taking note of the query and providing a considered response, if appropriate, at a later stage, after internal consultations.
6. All of the above principles apply to investor conferences, management meetings as well as one-on-one meetings with institutional investors.
7. The Company shall endeavour to develop best practices to make audio/ video recordings, transcripts or written records of meetings with analysts and other investor relation conferences on the official website, wherever possible, to ensure official confirmation and documentation of disclosures made.

X. Responses to Queries on News Reports

The Chief Investors Relations Officer shall ensure that appropriate and fair responses are provided to queries on news reports and requests for verification of market rumours by regulatory authorities, in a timely manner.

All such responses on behalf of the Company shall require prior approval of the Chief Investors Relations Officer.



XI. Digital Database of recipient of UPSI

A structured digital database of such persons or entities as the case may be with whom Unpublished Price Sensitive Information is shared under this regulation shall be maintained by the Company, which shall contain the following information;

- 1) Nature of UPSI
- 2) Name of persons sharing UPSI;
- 3) Name of recipient of UPSI;
- 4) Name of the Organization or entity to whom the recipient represents;
- 5) Postal Address and E-mail ID of such recipient; and
- 6) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

Annexure I

Standard Operating Procedure for Investors Communications

1. **Objective:**

1.1. Unpublished Price Sensitive Information shall be mandatorily disclosed to the Stock Exchanges on which the securities of the Company are listed prior to its dissemination to the media or any section of the public.

1.2. In addition to any Unpublished Price Sensitive Information, which is disclosed to Stock Exchanges, all transactions that fulfil the following materiality criteria, shall also be disclosed to the Stock Exchanges:

(i) **Transactions referred to in Para A of Part A of Schedule III of the Listing Regulations**, which shall be deemed to be material information requiring disclosure to the Stock Exchanges. These transactions shall include but are not limited to the following:

- a) Acquisition(s), Scheme of Arrangement, or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
- b) Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities, etc.
- c) New Rating(s) or Revision in Rating(s).
- d) Outcome of Board Meetings held to consider held to consider the recommendation/declaration of dividend, buyback of securities, fund raising, increase in capital by issue of bonus shares, reissue of forfeited shares or securities, financial results, voluntary delisting, etc.
- e) Agreements which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- f) Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- g) Change in directors, key managerial personnel, Auditor and Compliance Officer.
- h) Appointment or discontinuation of share transfer agent.

- i) Proceedings of Annual and extraordinary general meetings of the listed entity.
 - j) Schedule of Analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors;
- (ii) Transactions referred to in Para B of Part A of Schedule III of the Listing Regulations**, shall be deemed to be material if such transaction meet any one of the following criteria:
- a) the omission of an event or information, is likely to result in discontinuity or alteration of event or information already available publicly; or
 - b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or
 - c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i. Two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
 - ii. Two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
 - iii. Five percent of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the listed entity.

The transactions referred in Para B of Part A of Schedule III of the Listing Regulations shall be deemed to be material information if such transaction exceed the above mentioned threshold limits. These transactions shall include but are not limited to the following:

- a) Commencement/postponement of commercial production of any unit/division;
- b) Arrangements for strategic, technical, manufacturing, or marketing tie-up;
- c) Adoption of new line(s) of business;
- d) Closure of operations of any unit, division or subsidiary (in entirety or in piecemeal);
- e) Capacity addition or product launch;
- f) Bagging or termination of orders/contracts not in the normal course of business;
- g) Agreements (viz. loan or other agreement(s) and their amendments) which are binding and not in normal course of business;

- h) The Agreements (which directly or indirectly) impact the management or its control or impose any restriction or create any liability on the company;
- i) Disruption of operations of any unit(s) of the listed entity whether due to natural causes or other events such as strikes, lockouts etc.;
- j) Effects of change in applicable regulatory framework;
- k) Pendency of litigation/dispute or outcome thereof which may have an impact on the listed entity;
- l) Frauds or defaults by employees (other than those covered under mandatory disclosure norms) which may have an impact on the listed entity;
- m) Options to purchase securities including any ESOP/ESPS Scheme;
- n) Giving guarantees / indemnity for any third party;
- o) Granting, withdrawal, surrender, cancellation, suspension of key licenses or regulatory approvals;
- p) Delay / default in payment of fines, penalties, dues, etc. to regulatory / judicial authority.

Note: The terms Consolidated financial statements used herein shall be with reference to the latest audited Annual Financial Statement of the Company.

- (iii) The Transactions referred to in Para B of Part A of Schedule III of the Listing Regulations, referred to in (ii) hereinabove, shall be disclosed to the Stock Exchanges if they are deemed to be material by virtue of meeting any of the criteria referred to in (ii) hereinabove.
- (iv) Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- (v) Without prejudice to what is stated above, the Company shall make disclosures of event/information as may be specified by SEBI from time to time.

1.3. The transactions referred to in para 1.1 and 1.2 hereinabove and meeting the criteria specified therein, shall for the purpose of this Code be deemed to be **Material**

Information, requiring disclosure to the Stock Exchanges in the manner contemplated in this Code.

- 1.4. The disclosure of **Material Information** to the Stock Exchanges shall contain the minimum information prescribed by SEBI from time to time. As on the date of this Code, the minimum information is contained in SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015 and Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023.
- 1.5. Matters related to Cyber Security shall be disclosed to the Stock Exchanges on quarterly basis.
- 1.6. All Material Information shall be submitted to the Chief Investor Relations Officer sufficiently in advance for finalization and dissemination to the Stock Exchanges.
- 1.7. Information not fulfilling any of the above criteria may be voluntarily disseminated to the media or investors without the need for disclosure to the Stock Exchanges or submission to the Investor Cell.
- 1.7. Investor Cell shall constitute of the following: -
 1. Chief Investor Relations Officer as designated by the Board
 2. Concerned Business Head or Representative
 3. Accounts & Finance Department Representative
 4. Legal Department Representative
 5. Branding & Communication Department Representative
 6. Corporate Secretarial Department Representative
- 1.8. Any communication to be made to the Stock Exchange, media outlets, including newspapers and news channels, whether in the form of Press Release or otherwise (herein collectively referred to as 'Investors Communication'), shall require the prior authorization of the Chief Investor Relations Officer.
- 1.9. The Chief Investor Relations Officer shall consider the recommendations of the Investor Cell for all such Investors Communications.
- 1.10. Further, any change to the Investor Section of the website of PCHFL (herein referred to as 'Investors Website Content') shall also require the prior authorization of the Chief Investor Relations Officer.
- 1.11. Notwithstanding anything to the contrary mentioned hereinabove, where any communication is required to be made to the Stock Exchanges in compliance with applicable regulatory requirements, such as disclosures relating to financial results, dividend and strategic proposals approved at Board Meetings, the same shall be so disclosed by the Company Secretary or the Assistant Company Secretary.



- 1.12 All such events or information which have been disclosed to the stock exchanges shall also be disclosed on the website of the Company.

Timelines

- 1.13 Any Investors Communication (other than presentations to be made to analysts) shall be submitted to the Investor Cell at least 5 working days prior to the date of the intended release and shall be kept confidential till the same becomes generally available.
- 1.14 Any query received from the Stock Exchanges seeking the Company's clarification on any news article concerning the Company or its securities, shall be clarified at the earliest to the Stock Exchanges.
- 1.15 The transactions referred to in para 1.2 shall be disclosed to the stock exchanges as soon as reasonably possible and in any case not later than the following:
- a. Thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
 - b. Twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
 - c. Twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity.

Further, disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the LODR Regulations shall be made within such timelines.

Note: The above timelines are subject to change, as may be prescribed/ notified by SEBI vide their circular(s)/ notification(s) amending the Listing Regulations.

The Company may on its own initiative shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information.

In case of a delay, an explanation for the delay would also have to be provided. The members of the Investors Cell and the Chief Investor Relations Officer shall take all necessary steps to adhere to these timelines.

Restriction on Trading in Securities while in possession of UPSI

- 1.16 Where any such Investors Communication is likely to be a Material Information, all persons who are involved in the preparation of or are privy to such Investors Communication, shall not trade in the securities of the Company until the expiry of 48 hours after the same is released to the Stock Exchanges or as the case may be, until the expiry of 48 hours after the transaction is cancelled or indefinitely postponed, whether or not the Trading Window is closed during such period in terms of the Insider Trading Code.
