

# **PRISM FINANCE LIMITED**

[Sub-regulation (1) of Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015]

## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

**(As approved by the Board of Directors of the Company on 14<sup>th</sup> February, 2019)**

### **Introduction**

The Securities and Exchange Board of India (SEBI), in its endeavour to protect the interests of investors in general, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulations") under the powers conferred on it under the SEBI Act, 1992. These regulations came into force with effect from 15th May, 2015 and the same have been made applicable to all companies whose shares are listed on Indian stock exchanges. Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of Prism Finance Limited (the Company) has formulated the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information (Code of Fair Disclosures) which were approved by the Board of Directors ("Board)" of the Company at its meeting held on 30<sup>th</sup> May, 2015.

In compliance of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 (notified by SEBI on December 31, 2018), the Board of Directors of Prism Finance Limited has approved the amendments (which will be applicable from 1st April, 2019) to Code of Fair Disclosures at its meeting held on 14<sup>th</sup> February, 2019.

### **Objective of the Code of Fair Disclosures**

The Code of Practices and Procedures for Fair Disclosures is required for the Company to ensure timely and adequate disclosure of unpublished price sensitive information which would impact the price of the company's securities and to maintain the uniformity, transparency and fairness in dealing with all stakeholders and in ensuring adherence to applicable laws and regulations.

Further, the Company endeavours to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

### **Definitions**

'**Compliance Officer**' for the purpose of these regulations means the Company Secretary of the Company. In absence of the Company Secretary, the Board of Directors may authorize another officer of the Company to discharge the duties of Compliance Officer and otherwise eligible to act as such under the Regulations.

'**Chief Investors Relations Officer**' means Compliance Officer of the Company.

'**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 its securities and shall ordinarily including but not restricted to, information relating to financial results, dividends, change in capital structure, mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions and changes in Key managerial personnel.

The company will adhere to the following so as to ensure fair disclosure of events and occurrence that could impact price of its securities in the market:

## **1. Norms for disclosure of Unpublished Price sensitive information**

### **a. Prompt public disclosure of unpublished price sensitive information**

Unpublished Price Sensitive Information shall be given by the company to stock exchanges promptly and also the said information shall be uploaded to the Company's official website [www.prismfinance.in](http://www.prismfinance.in) in order to be accessed by the Investors and members of the company i.e., to make the information generally available.

### **b. Uniform and Universal dissemination of unpublished price sensitive information**

The disclosure of unpublished price sensitive information shall be on a continuous, immediate & uniform basis and will be universally disseminated. The company may consider others ways of supplementing information released to stock exchanges by improving Investor access to their public announcements.

### **c. Overseeing and co-ordinating disclosure**

The Chief Investor Relations Officer, for the purpose of these regulations, shall oversee corporate disclosures and deal with dissemination of information and disclosure of unpublished price sensitive information.

The Chief Investor Relations Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements and overseeing and co-ordinating disclosure of unpublished price sensitive information to stock exchanges, on the website of the company and media. If information is accidentally disclosed without prior approval of Chief Investor Relations Officer, the person responsible may inform the Chief Investor Relations Officer immediately, even if the information is not considered unpublished price sensitive. In such event of inadvertent, selective disclosure of unpublished price sensitive information, the Chief Investor Relations Officer shall take prompt action to ensure such information is generally available.

### **d. Responding to market rumours**

The Chief Investor Relations Officer shall promptly respond to any queries or requests for verification of market rumours by exchanges.

The Chief Investor Relations Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure. He/she shall also provide appropriate assistance and fair response to the regulatory authorities including the stock exchanges for verification of news reports and market rumours.

## **2. Process of disseminating information in order to make the unpublished price sensitive information generally available**

- Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- Company shall ensure that disclosure to stock exchanges is made promptly.
- The website of the company may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.

### **3. Manner of dealing with analyst and research personnel**

- i. *Only Public information to be provided* - The Company shall provide only public information to the analysts/ research persons/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public.
- ii. *Recording of discussion* - In order to avoid misquoting or misrepresentation it is desirable that at least two company representatives be present at meetings with analysts, brokers or institutional investors and discussion should preferably be recorded.
- iii. *Handling of unanticipated questions* - The Company should be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes unpublished price sensitive information, a public announcement should be made before responding.
- iv. *Simultaneous release of Information* -When the company organizes meetings with analysts, the company shall make a press release or post relevant information on its website after every such meet.

### **4. General available information**

The company will promptly disclose the following information on the website of the Company and/ or to the stock exchange

- a. Declaration of Financial results (quarterly, half-yearly and annual)
- b. Declaration of dividends (interim and final)
- c. Issue of securities by way of public/ rights/bonus, etc.
- d. Any major expansion plans or winning of bid or execution of new projects
- e. Amalgamation, mergers, takeovers and buy-back
- f. Disposal of whole or substantially whole of the undertaking
- g. Any changes in policies, plans or operations of the Company
- h. Disruption of operations due to natural calamities
- i. Litigation/dispute with a material impact
- j. Change in Key managerial personnel
- k. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.

## **5. Policy for determination of "Legitimate Purpose"**

"Legitimate Purpose" of sharing of unpublished price sensitive information 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 these regulations.

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 the Regulations and due notice shall be given to such persons by the Compliance Officer and/or the person sharing such information to maintain confidentiality of such unpublished price sensitive information in compliance with this Code and the regulations.

A Structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for Legitimate Purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

Adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

## **6. Unpublished price sensitive information on Need-to-Know basis**

Unpublished Price Sensitive Information shall be handled on a "need to know" basis i.e. unpublished Price Sensitive Information shall be disclosed only to those where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

## **7. Disclosure of Code on Public Domain**

This Code and any amendment thereof will be published on the Company's website [www.prismfinance.in](http://www.prismfinance.in)

## **8. Amendment of the Code**

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchange where the securities of the Company are listed.

\*Note: Policy for determination of "Legitimate Purposes" covered under Clause 5 of this Code of Fair Disclosure, formulated pursuant to SEBI (Prohibition of Insider trading) (Amendment) Regulations, 2018 shall come into effect from 1st April, 2019.

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