



Jab zindagi badalni ho

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OF UNPUBLISHED PRICE SENSITIVE INFORMATION**



Registered Office

Muthoot Fincorp Limited

(CIN: U65929KL1997PLC011518)

Muthoot Centre, TC No. 27/ 3022 Punnen Road, Thiruvananthapuram, Kerala - 695 001

Tel No.: +91 471 2331427, 4911400, Fax: +91 471 2331560,

Email: muthoot@muthoot.com

www.muthoot.com | www.muthootfincorp.com

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	1 of 12
Effective Date	26.03.2024

DOCUMENT IDENTIFICATION INFORMATION

Document Name:	Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Index	MFL/Corporate Affairs Dept/ Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v.1.0
No. of Pages	12
Department HOD	Company Secretary
Approving Authority	Board of Directors
Review Frequency	Annually
Location of the document	Corporate Affairs Department
Statutory Guidelines/Directions	Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015

Revision/Change History

Author	Reviewer	Version No.	Effective Date	Change Description
Corporate Affairs Dept.	Board of Directors	1.0	26.03.2024	Approved by the Board on March 26, 2024

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	2 of 12
Effective Date	26.03.2024

TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
1.	Purpose and Applicability	3
2.	Objective	3
3.	Definitions	4 - 6
4.	Principles of Fair Disclosure	6 - 7
5.	Disclosure and Dissemination of UPSI	7 - 8
6.	Chief Investor Relations Officer	8
7.	Response to Queries/ Request for Verification of Market Rumours	8
8.	Interactions with Analysts, Investor and Research Personnel	8
9.	Need-To-Know Handling of UPSI	9
10.	Legitimate Purpose	9
11.	Amendment and Modification	9
Annexure		
A.	Policy for Determination of Legitimate Purpose	10 - 12

Jab zindagi badalni ho

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	3 of 12
Effective Date	26.03.2024

1) PURPOSE AND APPLICABILITY

Insider trading is a malpractice wherein trading/dealing in the securities of a company is undertaken by employees who by virtue of their work have access to the otherwise non-public information which can be crucial for making investment decisions. When insiders, e.g., key employees or executives who have access to the strategic information about the company, use the same for trading in the company's stocks or securities, it is called insider trading and is highly discouraged by the Securities and Exchange Board of India (SEBI) to promote fair trading in the market for the benefit of the common investor.

To create a framework with larger coverage for prevention of Insider Trading, SEBI had on 15th January 2015, notified Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 requires the listed entities to formulate and publish on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in order to adhere to each principle set out in Schedule A to the regulations.

This Code shall apply in relation to disclosure of UPSI by the Company. The scope, exceptions as given in SEBI (Prohibition of Insider Trading) Regulations, 2015 shall be applicable for the purpose of this Code as well.

2) OBJECTIVE

This Code intends to formulate a defined framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The Company endeavours to preserve the confidentiality of UPSI and to prevent misuse of such information.

3) DEFINITIONS:

As used in this Code:

"Chief Investor Relations Officer" means a senior officer of the Company who deals with dissemination of information and disclosure of UPSI in a fair and unbiased manner.

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	4 of 12
Effective Date	26.03.2024

“Code” means Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

“Connected Persons” means –

- i. any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity 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 between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- ii. without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,
 - a) an immediate relative of connected persons specified in clause (i)
 - b) a holding company or associate company or subsidiary company;
 - c) an intermediary as specified in section 12 of the 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 Bank or his immediate relative, has more than ten percent of the holding or interest.

“Designated Persons” means and includes:

- a) Promoters, Directors and Key Managerial Personnel;

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	5 of 12
Effective Date	26.03.2024

- b) Chief Executive Officer, Chief Risk Officer, Chief Compliance Officer, Chief Information Security Officer, Chief Information and Technology Officer;
- c) Heads of all divisions and/or departments;
- d) All employees of the Corporate Affairs Department;
- e) Employees of Finance Department having designation of Senior Manager and above;
- f) Any Employee/outsider that receives UPSI;
- g) Any other Employee as may be determined and informed by the Compliance Officer in consultation with the Board from time to time. Such Employee would include any Employee who would be expected to or would indeed be in possession of UPSI in course of their employment; and
- h) Statutory Auditors and Secretarial Auditors.

“Director” means a member of the Board of Directors of the Company.

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

“Insider” means any person who is:

- i. a connected person; or
- ii. in possession of or having access to UPSI.

“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.

“Regulations” means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

“SEBI” means Securities and Exchange Board of India.

“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

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	6 of 12
Effective Date	26.03.2024

- iii. Change in capital structure
- iv. Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v. Changes in Key Managerial Personnel; and
- vi. Any other information relating to the Company or securities, that is not generally available, if it is likely to materially affect the price upon coming into the public domain.

“**The Company**” means Muthoot Fincorp Limited.

The words and expressions used but not defined herein shall have the meanings as ascribed to them under the Regulations.

4) PRINCIPLES OF FAIR DISCLOSURE

The following principles of fair disclosure for the purposes of the Code will be strictly adhered to -

- ✓ 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.
- ✓ Uniform and universal dissemination of UPSI information to avoid selective disclosure.
- ✓ Designation of a senior officer as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.
- ✓ Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- ✓ Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- ✓ Ensuring that information shared with analysts and research personnel is not UPSI.

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	7 of 12
Effective Date	26.03.2024

- ✓ 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.
- ✓ Handling of all UPSI on a need-to-know basis.

5) DISCLOSURE AND DISSEMINATION OF UPSI:

To avoid any speculations and/or misuse of any UPSI, the Company would promptly disclose the UPSI that would impact price discovery no sooner than credible and concrete information comes into being, in order to make such information generally available.

The Company would ensure uniform and universal dissemination of the UPSI to avoid selective disclosure. In case where the UPSI which has not been given to the stock exchanges but has been released inadvertently or otherwise to a section of the market, the Company will immediately give such information to the stock exchanges for release of such information to the market.

Any person in the Company who is in possession of or has access to UPSI, would handle such information with care and deal with the information available with them when transacting their business strictly on a need-to-know basis. No UPSI will be communicated to any person except where such communication is in furtherance of legitimate purposes as laid down in this Code.

The information released by the Company to the stock exchanges may also be released to the press for wider circulation. The information released by the Company to the stock exchanges may also be hosted on the Company website <https://www.muthootfincorp.com/> for wider circulation.

Medium of disclosure/dissemination -

- ✓ The Company will ensure that disclosure to Stock Exchange(s) where securities of the Company are listed is made promptly.
- ✓ Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- ✓ The Company may also facilitate disclosure through the use of its official website.

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	8 of 12
Effective Date	26.03.2024

- ✓ The information filed by the Company with Stock Exchanges under continuous disclosure requirement may be made available on the Company website.

6) CHIEF INVESTOR RELATIONS OFFICER

The Company shall designate a senior officer as a Chief Investor Relations Officer (“CIRO”) for dealing with dissemination of information and disclosure of UPSI in a fair and unbiased manner.

For the said purpose, the Chief Financial Officer of the Company will be the CIRO of the Company.

The CIRO would be responsible to ensure timely, adequate, uniform and universal dissemination and disclosure of UPSI pursuant to this Code as required under the Regulations so as to avoid selective disclosure.

7) RESPONSE TO QUERIES/ REQUEST FOR VERIFICATION OF MARKET RUMOURS

The Company would render appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

Any query or request for verification of market rumours received from stock exchanges, the press, the media or any other source received by any employee or officer of the Company shall ordinarily be directed to CIRO.

8) INTERACTIONS WITH ANALYSTS, INVESTOR AND RESEARCH PERSONNEL

Any meeting or interaction with analysts/researchers, institutional and other large investors or the media or any investor relations conference shall be conducted in a manner that only information that is publicly available is provided at such meetings/interactions.

Transcripts or records of proceedings of meetings with analysts and other investor relation conferences shall be posted on the official website of the Company to ensure confirmation and documentation of disclosures made.

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	9 of 12
Effective Date	26.03.2024

9) NEED-TO-KNOW HANDLING OF UPSI

The Company would handle UPSI only on a need-to-know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations.

10) LEGITIMATE PURPOSE

UPSI can be shared as an exception by an Insider for legitimate purpose as per Policy for Determination of Legitimate Purpose as given in **Annexure A**.

11) AMENDMENT AND MODIFICATION

This Code shall be reviewed on an annual basis. Any amendments or modifications would be subject to the review and approval of the Board.

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.

For transparent disclosure of the Code, every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the Company are listed.

Jab zindagi badalni ho

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	10 of 12
Effective Date	26.03.2024

Annexure A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE

1) BACKGROUND:

Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 requires determination and stipulation of legitimate purposes for sharing UPSI in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

The Company endeavours to preserve the confidentiality of unpublished price sensitive information (“UPSI”) and to prevent its misuse. To achieve this objective, and in compliance with the aforesaid Regulations, the Company has framed “Policy for Determination of Legitimate Purpose” (Policy) as a part of its Code of Fair Disclosure.

2) OBJECTIVE:

Securities and Exchange Board of India (“SEBI”) (Prohibition of Insider Trading) Regulations, 2015 casts an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis. It also imposes a prohibition on unlawfully procuring possession of unpublished price sensitive information. Inducement and procurement of unpublished price sensitive information not in furtherance of one’s legitimate duties and discharge of obligations would be illegal under this provision.

The objective of this Policy is to identify ‘Legitimate Purposes’ for performance of duties or discharge of legal obligations, which will be considered as exception for procuring/communicating/providing/allowing access to UPSI relating to the Company. Whether sharing of UPSI for a particular instance would be tantamount to ‘legitimate purpose’ would depend on the specific facts and circumstances of each case.

Primarily, the following factors shall be considered while sharing the UPSI:

- ✓ whether sharing of such UPSI is in the ordinary course of business of the Company;

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	11 of 12
Effective Date	26.03.2024

- ✓ whether sharing of such UPSI is in the interests of the Company or in the furtherance of a genuine commercial purpose;
- ✓ whether the nature of UPSI being shared is commensurate with the purpose for which access is sought to be provided to the recipient; and
- ✓ whether information sought to be shared, evades or circumvent the prohibitions of the Regulations.

3) LEGITIMATE PURPOSE:

“Legitimate Purpose” shall include sharing of UPSI in the ordinary course of business on a need-to-know basis, by an insider with promoters, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, credit rating agencies, bankers, insolvency professionals, practicing company secretaries, registered valuers or other advisors, service providers or consultants, etc. provided that such sharing would not amount to evasion or circumvention of the prohibitions under the Regulations.

In the following cases, which are illustrative in nature, sharing of UPSI would be considered as legitimate purpose -

- a. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;
- b. Under any proceedings or pursuant to any order of courts or tribunals;
- c. 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; and
- d. Arising out of any contractual obligations or arrangements entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking.

Any person in receipt of Unpublished Price Sensitive Information pursuant to a “legitimate purpose” shall be considered an insider for purposes of this Code. Once it is determined that an employee/director is sharing Unpublished Price Sensitive Information in furtherance of legitimate purposes, such employee/director shall ensure that he/she complies with all applicable provisions of the Code of Conduct for Prohibition of Insider Trading pertaining to sharing/disclosure of Unpublished Price Sensitive Information.

Document ID	MFL/Corporate Affairs Dept./Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Version No.	v 1.0
Page No.	12 of 12
Effective Date	26.03.2024

4) STRUCTURED DIGITAL DATABASE

In compliance with Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company would maintain Structured Digital Database (SDD) containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this Regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law where PAN is not available in the following manner -

- ✓ Sharing of UPSI, whether internally or externally, will be recorded in the SDD.
- ✓ The SDD will not be outsourced and will be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
- ✓ Such SDD should be maintained for not less than 8 years after completion of the relevant transactions.
- ✓ In the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the SDD shall be preserved till the completion of such proceedings.
- ✓ Name of persons who have shared the information (UPSI) and with whom information (UPSI) is shared shall be captured digitally in database along with PAN or any other identifier.

5) AMENDMENT AND MODIFICATION

This Policy shall be reviewed on an annual basis. Any amendments or modifications would be subject to the review and approval of the Board.

In any circumstance where the terms of this Policy differs from any law, rule, regulation etc., for the time being in force, the law, rule, regulation etc., shall take precedence over this Policy.

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the stock exchanges.

