

LENDINGKART FINANCE LIMITED

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

CONTENTS

LENDINGKART FINANCE LIMITED	1
PREAMBLE	3
I. Applicability	3
II. Definitions.....	3
III. Prohibition on Communication or procurement of UPSI	5
IV. Sharing of UPSI for legitimate purpose	5
V. Sharing of UPSI on a need-to-know basis	5
VI. Maintenance of Structure Digital Database.....	6
VII. Functions of the Chief Investor Relations Officer	6
VIII. Disclosure Policy	7
IX. Measures to deal with incidents of leakage or inadvertent disclosure etc., of UPSI / Material Information/ Events	7
X. Rumors: Market Rumors and response to queries	8
XI. Amendments to this Code	8
XII. Posting of the Code.....	8
XIII. Review of the Code	8

PREAMBLE

The Securities and Exchange Board of India has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “**Regulations**”). As per Regulation 8 read with Schedule A of the Regulations, every listed company has to frame a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as the ‘**Code**’). The Regulation intends to require companies to disseminate ‘Unpublished Price Sensitive Information’ (hereinafter referred to as ‘**UPSI**’) universally and not selectively. This Policy is intended to lay down principles and practices to be followed by Lendingkart Finance Limited (hereinafter referred to as ‘**Company**’) pertaining to universal disclosure of UPSI.

I. Applicability

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

II. Definitions

“**Applicable Law**” shall mean the Regulations, or any statute, law, listing regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider, who has access to UPSI.

“**Chief Investor Relations Officer**” (**CIRO**) means a senior officer of the Company who deals with dissemination and disclosure of UPSI in a fair and unbiased manner.

The Compliance Officer of the Company shall be deemed to be the Chief Investor Relations Officer. The name and designation of such officer shall be published on the website of the Company.’

“**Connected person**” means Connected Person as defined under Regulations and shall also include directors and key managerial personnel of the Company.

“**Designated Persons**” shall mean and include the following:

- a. All Directors of the Company;
- b. Chief Executive Officer (CEO), Chief Financial Officer (CFO) or any such equivalent position, Company Secretary and Functional Heads;
- c. Employees up to two levels below CEO, of the Company, and its material subsidiaries irrespective of their functional role in the Company, ability to have access to unpublished price sensitive information or their seniority and professional designation;
- d. Employees of the Company, or employees of the material subsidiaries of

the Company, designated on the basis of their functional role or working in the inside areas or having access to UPSI in the organization, as may be determined by the Board of Directors and/or the Compliance Officer from time to time;

- e. Promoters of the Company;
- f. Any support staff of the Company such as IT staff or secretarial staff who have access to unpublished price sensitive information.

“Immediate Relatives” means spouse of the Designated Person, and includes parent, sibling, and child of the Designated Person or of the spouse, any of whom is either dependent financially on such person, or consults the Designated Person in taking decisions relating to trading in securities;

“Insider” means any person who is

- (i) a Connected Person or
- (ii) in possession of or having access to Unpublished Price Sensitive Information.

“Promoter” and **“Promoter group”** shall have the same meaning assigned to them in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

“Selected Group of Persons” means securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.

“Unpublished Price Sensitive Information”/ (“UPSI”) 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 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 personnel.

It is clarified that information relating to the Company or securities, that is not generally available would be UPSI 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 UPSI have been listed above to give illustrative guidance of UPSI.

III. Prohibition on Communication or procurement of UPSI

No insider when in possession of any UPSI, as defined in the Regulations, pertaining to the Company, shall communicate, provide or allow access to any UPSI to/from any person including other insiders, except in furtherance of a legitimate purposes or performance of duties or discharge of legal obligations.

IV. Sharing of UPSI for legitimate purpose

- UPSI is in the nature of information relating to the Company, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.
- Till the UPSI becomes a generally available information, it can be shared only on a need-to-know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the prohibitions of the Regulations.

V. Sharing of UPSI on a need-to-know basis

- All Employees and Directors of the Company, under the PIT Regulations, shall ensure that sharing of UPSI relating to the Company and/ or that of its securities, including onward communication, is done strictly on a need-to-know basis and in line with this Code and the Insider Trading Code.
- No UPSI relating to the Company and/or that of its securities, shall be procured/ communicated by employees, DPs and Directors of the Company, to any person(s) except in furtherance of legitimate purposes, performance of his/ her duties or legal obligations, for and on behalf of the Company.
- Legitimate purpose for the purpose of this Code, shall mean legitimate transactions undertaken for performing a fiduciary duty in the interest of the Company, or transactions undertaken in public interest, or transactions undertaken without any intent to make unlawful profit or gain or without a view to misuse UPSI relating to the Company, or the like, which is not intended to evade or circumvent the provisions of the PIT Regulations.

It is further clarified that "legitimate purpose" shall include sharing of UPSI in the ordinary course of business on a need to know basis with Statutory/ Regulatory Authorities, professional firms (Statutory Auditors, Secretarial Auditors, Accountancy firms, Law firms, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, secretarial auditors, insolvency professionals or other advisors or consultants who are advising the Company, provided that such sharing of UPSI is not been carried out to evade or circumvent the provisions of the PIT Regulations.

- Communication/ procurement of UPSI relating to the Company shall be considered to have been carried out for legitimate purpose, under any one or more of the following circumstances:
 - Sharing of UPSI for the performance of fiduciary duties, or discharge of legal obligations in the ordinary course of the business of the Company, duly authorized by the Company in writing;
 - Sharing of UPSI for any other purpose as may be prescribed under any applicable law for the time being in force, as amended, from time to time;
 - Any person in receipt of UPSI relating to the Company, pursuant to a legitimate purpose shall be considered an "Insider" under Regulation 3 (2B) of the PIT Regulations and due notice shall be given by the Company to such persons, who shall be responsible for maintaining confidentiality of such UPSI, in compliance with the PIT Regulations. Such Insider, shall abide by the Code, formulated and adopted by the respective intermediaries/fiduciaries, under Regulation 9 (2) read with Schedule C of the PIT Regulations.
- Before sharing UPSI, the concerned Designated Person shall comply with the requirements in relation to circumstances and procedure for bringing people 'inside' as provided in Code of Conduct for Prohibition of Insider Trading.

VI. Maintenance of Structure Digital Database

The Managing Director under the supervision of the Board of Directors shall be responsible to maintain a structured digital database of such persons who have shared the information and also the names of such persons with whom information is shared, which shall contain the following information;

- (i) Name of such person
- (ii) Postal Address and E-mail ID of such person
- (iii) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The Managing Director shall also be responsible to ensure that such databases shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

The Managing Director ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings

VII. Functions of the Chief Investor Relations Officer

- Dealing with universal dissemination and disclosure of UPSI.
- Determination of questions as to whether any particular information amounts to UPSI.

- Determination of response, if any, of the Company to any market rumor in accordance with this Code.
- Dealing with any query received by any Insider about any UPSI.

If an Insider receives a query about any UPSI related to the company, he shall not comment on the same and shall forward such query to the Chief Investor Relations Officer. The Chief Investor Relation Officer shall deal with such query in accordance with Applicable Law and this Code in consultation with the Managing Director.

VIII. Disclosure Policy

The Company shall:

- Ensure prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- Ensure uniform and universal dissemination of UPSI to avoid selective disclosure.
- Ensure if an Insider 'selectively' discloses any UPSI to any person including the Selected Group of persons then prompt disclosure of such information shall have to be made by the Chief Investor Relations Officer to the public.
- Ensure that information shared with analysts and research personnel is not UPSI.
- 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.

Subject to the Applicable Law, 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.

IX. Measures to deal with incidents of leakage or inadvertent disclosure etc., of UPSI / Material Information/ Events

- The Company shall take necessary steps to prevent leakage of UPSI and/ or material information/ events, in the interest of the stakeholders of the Company.
- However, in the event of such UPSI and/ or material information/ event is inadvertently leaked, the CIRO of the Company shall on becoming aware of such leakage, in the media (including social media) shall in consultation with the CFO & Managing Director, take effective steps to disseminate such information to the Stock Exchanges and upload on the website of the Company. Said disclosure shall contain relevant information as can be furnished without compromising the business interests of the Company and that of its stakeholders, and without waiting for any query from the Stock Exchanges, in this regard.

X. Rumors: Market Rumors and response to queries

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries on news reports and requests for verification of market rumors by regulatory authorities.

XI. Amendments to this Code

The Board of Directors are authorized to make such amendments to this Code as considered appropriate, subject, to the condition that such amendments shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company will promptly intimate any amendment to this Code to the stock exchange.

XII. Posting of the Code

This Code shall be posted on the website of the Company.

XIII. Review of the Code

The Code shall be reviewed at yearly interval or earlier if considered necessary by the Board of Directors.