



Enabling Holistic Dignified Living

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

Version History			
Version	Amendments	Date	Meeting in which adopted
1.0	First release	10.02.2023	Board

1. CODE OBJECTIVE

Light Microfinance Private Limited ("Light or **Company**") has listed its Non-Convertible Debentures on the Stock Exchange. In accordance with Regulation 8(1) read with Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**Regulations**"), the Company has framed this Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information ("**Code**") to outline the Company's approach towards fair disclosure of Unpublished Price Sensitive Information.

2. DEFINITIONS

(a) Unpublished Price Sensitive Information ("**UPSI**") means any information, relating to a Company or its securities, directly or indirectly, that is not generally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 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, Delisting, Disposals and Expansion of Business and such other transactions;
- (v) Changes in Key Managerial Personal.

(b) "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.;

The Words and expression used but not defined herein shall have the meanings as assigned under SEBI (Prohibition of Insider Trading) Regulations, 2015.

3. CHIEF INVESTOR RELATIONS OFFICER

The Company Secretary shall be Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner.

Functions of the Chief Investor Relations Officer shall be:

- Dealing with universal dissemination and disclosure of UPSI.
- Determination of questions as to whether any particular information amounts to UPSI in consultation with the Managing Director.
- Determination of response, if any, of the Company to any market rumour in accordance with this Code.
- Providing advice to any Insider as to any particular information may be treated as UPSI.

4. PRINCIPLES OF FAIR DISCLOSURE OF UPSI

- (a) The UPSI which will have an impact on price of securities of the Company shall be promptly disclosed to general public.
- (b) The UPSI shall not be disseminated selectively but it should be disseminated uniformly and universally.
- (c) The UPSI which gets disclosed selectively, inadvertently or otherwise, should be promptly disseminated to make it generally available.
- (d) The Company shall give appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- (e) The following practice shall be complied with while meeting with analyst, institutional investors and other investor relations conferences:
 - (i) No UPSI shall be shared with them and only information available in public domain shall be shared.
 - (ii) Any of the designated company officials shall remain present during meeting with them.
 - (iii) Transcripts or records of proceedings of meeting with them shall be placed on website of the Company within 30 days from meeting.
- (f) All the UPSI shall be handled on need-to-know basis.

5. MANNER OF DISCLOSURE OF UPSI

Subject to the laws applicable to the Company, the methods of public disclosure of information to ensure uniform distribution shall include either of the following:

- Distributing through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.
- Uploading the information on the website of the Company.

6. MARKET RUMOUR

The Company shall ordinarily not comment, affirmatively or negatively, in relation to market rumours. In the event that a stock exchange directs the Company to make a definitive statement in response to a market rumour, the CIRO, in consultation with the Managing Director, shall clarify the same to the stock exchanges.

7. POLICY FOR DETERMINING LEGITIMATE PURPOSE

“Legitimate purpose” shall include sharing of UPSI in the ordinary course of business or for the purpose of discharging legal obligation or performance of duties on a need-to-know basis. The term “legitimate purposes” shall be construed in accordance with the following principles:

- Sharing of UPSI with Company’s Collaborators, Lenders including Prospective Lenders, Customers, Suppliers, Merchant Bankers, Legal Advisors, Auditors, Credit Rating Agencies, Insolvency Professionals, Practising Company Secretaries, Registered valuers or other Advisors, Service Providers or Consultants, provided that such sharing has not been carried out with a view to evade or circumvent the prohibitions of the Regulations.
- Sharing of UPSI with a court of law or any governmental authority or a regulatory body on the basis of any order issued by them.
- Sharing of UPSI for any other purpose as may be prescribed under Regulations formulated by SEBI or the Companies Act, 2013 and Rules thereunder or any other law for the time being in force, as may be amended from time to time.

Whether sharing of UPSI for a particular instance tantamount to ‘legitimate purpose’ would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

- (i) Whether sharing of such UPSI is in the ordinary course of business of the Company;
- (ii) Whether sharing of such UPSI is in interest of the Company or in furtherance of a genuine commercial purpose; and
- (iii) Whether the nature of UPSI being shared is commensurate with the purpose for which access is sought to be provided to the recipient.

Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered as an insider for the purpose of the Regulations and due notice shall be given to such person which would inter-alia include the following:

- The information shared is in the nature of UPSI, confidentiality of such UPSI must be maintained, and such UPSI must not be disclosed by the recipient in any manner except in compliance with the Regulations.
- The recipient must not trade in the securities of the Company while in possession of UPSI.

Additionally, Structured Digital Database of recipients of UPSI shall be maintained by the Company in compliance with requirements of the Prohibition of Insider Trading Regulations.

8. AMENDMENT IN THE CODE

Any amendment to this code shall be approved by the Board of Directors of the Company. In the event that any provision of this Code conflicts with any law, rule or regulation that is in force for the time being, the said law, rule or regulation that is in force for the time being shall take precedence over the conflicting provision of the Code. However, such conflict between the provisions of the Code and any law, rule or regulation that is in force for the time being shall in no way affect or impair the validity, legality and enforceability of the remaining provisions of the Code
