

FUSION FINANCE LIMITED (Formerly Fusion Micro Finance Limited)

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**CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF
FUSION FINANCE LIMITED
(PURSUANT TO REGULATION 9(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015)**

CHAPTER-I

1.0 Preliminary:

Fusion Finance Limited (“**Company**”) endeavors to preserve the confidentiality of Unpublished Price Sensitive Information (as defined hereinafter) and to prevent misuse of such information. In this regard this code of conduct for prevention of insider trading is framed by the Board of Directors of the Company (“**Board**”) pursuant to Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This code shall be called “**The Code of Internal Procedures and Conduct for Prevention of Insider Trading in Securities of Fusion Finance Limited**”. Every Designated Person (as defined hereinafter) has a duty to safeguard the confidentiality of all Unpublished Price Sensitive Information obtained in the course of his or her work in the Company or which comes to his or her knowledge during his or her association with the Company. The Designated Persons or any Immediate Relative of such Designated Persons shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information which is not in the public domain and thus constitutes insider information.

This Code shall come into effect from the date of the listing of equity shares on stock exchange.

CHAPTER II

2.0 Objectives:

The Company is committed to:

- i) preserving the confidentiality and preventing misuse of any unpublished price sensitive information about the Company or any of its securities;
- ii) adherence to transparency and fairness in dealing with all stakeholders of the Company; and
- iii) strict compliance with applicable regulations of the Securities and Exchange Board of India and the relevant provisions of the Companies Act, 2013.

CHAPTER III

3.0. Definitions: Definitions of some of the key terms used in the Code are given below:

- i) “**Board**” means Board of Directors of Fusion Finance Limited
- ii) “**Committee**” shall mean Audit Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- iii) “**Code**” means this Code of Internal Procedures and Conduct for Prevention of Insider Trading including any modification(s) or amendment(s) made thereto from time-to-time or any replacement made thereof by the Company.
- iv) “**Company**” means Fusion Finance Limited, its subsidiaries and its associates and may be referred to as ‘the Company’ in this or in relation to Insider Trading Code;

- v) **“Compliance Officer”** means Company Secretary or such other Senior Officer designated by the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under SEBI regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the Insider Trading Code of the Company under the overall supervision of the Board of the Company.

“Explanation – For the purpose of this definition, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.”

- vi) **“Connected Person”** and **“Deemed Connected Person”** shall mean:

any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

Any person(s) falling within the following categories shall be deemed to be connected persons, unless the contrary is established:

- (a) a ~~immediate~~ relative of Connected Persons; or
- (b) a holding company or associate company or subsidiary Company; or
- (c) an intermediary as specified in Section 12 of the SEBI Act or an employee or director thereof; or
- (d) an investment company, trustee company, asset management company or an employee or director thereof; or
- (e) an official of a stock exchange or of clearing house or corporation; or
- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- (g) a member of the Board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i) a banker of the Company; or
- (j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.
- (k) a firm or its partner or its employee in which a connected person is also a partner;
- (l) a person sharing household or residence with a connected person.

- vi. **“Designated Persons”** shall include:

- i) All the promoters of the Company.
- ii) All members of the Promoter Group of the Company.
- iii) All Directors on the Board of Directors of the Company;

- iv) All other Directors other than (i) above;
- v) All Key Managerial Personnel of the Company and its subsidiaries
- iv) Other Officers comprising of the top three tiers of the management
- v) All executives working in the following departments, who may have access to Unpublished Price Sensitive Information:
 - Company Secretariat;
 - Investor Services Cell;
 - Accounts and Finance;
 - Internal Audit;
 - Sales Marketing;
 - Corporate Strategy & Planning;
 - Project Monitoring;
 - Corporate Communication & Public Relation;
 - Technical Associates/ Secretaries to Chairman, MD & CEO, Directors and CFO;
 - Secretaries (Executives) to all functional Directors;
 - any other employee of the Company, as may be approved by the Board of Directors of the Company.
 - immediate relative of the above.

Note 1: Depending on the change in the scope of responsibility of an employee, the Compliance Officer with the approval of the Chairman of the Company may exclude any employee from the list of Designated Person.

Note 2: In case any Designated Person separates from the services of the Company due to superannuation/ resignation/termination etc. he/she shall continue to be considered as a Designated Person for a further period of 6 (six) months subsequent to the date of his/her separation from the Company as envisaged under the Regulations.

- vii. **“Immediate Relative”** means the spouse of the concerned person, and includes parents, siblings and children of such person or of the spouse, provided any of them is financially dependent on such person, or consults such person while taking any decision relating to Trading.
- v. **“Insider”** means any person who,
 - i. is a Connected Person, or
 - ii. is in possession of, or has access to Unpublished Price Sensitive Information.
- vi. **“Officers”** includes any Director, Company Secretary, CFO or any person (including an auditor of the Company, wherever applicable) in accordance with whose directions or instructions the Board or any one or more of the Directors are accustomed to act.
- vii. **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- viii. **“Promoter Group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- ix. **“relative”** shall mean the following:
 - (i) spouse of the person;
 - (ii) parent of the person and parent of its spouse;

- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at (iii); and
- (vi) spouse of the person listed at (iv)

- x. **“Regulations”** means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendment made thereof.
- xi. **“SEBI”** means the Securities and Exchange Board of India.
- xii. **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof.
- xiii. **“Trading”** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any Securities of the Company, and the terms **“Trade”** and **“Traded”** shall be construed accordingly.
- xiv. **“Trading Day”** means a day on which the recognized stock exchanges are open for Trading.
- xv. **“Trading Plan”** is a plan formulated by an Insider and presented to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on behalf of the Insider in accordance with such plan as per Clause 5(1) of the SEBI Regulations.
- xvi. **“Trading Window”** shall mean the trading period of the Stock Exchanges which is available for trading in the Company’s securities.
- xvii. **“Unpublished Price Sensitive Information”** 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 Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:
 - i Periodical audited or un-audited financial results of the Company;
 - Intended declaration of dividends (both interim and final) by the Company;
 - Issue of Securities of the Company or buy-back of Securities by the Company or any other change in the capital structure of the Company;
 - Any major expansion plans of or execution of new projects by the Company;
 - Any amalgamation, mergers, de-mergers, acquisitions/takeovers, delisting proceedings and such other transactions involving the Company;
 - Disposal of the whole or a substantial part of the undertaking by the Company;
 - Any significant changes in policies, plans or operations of the Company;
 - Any proposed joint venture/ foreign collaboration and major consultancy work in India or abroad;
 - Any change in status of the Company;
 - Any change in key managerial personnel of the Company;
 - Any other event as may be notified by the Company from time to time.

“Working day” shall mean the working day when the regular Trading is permitted on the concerned stock exchange where the Securities of the Company are listed.

All capitalized terms used in this Code but not defined herein shall have the meanings assigned to them under the Regulations, Act, the Companies Act, 1956 or Companies Act, 2013 as the case may be.

CHAPTER IV

4.0. Policy and Its Applicability

4.1. Applicability

This Code shall be applicable to all the Designated Persons of the Company, subsidiaries and associates.

4.2 Policy

1. No Designated Person - when in possession of any unpublished price sensitive information about, or in relation to the Company or any of its securities - shall:
 - Trade or have dealings in the securities of the Company, either on his/her behalf or on behalf of any other person;
 - Communicate, provide or allow access to, or counsel, directly or indirectly, any unpublished information relating to the Company or any of its securities, to any other person, except on a need to know basis in furtherance of legitimate purposes in relation to the Company.
2. All Directors, Key Managerial Personnel and /or Designated Persons or their Immediate Relatives shall conduct their trading in the securities of the Company only during or in a valid trading window strictly in compliance with this Code, more specifically as per Chapter VIII.

CHAPTER V.

5.0 PRESERVATION OF – UNPUBLISHED PRICE SENSITIVE INFORMATION

- 5.1 All the Designated Persons shall maintain the confidentiality of all Unpublished Price Sensitive Information coming into their possession or control and shall not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including any other Insiders.

To comply with this confidentiality obligation, all the Designated Persons shall not, *inter alia*:

- (i) pass on Unpublished Price Sensitive Information to any person directly or indirectly, by way of making a recommendation for the purchase or sale of Securities of the Company, or
- (ii) disclose Unpublished Price Sensitive Information to their family members, friends, business associates or any other individual, or
- (iii) disclose Unpublished Price Sensitive Information in public places, or
- (iv) disclose Unpublished Price Sensitive Information to any other employee who does not need to know the information for discharging his or her professional duties, or
- (v) recommend to anyone that they may undertake Trading while being in possession, control or knowledge of Unpublished Price Sensitive Information, or
- (vi) be seen or perceived to be Trading on the basis of Unpublished Price Sensitive Information.

Provided that nothing contained above shall be applicable to any communication of or access to Unpublished Price Sensitive Information required in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

5.2 **Limited access to Unpublished Price Sensitive Information:**

All the Designated Persons who are privy to the Unpublished Price Sensitive Information shall, in preserving the confidentiality of the same, and to prevent its wrongful dissemination, adopt among others, but not limited to, the following safeguards:

- to keep files containing Unpublished Price Sensitive Information secured;
- to keep computer files with adequate security of login through a password; and
- to follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time to time.

5.3 **Need to know:**

All the Designated Persons, who are privy to Unpublished Price Sensitive Information, shall handle the same strictly on a need to know basis. This means the Unpublished Price Sensitive Information shall be disclosed only to those persons within the Company who need to know the same in the course of performance or discharge of their respective professional duties or for the discharge of legal obligations or in furtherance of legitimate purposes and that the possession of Unpublished Price Sensitive Information will not in any manner give rise to a conflict of interest or likelihood of misuse of the Unpublished Price Sensitive Information.

Legitimate Purpose

5.4 **Legitimate Purpose**

The term “legitimate purpose” shall include sharing of UPSI 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 the Regulations. Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

5.5 **Chinese Wall**

- 5.5.1 To prevent the misuse of Unpublished Price Sensitive Information the Company has adopted a “Chinese Wall” policy whereby those areas of the Company which routinely have access to Unpublished Price Sensitive Information, considered “inside areas” are separated from areas which deal with sale/marketing/investment advise or other departments providing support services, considered “public areas”.
- 5.5.2 The Designated Persons in the inside area shall not communicate any Unpublished Price Sensitive Information to any one in public area.
- 5.5.3 The Designated Persons in inside area may be physically segregated from Designated Persons in public area and the Company may choose to demarcate various departments as inside area.
- 5.5.4 Only in exceptional circumstances Designated Persons from the public areas may be brought “over the wall” and given Unpublished Price Sensitive Information on the basis of “need to know” criteria, under intimation to the Compliance Officer.

CHAPTER-VI

6.0 Trading Plans

- 6.1 Designated Persons shall be entitled to formulate a Trading Plan which has to be approved by the Compliance Officer and be subject to public disclosure (“**Trading Plan**”), pursuant to which Trading may be carried out by him/her either in their own name or on behalf of their Immediate Relatives. After approval of such Trading Plan, the Compliance Officer shall notify the same to the concerned stock exchanges in which the Securities of the Company are listed.

- 6.2 The Trading Plan shall provide for a cooling off period of one hundred and twenty calendar days from the public disclosure of the Trading Plan, before commencement of Trading by or on behalf of the Designated Persons or on behalf of their Immediate Relatives.
- 6.3 The Trading Plan should not entail overlap of any period for which another Trading Plan is already in operation.
- 6.4 The Trading Plan should set out the nature of Trading envisaged therein, (i.e., acquisition or disposal), the value and number of Securities of the Company to be Traded, and specific dates or time period not exceeding five consecutive trading days intervals on which Trading shall take place.
- 6.5 The Trading Plan shall not envisage Trading for market abuse or breach the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003.
- 6.6 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the Regulations and shall be entitled to seek such express undertakings as may be necessary to enable assessment and to approve and monitor the implementation of the Trading Plan.
- 6.7 Once a Trading Plan is approved, it shall be irrevocable and the Designated Persons shall be bound to implement the same without any deviation except due to permanent incapacity or bankruptcy or operation of law, and shall not be permitted to execute any Trading beyond the scope of such Trading Plan.

However, if any Unpublished Price Sensitive Information is in possession of a Designated Person at the time of formulation of the Trading Plan and such information has not become accessible to the public on a non-discriminatory basis at the time of the implementation of such Trading Plan, then the implementation of the Trading Plan will not commence.

CHAPTER VII

7.0 TRADING WINDOW:

- 7.1 The Company shall specify a Trading period for Designated Persons, to be called – “Trading Window”, for Trading in compliance with the Regulations.
- 7.2 All the Designated Persons or their Immediate Relatives and the category of persons mentioned in Clause 7.2 above, shall not be involved in the Trading either in their own name or in the name of their Immediate Relatives when the Trading Window is closed. The Trading Window shall be closed/re-opened as may be determined by the Compliance Officer in the following events:

S. No.	Events/ Particulars (tentative)
1	2
(i)	Declaration of financial results of first quarter
(ii)	Declaration of Half-yearly financial results
(iii)	Declaration of financial results of third quarter
(iv)	Declaration of annual audited financial results
(v)	Intended declaration of dividends (both interim and final)
(vi)	Issue of Securities of the Company (public/right/bonus) or buy-back of Securities or any other change in the capital structure of the Company
(vii)	Any major expansion plans or execution of new projects
(viii)	Amalgamation, mergers or takeover
(ix)	Disposal of the whole or a substantial part of the undertaking

(x)	Any significant changes in policies, plans or operations of the Company
(xi)	Any proposed Joint Venture/ Foreign Collaboration and major Consultancy work in India or abroad
(xii)	Any change in status of the Company
(xiii)	Any other event as may be notified by the Company from time to time including the Press Conferences

7.4 In addition to the circumstances specified in Clause 7.3 above, the Trading Window shall be closed when the Compliance Officer determines that a Designated Person, or a class of Designated Persons are reasonably expected to be in possession of Unpublished Price Sensitive Information, provided however, the Trading Window shall be closed in relation to only those Securities of the Company to which such Unpublished Price Sensitive Information relates to. The time for re-opening of the Trading Window shall be determined by the Compliance Officer after analyzing various factors including the fact that the Unpublished Price Sensitive Information has become accessible to the public on a non-discriminatory basis and being capable of assimilation by the market and such time for re-opening of the Trading Window shall not be in any event earlier than 48 (forty eight) hours after the Unpublished Price Sensitive Information has become accessible to the public on a non-discriminatory basis.

7.5 The remaining days of a year other than the days mentioned under Clause 7.3 and 7.4 above shall be called “**Valid Trading Window**”.

All the Designated Persons shall conduct all their Trading either in their own name or in the name of their Immediate Relatives **only during a Valid Trading Window** and shall not deal in any transaction involving the Trading when the Trading Window is closed.

7.6 In case of employee stock option schemes (“**ESOPs**”), exercise of option may be allowed in the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the Trading Window is closed. The restrictions that disallow Trading when the Trading Window is closed., as referred above, shall not apply in respect of:

- (a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to Regulation 4(1) of the Regulations and in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by SEBI;
- (b) transactions which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

CHAPTER VIII

8.0 PRE-CLEARANCE OF TRADING IN SECURITIES

8.1 Applicability:

Every Designated Person who intends to conduct Trading either in his/her own name or in the name of his/her Immediate Relatives (i) beyond the minimum threshold limits mentioned in Clause 8.2 below and (ii) has not submitted a Trading Plan in accordance with Clause 6 of this Code, which has been approved by the Compliance Officer, shall obtain pre-clearance of the transactions as per the pre-Trading procedure as described hereunder.

Application for pre-clearance shall be made only during Valid Trading Window period. Applications submitted during a period when the Trading Window is closed shall be invalid and will be deemed to have been automatically rejected.

8.2 Pre-clearance will not be necessary if the aggregate market value of the Trade to be carried out, whether in one transaction or a series of transactions over any calendar quarter, is less than Rupees 10,00,000/-. Pre-clearance shall be valid for the Trades to be done within 1 (one) week from taking pre-clearance.

8.3 **Pre-clearance Procedure:**

All Designated Persons required to obtain pre-clearance of the transactions as per the provisions of Clause 8.1 above, shall make a pre-clearance application to the Compliance Officer. The application shall indicate the estimated number of Securities of the Company that the Designated Persons or their Immediate Relatives intend to Trade in, the details as to the depository with which he/she has a security account, the details as to Securities of the Company in such depository mode and such other details, as may be required by the Compliance Officer from time-to-time in this behalf.

An undertaking shall be executed in favour of the Company by such Designated Persons incorporating, *inter alia*, the following clauses, as may be applicable:

- (a) that he/she does not have any access or has not received Unpublished Price Sensitive Information up to the time of signing the undertaking;
- (b) that in case he/she has access to or receives Unpublished Price Sensitive Information after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his/her position and that he/she would completely refrain from Trading till the time such information becomes accessible to the public on a non-discriminatory basis;
- (c) that he/she has not contravened this Code as notified by the Company from time to time;
- (d) that he/she shall hold their investments in Securities of the Company for a minimum holding period as specified under Clause 8.6;
- (e) that he/she undertakes to submit the necessary report within two working days of execution of the transaction or a "Nil" report, after the expiry of one week from the date of the pre-clearance approval if the transaction is not undertaken;
- (f) that he/she is aware that, he/she shall be liable to face penal consequences as set forth in this Code including disciplinary action under this Code, in case the above declarations are found to be misleading or incorrect at any time;
- (g) that he/she hereby undertakes not to conduct Trading in the sanctioned period in case the Trading Window is declared closed subsequently;
- (h) that he/she has made a full and true disclosure in the matter.

A combined proforma for application-cum-undertaking is annexed to this Code as Form-II.

All the Designated Persons shall execute documents as may be prescribed by the Compliance Officer from time-to-time. Such application for pre-Trading approval with enclosures must necessarily be sent through electronic mail followed by hard copies of all the documents.

8.4 (A) **Approval:**

- (a) Immediately on receipt of a pre-clearance application, the date and time of the receipt of the same shall be recorded thereon by the Compliance Officer. The Compliance Officer shall process the said pre-clearance application and if pre-clearance application is in accordance and in compliance with provisions of this Code, the Compliance Officer shall endeavor to communicate the pre-clearance immediately but not later than 48 (forty eight) working hours from the time of receiving the application.
- (b) Trading by the Compliance Officer shall require prior clearance from the Chairman.
- (c) Every approval letter shall be issued in the format prescribed in Form-III as annexed to this Code or in such other format as may be prescribed by the Company from time-to-time. Every approval shall be dated and shall be valid for a period of 7 (seven) days from the date of approval, however such approval shall automatically deemed to be withdrawn if such period is superseded by closure of the Trading Window. If a Trade is not executed by the Designated Persons pursuant to the approval granted by the Compliance Officer within 7 (seven) days, then such Designated Person shall apply once again to the Compliance Officer for fresh pre-clearance of the transaction.

8.4 (B) (a) **The competent person or authority to accord pre-clearance shall be as follows:**

(i) For Chairman and Managing Director	The Compliance Officer is the approving authority
(ii) For Directors on the Board of Directors, CFO and Compliance Officer:	Managing Director
(iii) For other Designated Persons:	Compliance Officer.

- (ii) The Compliance Officer shall duly report to the Chairman the details of pre-clearance(s), if any, accorded during a month within 10 (ten) days of the commencement of the following month and shall submit a consolidated report, if any, to the Board annually.

8.5 **Completion of Pre-cleared Trading:**

- (a) All the Designated Persons who intend to trade in the Securities of the Company either in his/her own name or in the name of his/her Immediate Relatives shall ensure that they complete execution of every pre-cleared Trading as prescribed above within 7 (seven) days from the date of the approval. Such Designated Persons shall file within 2 (two) working days of the execution of the transaction, the details of such transaction, with the Compliance Officer in the format prescribed in Form-V, as annexed to this Code. In the event of executing the transaction or not executing the transaction, a report to that effect shall be filed with the Compliance Officer also in the format prescribed in Form-V, as annexed to this Code.
- (b) The Compliance Officer shall maintain a register for pre-clearance of Trading and record therein the name and designation of the person submitting the application, date of the application, date and time of receipt of the application, nature of the transaction, number of Securities to be Traded, consideration value, name of the Immediate Relative, if the transaction is in the name of the Immediate Relative and date and details of the actual transaction. A proforma of the register is annexed to this Code as Form-IV.

8.6 **Holding Period:**

- 8.6.1 All Designated Persons who buy or sell any number of Securities of the Company, shall not enter into a contra trade, i.e. sell or buy any number of Securities of the Company during the next 6 (six) months following the prior transaction. This shall not be applicable for trades pursuant to exercise of stock options.

- 8.6.2 The Compliance Officer may waive the holding period after recording in writing his/her reasons in this regard, provided such waiver does not violate the Regulations. In respect of the Compliance Officer, such relaxation shall require prior approval of the Chairman. However, no such sale or purchase will be permitted when the Trading Window is closed. Provided however, that the decision of the Compliance Officer/ Chairman (as the case may be) with regard to waiver of the holding period shall be at the sole discretion of the Compliance Officer/ Chairman (as the case may be) and such decision shall be final.
- 8.6.3 In the event a Designated Person executes a contra trade as described in Clause 8.6.1 above, inadvertently or otherwise, in violation of the restriction specified in this Code, the profits from such a Trade shall be liable to be disgorged for remittance to SEBI for credit to Investor Protection and Education Fund administered by SEBI under the Act.
- 8.6.4 The Compliance Officer shall also maintain a register of waiver of restriction on holding period and shall record thereon the name of the Designated Persons, details of Securities of the Company for which waiver is granted, date of such waiver and the grounds for grant of the waiver. A proforma of the register is annexed to this Code as Form - VI.

8.7 Advice regarding Pre-Clearance:

In case of doubt, the Designated Persons shall consult the Compliance Officer or such other officer designated by him/her from time to time whether the provisions relating to pre-clearance are applicable to any proposed transaction to be made by such Designated Persons in the Securities of the Company.

CHAPTER IX

9.0 REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES

9.1 Furnishing of details of Securities:

All the Designated Persons shall be required to forward following details of the transactions in Securities of the Company either in their own name or in the name of their Immediate Relatives to the Compliance Officer:

A. Disclosures by Designated Persons

Initial disclosure:

- (a) If any Designated Person does not hold any Securities of the Company either in his/her own name or in the name of his/her Immediate Relatives at the time of joining the Company or becoming a Designated Person, as the case may be, but subsequently acquires Securities of the Company, he/she shall make disclosure of such acquisition within 2 (two) working days as per the Proforma disclosure form provided in Form-VIII annexed hereto.
- (b) Any person on becoming a Designated Person shall disclose Securities of the Company held either in his/her own name or in the name of his/her Immediate Relatives, as on the date of becoming a Designated Person, within 7 (seven) days of becoming a Designated Person, in the format prescribed in Form-VII annexed hereto.

Annual Disclosure

- (c) Every Designated Person shall disclose all holdings in Securities of the Company including that of his/her Immediate Relatives, as on March 31 of the relevant financial year and in the format prescribed in Form-IX annexed hereto, within seventh day of the next month.

Continual disclosure

- (d) Every Designated Person shall disclose the number of Securities of the Company acquired or disposed by him or her or by his/her Immediate Relatives, within 2 (two) Trading Days of such transaction, **if the value of such Securities Traded, whether in one transaction or a series of transactions over a calendar quarter aggregates to a Traded value of more than Rupees ten lakhs.** The Compliance Officer shall notify the concerned stock exchanges in which the Securities of the Company are listed, about the particulars of the above Trading, within two Trading Days of the receipt of such disclosure or from becoming aware of such information.

Other disclosure by designated Persons

- (f) Every designated person shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
- a) immediate relatives
 - b) persons with whom such designated person(s) shares a material financial relationship
 - c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from the designated person during the immediately preceding twelve months, equivalent to at least 25% of ~~such payer’s~~ annual income of the designated person but shall exclude relationships in which the payment is based on arm’s length transactions.”

B. Disclosures by other Connected Persons

- (g) The Compliance Officer may, in addition to the abovementioned disclosures, require any Connected Person or class of Connected Persons to make disclosures regarding holdings in Securities of the Company and Trading in such format and at such frequency as may be determined by the Compliance Officer in consultation with the Board in order to monitor compliance with the Regulations.
- 9.2 The Compliance Officer shall maintain records of all the declarations, initial disclosures, continual disclosures, other disclosure by Designated Persons and disclosures by Connected Persons, received under sub-clause 9.1 above for a minimum period of 5 (five) years. A proforma of the register to be maintained is given in Form-X annexed hereto.
- 9.3 The Compliance Officer shall maintain a register of all the Designated Persons as per Form-XI.
- 9.4 The Compliance Officer shall place before the Chairman of the Board or before such other senior officer or committee as may be specified in this behalf by the Chairman of the Board on a monthly

basis, the details of all the disclosures reported in terms of Clause 9.1 to 9.3 together with the completed Forms I to XI (as applicable) and the documents submitted.

CHAPTER X

10.0 PENALTY FOR CONTRAVENTION:

10.1 All Designated Persons shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her Immediate Relatives).

10.2 All Designated Persons, who violate this Code shall, in addition to any other penal action that may be taken by the Company pursuant to law. Without prejudice to any other powers of the Board or the Committee, the Committee may also stipulate sanctions such as wage freezing recovery, imposition of penalty and suspension for any violation of this Code.

10.3 Action taken by the Company for violation of the Regulations and this Code against any Designated Person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.

10.4. Under Section 15G of the Act, any Insider who indulges in insider trading in contravention of regulation 3 and regulation 4 of the Regulations will be liable to a penalty of **Rupees Twenty five crores or three times of the amount of profits made out of insider trading, whichever is higher.**

10.5 Under Section 24 of the Act, anyone who contravenes the Regulations is punishable with imprisonment for a maximum period of ten years or with fine which may extend to Rupees twenty five crores or with both.

10.6 Without prejudice to its rights under Section 24 of the Act and under Clause 10 of the Regulations, SEBI can also pass any or all of the following orders to an Insider found indulging in insider trading:

- directing him/ her not to be involved in Trading in any particular manner.
- prohibiting him/ her from disposing of any of the Securities of the Company acquired in violation of the Regulations.
- restraining him/her from communicating or counseling any other person Trading.
- declaring the transactions in Securities of the Company as null and void.
- directing the person who acquired Securities of the Company in violation of the Regulations, to deliver the Securities of the Company back to the seller or alternatively pay the seller the price as provided.
- directing him/her to transfer specified amount to investor protection fund of a recognized stock exchange.

10.7 In case it is observed by the Compliance Officer that there has been a violation of the Regulations by a Designated Person (including that of his/her Immediate Relatives), the Compliance Officer shall forthwith inform the Chairman about the violation and shall also simultaneously inform SEBI about such violation. The Compliance Officer shall initiate penal action on obtaining suitable directions from the Chairman.

11. CLARIFICATIONS:

For all queries concerning this Code, all employees of the Company may please contact the Compliance Officer.

12. GENERAL:

Designated Persons are advised to read this Code and the Regulations carefully and acquaint themselves with the provisions contained therein.

Fusion Finance Limited

FORM-I

REGISTER OF PERIODS OF CLOSURE OF TRADING WINDOW

S. No.	Purpose for which trading window closed	Start date of closure of Trading Window	Date of opening Trading Window	Date of notifying closure/opening of Trading Window	Remarks

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-II

APPLICATION FOR PRE-CLEARANCE OF TRADING IN SECURITIES OF THE COMPANY

To
The Compliance Officer
Fusion Finance Limited

Dear Sir,

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, and the Company's Code of Internal Procedures and Conduct for Prevention of Insider in Securities ("Code"), I seek approval for purchase/ sale/subscription of the Securities of the Company (give description) as per the details given below:

Name, Designation & Emp. No.:

Department:

Date of becoming the Designated Person:.....

S.No.	No. of Securities held (including the Securities held by Immediate Relative as on the date of application)	Folio No. / DP ID & Client ID	Nature of new transaction for which approval is sought	Estimated number of Securities to be dealt
1	2	3	4	5

Estimated consideration value	Whether proposed transaction under self name or by Immediate Relative	Name of Immediate Relative, if transaction is made by Immediate Relative	Date of purchase / allotment	Previous approval no. and date of purchase/ allotment
6	7	8	9	10

UNDERTAKING

In this connection I solemnly confirm and declare that:

- a) I do not have access and/or have not received any "Unpublished Price Sensitive Information" up to the time of signing the undertaking;
- b) in case I have access to or receive Unpublished Price Sensitive Information after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of any

change in my position and that I shall refrain from Trading till the time such information becomes accessible to public on a non-discriminatory basis;

- c) I have not contravened the provisions contained in this Code and in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as notified by the company from time to time.
- d) I shall hold the Securities of the Company for a minimum holding period as specified under Clause 8.6 of this Code.
- e) I undertake to submit the necessary report within 2 (two) working days of execution of the transaction/ a "Nil" report, after the expiry of 1 (one) week from the date of the pre-clearance approval, if the transaction is not undertaken.
- f) I am aware that, I shall be liable to face penal consequences as set forth in this Code including disciplinary action under this Code, in case the above declarations are found to be misleading or incorrect at any time.
- g) I hereby undertake not to transact in Securities of the Company in the sanctioned period in case Trading Window is declared closed subsequently during such sanctioned period.
- h) I hereby made a full and true disclosure in the matter.

Pre-clearance may kindly be accorded in terms of provisions of this Code.

Capitalized terms used herein, unless defined herein, shall have the same meaning assigned to them in this Code.

Date
Place....

Signature
Name & Designation....

FOR OFFICE USE

Serial number of the application received:.....
Date & time of receipt of the application:.....
Date & time of communication of the pre-clearance or otherwise:.....
Reasons for not giving pre-clearance:.....
Signature of the Compliance Officer/ Authorised Officer.....

**Fusion Finance Limited
FORM-III**

LETTER OF INTIMATION OF PRE-CLEARANCE

Name...
Employee No....
Designation.....

Dear Sir,

With reference to your above application seeking approval for undertaking certain transactions in Securities of the Company detailed therein, please be informed that you are hereby authorised/ not authorised to undertake the transaction(s) as detailed in your said application. Kindly note that in terms of the Code of Internal Procedures and Conduct for Prevention of Insider Trading ("**Code**") of the Company, the above mentioned transaction is to be completed within 7 (seven) days from the date of this letter granting the pre-clearance .

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said application. This approval letter is valid till _____ (i.e. for 1 (one) week). If you do not execute the approved transaction/ Trade on or before this date you would have to seek fresh pre-clearance approval before executing any transaction in the Securities of the Company/ Trading. Further, you are required to file the details of the executed transactions in the attached format within 2 (two) working days from the date of execution of such transaction/ Trading. **In case the transaction is not undertaken, you shall submit a "Nil" report after the expiry of 1 (one) week from the date of this approval;**

Kindly also note that the Securities of the Company transacted pursuant to this approval shall be held for a minimum holding period as specified under Clause 8.6 of this Code. This approval will automatically stand withdrawn if subsequently the Trading Window is declared closed involving the period for which such approval has been granted by this letter.

For & on behalf of

FUSION FINANCE LIMITED

Compliance Officer/ Authorised Officer

Note: Capitalized terms used in this Form-III, unless defined herein, shall have the same meaning assigned to them in this Code.

FUSION FINANCE LIMITED
NEW DELHI

FORM-IV

REGISTER FOR PRE-CLEARANCE OF TRADING

S. No.	Name and designation	Date of application	Date and time of receipt of application	Nature of transaction	No. of Securities and consideration value	Name of Immediate Relative, if any, transaction in name of such Immediate Relative	Date and details of actual transaction by Immediate Relative, if any
1	2	3	4	5	6	7	8

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-V

FORMAT FOR DISCLOSURE OF PRE-APPROVED TRANSACTIONS

(To be submitted within 2 (two) working days of transaction in the Securities of the Company/ Trading)

Date: _____

To
The Compliance Officer
FUSION FINANCE LIMITED
H-1, C Block, Community Centre,
Naraina Vihar,
New Delhi-110 028

Dear Sir,

DETAILS OF PRE-APPROVED TRANSACTION

Ref: Your Approval letter No. _____ dated _____

I hereby inform you that I

- **have not bought/sold/subscribed any Securities of the Company**
- **have bought/sold/subscribed to the _____ Securities of the Company (give description) as mentioned below on _____ (insert date)**

Name of holder	First of joint holder	No. of Securities dealt with	Bought/sold/subscribe	DP ID/ Client ID (electronic form) or Folio No. for physical where the Securities will be debited or credited	Price

**-- F "first holder" --J "joint holder"

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 5 (Five) years and produce to the Compliance Officer/SEBI any of the following documents:

1. Broker's contract note
2. Proof of payment to/ from brokers
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of delivery instruction slip (applicable in case of sale transaction)

I declare that the above information is correct and that no provisions of the Company's Code of Internal Procedures and Conduct for Prevention of Insider Trading in Securities ("**Code**") and/or applicable laws/regulations have been contravened for effecting the above said transaction(s).

I agree to hold the above Securities of the Company for minimum holding period as specified under Clause 8.6 of this Code. In case there is any urgent need to sell these Securities of the Company within the said minimum

period of holding, I shall approach the Company (Compliance Officer) for necessary approval (applicable in case of purchase / subscription).

Yours truly,

Signature: _____

Name: _____

Emp No.: _____

Dept/Div.

- Strike out whichever is not applicable.

Note: Capitalized terms used in this Form-V, unless defined herein, shall have the same meaning assigned to them in this Code.

**FUSION FINANCE LIMITED
NEW DELHI
FORM-VI**

REGISTER FOR WAIVER OF RESTRICTION ON "HOLDING PERIOD"

Sl. No.	Name	Designation	Department	Name of the Immediate Relative, if the securities held in the name of the Immediate Relative	No. of Securities	Consideration value	Reason of waiver	Date of waiver	Remarks
1	2	3	4	5	6	7	8	9	10

Note: Capitalized terms used in this Form-VI, unless defined herein, shall have the same meaning assigned to them in this Code.

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-VII

**PROFORMA FOR INITIAL DISCLOSURE OF DETAILS OF SECURITIES OF THE COMPANY HELD BY THE
DESIGNATED PERSONS**

TO

**THE COMPLIANCE OFFICER
FUSION FINANCE LIMITED
H-1, C Block, Community Centre,
Naraina Vihar,
NEW DELHI-110028**

Dear Sir,

I, a Designated Person furnish below the details of the Securities of the Company as an in my self name and/or in the name(s) of my Immediate Relatives in terms of regulation 7(1) of SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended, and Clause 9.1 of the Code of Internal Procedures and Conduct for Prevention of Insider Trading in Securities.

Name, Designation & Emp. No.:.....

Department:.....

Date of becoming Designated Person of the Company:.....

I. Details of Securities of the Company held by Designated Person **in self-name:**

Name	No. of Securities held	Date of acquisition	Consideration	Folio No./ DPID/CLIENT ID

II. Details of Securities held by Immediate Relatives.

Name of Immediate Relative	Relationship	No. of Securities	Date of acquisition	Consideration	Folio No./ DPID/CLIENT ID

Date:

Signature

Place:

Note: Capitalized terms used in this Form-VII, unless defined herein, shall have the same meaning assigned to them in this Code.

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-VIII

**PROFORMA FOR DISCLOSURE OF CHANGE IN HOLDING OF SECURITIES OF THE COMPANY TO BE SUBMITTED
BY THE DESIGNATED PERSONS.**

TO

**THE COMPLIANCE OFFICER
FUSION FINANCE LIMITED
H-1, C Block, Community Centre,
Naraina Vihar,
NEW DELHI-110028**

Dear Sir,

I, a Designated Person furnish below the details of the transactions of my own / Immediate Relatives in the Securities of the Company during the period from to in terms of Clause 9.1 of the Code of Internal Procedures and Conduct for Prevention of Insider Trading in Securities.

Name, Designation & Emp. No.:

Department:

Date of becoming the Designated Person of the Company:

I. Details of any change in holding of Securities of the Company (on own account)

No. of Securities held as on (date of previous disclosure)	Date of transaction	Details of Securities purchased		Details of Securities sold		No. of Securities held as on(date of present disclosure)	Folio No./ DP ID & CLIENT ID
		No.	Consideration	No.	Consideration		

II. Details of any change in holding of Securities of the Company of Immediate Relatives

Name of Immediate Relative	Relationship	No. of Securities held as on(date of previous disclosure)	Date of transaction	Details of Securities purchased		Details of Securities sold	No. of Securities held as on(date of present disclosure)	Folio no. DP ID & Client ID	
				No	Value			No	Value

1. I declare that I have complied with the requirement of minimum holding period as specified under Clause 8.6 of this Code.

Signature:

Date:

Place:

Note: Capitalized terms used in this Form-VIII, unless defined herein, shall have the same meaning assigned to them in this Code.

**FUSION FINANCE LIMITED
NEW DELHI**

FORM IX

**PROFORMA FOR ANNUAL DISCLOSURE OF HOLDING OF SECURITIES OF THE COMPANY TO BE SUBMITTED BY
THE DESIGNATED PERSONS**

To

**THE COMPLIANCE OFFICER
FUSION FINANCE LIMITED
H-1, C Block, Community Centre,
Naraina Vihar,
NEW DELHI-110 028**

Dear Sir,

I, a Designated Person, furnish below the details of transaction(s) in the Securities of the Company, during the financial year as well as shareholding as on 31st March.....

Name, Designation & Emp. No.:

Department:

Date of becoming the Designated Person:

I. Details of transactions/ shareholding in own name

No. of Securities held as on [●]	Details of Securities purchased during the year		Details of Securities sold during the year		No. of Securities held as on [●]	Folio No./ DP ID & Client ID
	No	Consideration	No	Consideration		

II. Details of transaction/shareholdings of Immediate Relatives

Name of dependent	Relationship	No. of Securities held as on [●]	Details of Securities purchased		Details of Securities sold		No. of Securities held as on [●]	Folio No./ DP ID & Client ID
			No	Value	No	Value		

I declare that I have complied with the requirement of minimum holding period as specified under Clause 9.6 of the Code.

Signature:

Date:

Place:

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-X

REGISTER OF DISCLOSURE OF SECURITIES OF THE COMPANY BY ALL THE DESIGNATED PERSONS

Name, Designation & Emp. No.:

Department:

Date of becoming the Designated Person:

Initial Disclosure					
	Date of receipt of information	Number of Securities	Date of acquisition	Consideration value	Name of the Immediate Relative if Securities held in the name of Immediate Relative
1	2	3	4	5	6

Change in holding					Name of the Immediate Relative if Securities held in the name of Immediate Relative
7	8	9	10	11	12

Year of Disclosure				
Date of receipt of information	Number of Securities	Aggregate value	Name of the Immediate Relative if Securities held in the name of Immediate Relative	Remarks
13	14	15	16	17

Note: Capitalized terms used in this Form-X, unless defined herein, shall have the same meaning assigned to them in this Code.

**FUSION FINANCE LIMITED
NEW DELHI**

FORM-XI

REGISTER OF ALL THE DESIGNATED PERSONS

S. No.	Name	Designation	Department	Emp. No.	Date of joining of the Company

Date of becoming /Designated Person	Date of cessation as /Designated Person	DP BEN ID or Folio No.	Remarks

Note: Capitalized terms used in this Form-XI, unless defined herein, shall have the same meaning assigned to them in this Code.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (PURSUANT TO REGULATION 8(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015)

Fusion Finance Limited ('Company') shall adhere to the practices and procedures detailed in this Fair Disclosure Policy document, effective from listing of equity shares on stock exchange, in order to ensure fair disclosure of events and occurrence that could potentially impact price of listed securities of the Company in the market.

The Company shall follow the Principles of Fair Disclosures detailed hereunder:

1. Shall promptly disclose any information that could have material impact on price of Equity shares or securities of the Company (herein after called **Unpublished Price Sensitive Information 'UPSI'**);
2. To ensure equality of access to information, the Company shall ensure
 - a) uniform & universal disclosure of UPSI through the Stock exchange(s)
 - b) public dissemination of the said information on a non-discriminatory basis;
3. The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, in any forum in India or abroad, to make such information generally available;
4. Shall ensure that any information shared, with analysts and/or research personnel or at any investor relation conferences, is not an UPSI.
5. Will make transcripts or records of proceedings, if any, of meetings with analysts or at other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made.
6. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
7. Any information that may be potentially construed or classified as UPSI would be dealt with by the Directors and Employees of the Company only on 'Need to Know' basis.
8. The Compliance Officer of the Company shall serve as the '**Chief Investor Relations Officer**' for the purposes of this Policy to deal with dissemination of information and disclosure of UPSI.

This Fair Disclosure Policy document adopted in line with the principles set out in Schedule A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 has been approved by the Board of Directors of the Company and shall be applicable and binding on all Directors/Employees of the Company.