



## CODE OF CORPORATE DISCLOSURE PRACTICES

The Securities and Exchange Board of India (“SEBI”) (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“PIT Regulations”), mandates every listed company to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities. The Board of Directors of Tata Capital Limited (“Company” and such board, the “Board”) has formed this "Code of Practices for Fair Corporate Disclosures (“Fair Disclosure Code”) in compliance with regulation 8 read with Schedule A of the PIT Regulations.

Capitalised terms used but not defined in this Fair Disclosure Code shall have the meaning as ascribed to them in the Code of Conduct for Prevention of Insider Trading of the Company (“Insider Code”) and the PIT Regulations.

### 1. Objective

The objective of the Fair Disclosure Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s Securities, including the unpublished price sensitive information (“UPSI”), and to maintain the uniformity, transparency, and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

### 2. Chief Investor Relations Officer

2.1 The Board shall designate a senior officer as the Chief Investor Relations Officer (“CIRO”) who would be responsible to ensure timely, adequate, uniform and universal dissemination of information and disclosure of UPSI relating to the Company or its Securities in consultation with the Compliance Officer (under the Insider Code) and Head – Corporate Communication, pursuant to this Fair Disclosure Code so as to avoid selective disclosure.

2.2 The CIRO shall report to the Managing Director with respect to this Code and shall also co-ordinate with the Compliance Officer (under the Insider Code) and Head – Corporate Communication.

2.3 The CIRO shall be responsible for:

- (a) ensuring uniform and universal dissemination of information and disclosure of UPSI at an appropriate time, so as to avoid selective disclosure;
- (b) ensuring compliance with the Fair Disclosure Code and intimating instances of violations of the Fair Disclosure Code to the Managing Director and the Compliance Officer;
- (c) overseeing and monitoring sharing of information about the Company (including UPSI) by the Employees and educating Employees on disclosure policies and procedures;
- (d) reviewing the disclosure process and controls and ensuring that same are operating effectively for compliance with the Fair Disclosure Code and the PIT Regulations;
- (e) ensuring that in interactions with media and external public, guidelines for disclosure



of UPSI are complied with; and

- (f) in discussion with the Company's Board/senior management, making and assessment of (i) materiality of information, (ii) updates, if any, required to be provided in respect of past disclosures; and (iii) the timing and adequacy of the proposed disclosures.

2.4 The CIRO shall strictly observe the timelines stipulated in terms of the SEBI regulatory framework with respect to prior intimations / notices / notifications and disclosures to ensure prompt disclosure of any UPSI that gets disclosed selectively / inadvertently.

### **3. Prompt public disclosure of UPSI**

3.1 UPSI shall be disclosed to the Stock Exchanges and disseminated promptly on a continuous basis as soon as credible and concrete information comes into being in order to make such information generally available.

3.2 For the purposes of timely disclosures of UPSI and other material events, the Company shall follow the timelines as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### **4. Uniform and universal dissemination of UPSI Responding to market rumours**

4.1 The Employee/ Director of the Company shall promptly direct any queries on news reports or requests for verification of market rumours received from regulatory authorities to the CIRO.

4.2 CIRO, shall on receipt of requests as aforesaid, consult the Managing Director and send an appropriate and fair response to the same, in line with the applicable regulatory framework.

4.3 CIRO shall be responsible for deciding in consultation with the Managing Director of the Company as to the necessity of a public announcement for verifying or denying rumours (other than in cases where clarification has been sought by the regulators or is otherwise necessary in terms of the regulatory framework under the rumour verification framework) and thereafter making appropriate disclosures.

4.4 All requests for verification of market rumours /queries on news reports received shall be documented and as far as practicable, the CIRO shall request for such requests / queries in writing. No disclosure in response to the requests / queries shall be made by the CIRO, unless the Managing Director approves the same.

### **5. Sharing of information and disclosure of proceedings of meetings with analysts / institutional investors**

5.1 No person, except those authorized by the CIRO, shall disclose any information relating to the Company's Securities to analysts and research persons. The CIRO, shall be invited to meetings/ conferences organized by the Company with analysts/research persons.

5.2 All Directors and Employees should follow the guidelines given hereunder while dealing with analysts and institutional investors:



(i) Sharing of UPSI

The Employee and Director of the Company shall provide only public information to analysts/ research persons. In case any UPSI is proposed to be provided, the person proposing to so provide information shall consult the CIRO, in advance. CIRO shall ensure that that the information provided to the analyst/research person/investor as above is made public simultaneously with such disclosure.

(ii) Handling of analysts / investors questions

The Company shall take extreme care and caution when dealing with analysts' questions that raise issues outside the intended scope of discussion. The nature and extent of UPSI proposed to be shared should be subject to appropriate evaluation, and assessment as to whether such sharing is commensurate with the objective sought to be achieved.

CIRO should tackle the unanticipated questions carefully. The unanticipated questions may be noted, and a considered response be given later in consultation with the Managing Director. If the answer to any question requires dissemination of UPSI, the CIRO shall report the same to the Managing Director and obtain necessary approval for its dissemination to the Stock Exchanges. The CIRO shall, after dissemination of such UPSI, respond to such unanticipated questions.

(iii) Recording of discussions

All analyst and other investor relations conferences shall be attended by the CIRO who may be accompanied by any other Employee(s) of the Company.

The Company will also ensure that it has appropriate systems in place and follows industry best practices so as to record the transcripts of conference call(s) and meetings held between the management of the Company and the analysts and other investor relations conferences and disclose it to the Stock Exchanges and host it on the website of the Company, in line with the applicable regulatory framework.

(iv) Simultaneous release of information

Whenever the Company proposes to organise meetings with investment analysts/research person, the Company shall make a press release or post relevant information on its website after every such meeting. The Company may also consider live webcasting of analyst meets.

The CIRO shall be responsible for drafting of the press release or the text of the information to be posted on the Company's website, in consultation with the Managing Director.

**6. Handling of UPSI on a need-to-know basis**

6.1 The CIRO shall handle all the UPSI on a need-to-know basis only. In case of doubt, the CIRO, shall consult and seek approval of the Managing Director before dissemination of such



information.

- 6.2 All UPSI shall be made available to relevant persons / entities strictly on a need-to-know basis, and in line with any other applicable codes, policies, and procedures of the Company, including, specifically, this Fair Disclosure Code and the Insider Code.
- 6.3 No UPSI shall be communicated by Employees, Directors, and Insiders of the Company to any person except in furtherance of his / her Legitimate Purposes, performance of duties or disclosure of his/her legal obligations.
- 6.4 No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or securities listed or proposed to be listed of any other company, except in furtherance of legitimate purposes, performances of his / her duties or discharge of his / her legal obligations.
- 6.5 The Company will, on an on-going basis, sensitise and educate its employees, Designated Persons (“DPS”), management on dealing with information, including UPSI, strictly on a need-to-know basis and the CIRO shall be responsible for the same.
- 6.6 For sharing of UPSI within the Company or with external parties for genuine business purpose, appropriate wall-crossing procedure as stipulated in Insider Code shall be followed. Further, all compliances in terms of the PIT Regulations will be duly observed.

## 7. Policy for determination of ‘Legitimate Purpose’

- 7.1 The PIT Regulations recognise that UPSI may be required to be shared or communicated for certain genuine purposes, i.e., legitimate purposes, performance of duties or discharge of legal obligations. The PIT Regulations clarify that “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 PIT Regulations.
- 7.2 The scope of ‘legitimate purpose’ under the PIT Regulations is an inclusive one, and accordingly, its determination would be a subjective assessment basis the facts and circumstance of each case. Thus, it is not possible or feasible to set out a list of events that will constitute ‘legitimate purpose’ at all times, for the purposes of sharing UPSI.
- 7.3 Thus, having regard to the fiduciary obligations cast on the Board, and with a view to ensuring that any sharing of UPSI takes place in a responsible manner, in line with the spirit of the PIT Regulations, the Board has set out a policy to provide the guiding principles and the approach to be followed for determination of legitimate purpose for sharing of UPSI. The policy is enclosed as **Annexure A** to this Fair Disclosure Code.

## 8. Miscellaneous

This Fair Disclosure Code shall be published on official website of the Company. The Company will also promptly intimate any amendment to this Fair Disclosure to the Stock Exchanges, as



required under the PIT Regulations. In the events of inconsistency of this Code with any legal provisions, the provisions of the law shall override this Code.

**9. Policy Review**

The Board is authorised to review this Fair Disclosure Code periodically and amend the same from time to time.

In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy.



**Policy on Determination of Legitimate Purpose for Communication of Unpublished Price Sensitive Information**

**1. Background**

The Securities and Exchange Board of India (“SEBI”) (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“PIT Regulations”), mandates every listed company to formulate a framework and policy for determination of legitimate purpose as part of the ‘Code of Fair Disclosure and Conduct’.

This 'Policy on Determination of Legitimate Purpose for Communication of Unpublished Price Sensitive Information' (“Policy”) is framed by the Board of Directors of the Company pursuant to the PIT Regulations and is part of ‘Code of Corporate Disclosure Practices’ of the Company.

**2. Applicability**

This policy is applicable to all Insiders as defined in the Code of Conduct for Prevention of Insider Trading (“Insider Code”).

**3. Definitions**

Capitalised terms not defined herein shall have the meaning assigned to them under the Insider Code / PIT Regulations.

**4. Legitimate Purpose**

“Legitimate Purpose” shall mean sharing of unpublished price sensitive information (“UPSI”) in the ordinary course of business or on a need-to-know basis and shall, *inter alia*, include sharing of UPSI on need to know basis 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 PIT Regulations.

**A. Assessment of the purpose for which UPSI is proposed to be shared**

- (i) The Compliance Officer shall be responsible for the determination of ‘legitimate purpose’. For this purpose, it will be critical to assess the circumstances requiring the sharing of UPSI, and whether the sharing of UPSI satisfies the below requirements:
  - a. Sharing of UPSI is in the best interest of the Company and is without any intention of making a profit/ avoiding a loss/ misusing the information in an illegal manner; and



- b. Sharing of UPSI is in furtherance of a genuine corporate/ business purpose, or, for enabling the Company to discharge its legal obligations, including compliance with law, regulatory directions, judicial orders, etc.
- (ii) Provided that any such sharing of UPSI should not be carried out to evade or circumvent the prohibition provided under the PIT Regulations.
- (iii) Further, while deciding if sharing of UPSI is in furtherance of legitimate purpose, the Compliance Officer shall give due regard to the matters affecting the Company at the relevant time, and the information that is generally available about the Company at the relevant time.
- (iv) In case UPSI is proposed to be shared for several purposes, each such purpose should be evaluated on its merits, in line with the above principles.

#### **B. Analysing the nature of UPSI proposed to be shared in the context of a legitimate purpose**

The nature and extent of UPSI proposed to be shared should be subject to appropriate evaluation, and assessment as to whether such sharing is commensurate with the objective sought to be achieved.

#### **C. Illustrative list of instances considered as legitimate purpose**

In following cases which are illustrative in nature, sharing of UPSI may be considered as legitimate purpose:

- i. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;  
*Example: Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India (“SEBI”), Stock Exchanges, Reserve Bank of India, Sectoral Regulatory Body, etc.*
- ii. Under any proceedings or pursuant to any order of courts or tribunals;  
*Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.*
- iii. As part of compliance with applicable laws, regulations, rules and requirements;  
*Example: Company Law, Securities Law, Income Tax Law, Banking Law, etc.*
- iv. Arising out of any contractual obligations or arrangement entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking, which in the opinion of the Board is in the best interests of the Company.  
*Example: Due-diligence for any kind of restructuring, namely mergers & acquisitions, joint venture agreements, share purchase agreements, franchisee agreement, etc.*



v. Arising out of business requirement including for bona fide business/ commercial/ operational/ management/ strategic advisory purposes pertaining to the Company which may require sharing of information with promoters, to leverage on their experience and expertise for strategic advice in improving the Company's business, in order to create and maximise value for the shareholders of the Company. *Example: Some of the examples which are illustrative in nature are as mentioned below:*

- Sharing the relevant UPSI by Company or Promoters with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors, insolvency professionals, business support agents, transaction processing service providers for, amongst other things availing professional services seeking advice, consultation, valuation, transaction support other intermediation and approvals in relation to the subject matter of (i) a proposed deal/assignment/tie-up/venture/fund raising; (ii) projects relating to enterprise transformation, strategy, change management, analytics, re-organization, operation improvement, technology and similar domains; (iii) evaluation of new products, business opportunities and new lines of business, etc.
- Sharing the relevant UPSI by Company or Promoters with business partners essential to fulfill the terms and conditions of a business contract with a client, vendor, collaborator or lender;
- Sharing the relevant UPSI by Company or Promoters for statutory consolidation requirements or related customary disclosure obligations;
- Sharing the relevant UPSI by Company or Promoters with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

## **5. Process for sharing UPSI**

For sharing of UPSI upon determination of the legitimate purpose, the following process is to be followed:

- (i) Identify the persons with whom the information is to be shared.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of the PIT Regulations and shall comply with the Insider Code.

- (ii) Notify the recipient that UPSI is being shared and issue confidentiality notice or enter into a confidentiality/non- disclosure agreement.

Prior to sharing of UPSI, the proposed recipient of UPSI will be apprised of the following critical aspects, by way of confidentiality agreements or non-disclosure agreements / written notices that:



- a. the information being shared is UPSI and that the Company is the exclusive owner of such UPSI;
  - b. upon receipt of UPSI, the recipient would be deemed to be an Insider and subject will be subject to the provisions of the PIT Regulations;
  - c. the recipient may use the UPSI solely for the approved purposes for which it was disclosed;
  - d. the recipient must maintain confidentiality of the UPSI at all times;
  - e. the recipient will provide a written undertaking that he / she / it shall not undertake trades in the securities of the Company while in possession of / having access to the UPSI; and.
  - f. the recipient must extend all cooperation to the Company in this regard, including for the purpose of maintenance of the structured digital database.
- (iii) In line with the regulatory obligations, the Company should maintain names of the persons along with PAN (or any other identifier where PAN is not available) with whom information is shared. The database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This database shall be kept confidential.