

# Fusion Finance Limited

(formerly known as Fusion Micro Finance Limited)

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

## Content

S. No	Particulars	Page No
1	Introduction	3
2	Scope	3
3	Terms of Definitions	3
4	Chief Investor Relations Officer	4
5	Principal of fair disclosures	4
6	Amendment	5
7	Annexure	5-7

## INTRODUCTION

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 ("Regulations") require all companies listed on stock exchanges to frame and upload on its website a code of practices and procedure for fair disclosure of unpublished price sensitive information.

As per the requirement of the said regulations, Fusion Finance Limited ("the Company") has adopted this code of practices and procedures for fair disclosure of unpublished price sensitive information in line with the principles set out in Schedule A of the Regulations.

## SCOPE

Company shall adhere to the practices and procedures detailed in this code in order to ensure fair disclosure of events and occurrence that could potentially impact price of listed securities of the Company in the market.

## TERMS & DEFINITIONS

- Unpublished Price Sensitive information" (UPSI) means any information, relating to a company or its securities, directly or indirectly, that is not generally available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: –
  - financial results;
  - dividends;
  - change in capital structure
  - mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - changes in key managerial personnel;
- legitimate purposes" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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 SEBI (Prohibition of Insider Trading) Regulations, 2018 or of any other Regulations that may be in force for the time being.
- Generally Available Information" means information that is accessible to the public on a non- discriminatory basis. Information relating to the Company published on the website of stock exchanges or the Company's website shall ordinarily be considered as Generally Available Information.
- Compliance Officer" means the Company Secretary of the Company.

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the SEBI (Prohibition of Insider Trading) Regulations, 2015 or 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 the rules and regulations made thereunder, as the case may be or in any amendment thereto.

## **CHIEF INVESTOR RELATIONS OFFICER ("CIRO")**

The Company Secretary and Chief Compliance Officer or any other senior officer as duly authorised by the Board of Directors 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.

## **PRINCIPAL OF FAIR DISCLOSURES**

The Company,

- i) Shall make 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 except when otherwise required for the purpose of maintaining the confidentiality of the information. Towards this objective, the Company shall make the availability of such UPSI accessible without any discrimination and disclose various corporate events and other material events or information upon them becoming finalised/approved.
- ii) 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
- iii) Shall designate a senior official as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI. The CIRO can be contacted for any queries or clarifications as regards dissemination of UPSI
- iv) Shall make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- v) Shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities as per applicable provisions of rumor verification of SEBI LODR.
- vi) Shall ensure that any information shared, with analysts and/or research personnel or at any investor relation conferences, is not an UPSI. While dealing with analysts or research persons or large investors like institutions, only publicly available information shall be provided.
- vii) Shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made. The presentations made to analysts along with transcripts, audio/video recordings, press release are placed on the Company's website as well as Stock exchange(s) website.
- viii) Shall handle all UPSI on a need to know basis. -Any information that may be potentially construed or classified as UPSI would be handled on a 'Need to Know' basis and in furtherance of legitimate purpose, performance of duties or discharge of legal obligations

The UPSI can be shared as an exception by an insider for legitimate purposes, in the ordinary course of business. The Policy for determination of Legitimate Purposes for which UPSI can be shared, has been made and annexed with this Code.

**AMENDMENT:**

This Code will be reviewed by the Board as and when required. The Company will promptly intimate any amendment to this Code to the Stock Exchanges where the Company's Securities are listed, as required under the Insider Trading Regulations.

Notwithstanding the above, this Code will stand amended to the extent of any change in applicable laws, including any amendment to the SEBI PIT Regulations, without any action from the Company or approval of the Board of Directors or Shareholders of the Company.

**ANNEXURE****POLOCY FOR DETERMINATION OF LEGITIMATE PURPOSE**

(Mandated Regulation 3 (2A) of the SEBI (Prohibition of Insider Trading) Regulations 2015

**I. PREFACE**

This Policy, which is part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, is known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2015

**II. OBJECTIVE**

The policy is created with an objective to identify 'Legitimate Purposes' for which an insider is entitled to communicate, provide, or allow access to any unpublished price sensitive information (UPSI), relating to the Company, its listed securities or securities which are proposed to be listed, to any person including other insiders, in the ordinary course of business.

**III. DEFINITION**

- a. "Insider"- Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such persons (Insiders) to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- b. "Designated Person" means and includes:
  - (i) All promoters, members of promoter group and Directors of the Company

- (ii) Managing Director/Chief Executive Officer and employees upto two levels below the Managing Director/ Chief Executive Officer of the Company irrespective of their functional role in the Company, intermediary, fiduciary and its material subsidiaries basis the ability to have access to unpublished price sensitive information;
  - (iii) All functional and departmental heads on the basis of access to unpublished price sensitive information;
  - (iv) Any other employee as may be designated by the Compliance Officer in consultation with the Managing Director of the Company, considering the objectives of the code; and
  - (v) Any support staff of the Company, intermediary or fiduciary such as IT staff or secretarial staff or any other who have access to unpublished price sensitive information.
  - (vi) Employees of material subsidiary of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the Company by the Board of Directors.
- c. "Legitimate" Purposes" shall mean 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, any other person with whom UPSI is shared provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

#### IV. SHARING OF UPSI FOR LEGITIMATE PURPOSE

The UPSI shall be shared by any person(s) authorized by the Board of Directors of the Company, in this behalf, only in furtherance of legitimate purpose(s) which shall include the following;

- I. Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
- II. Sharing of UPSI where such communication is in furtherance of performance of duty (ies).
- III. Sharing of UPSI for discharge of legal obligation(s).
- IV. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIO of the Company.
- V. Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

## VI. 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 to such persons;

- I. To make aware such person that the information shared is or would be UPSI.
- II. To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse of UPSI.
- III. To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

## VI. DIGITAL DATABASE

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

## VII. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS/DESIGNATED PERSON

The Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.