



April 11, 2019

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001

Dear Sirs,

**Sub.: Amendment of the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices**

**Ref.: Tata Capital Financial Services Limited (“the Company”)**

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”), as amended from time to time, we wish to inform you that the Company has adopted the Revised Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices, including the Policy on determination of Legitimate Purpose for Communication of Unpublished Price Sensitive Information with effect from April 1, 2019.

A copy of the Revised Code of Corporate Disclosure Practices, including the Policy on determination of Legitimate Purpose for Communication of Unpublished Price Sensitive Information is attached as an Annexure and has also been uploaded on the website of the Company.

Request you to kindly take the above on record.

Thanking you,

Yours faithfully,

**For Tata Capital Financial Services Limited**

  
**Avan Doomasia**  
Company Secretary

**TATA CAPITAL FINANCIAL SERVICES LIMITED**

Corporate Identity Number U67100MH2010PLC210201

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Tel 91 22 6606 9000 Web [www.tatacapital.com](http://www.tatacapital.com)

Registered Office 11th Floor Tower A Peninsula Business Park Ganpatrao Kadam Marg Lower Parel Mumbai 400 013

# TATA CAPITAL FINANCIAL SERVICES LIMITED

## CODE OF CORPORATE DISCLOSURE PRACTICES

### **Overseeing and co-ordinating disclosure:**

The Board of the Company shall designate a Senior Officer as the Chief Investor Relations Officer who would be responsible to ensure timely, adequate, uniform and universal dissemination of information and disclosure of Unpublished Price Sensitive Information (“**UPSI**”) relating to the Company or its Securities pursuant to this Code as required under the Regulations so as to avoid selective disclosure.

The Chief Investor Relations Officer shall report to the Managing as the case may be with respect to this Code and shall also co-ordinate with the Compliance Officer.

The Chief Investor Relations Officer shall ensure that information shared with analysts and research personnel is not UPSI. The Chief Investor Relations Officer shall be responsible for overseeing and co-ordinating disclosure of UPSI to analysts, shareholders and media, and educating Employees on disclosure policies and procedures.

**The Chief Investor Relations Officer, shall also ensure that when interacting with media and external public, guidelines for disclosure of UPSI are complied with.**

All disclosure/dissemination of any UPSI (save and except disclosure required to be made under any law or under this Code) on behalf of the Company shall be first marked to the Chief Investor Relations Officer, for approval. Any such information shall be made public or published on behalf of the Company only if the same is approved by the Chief Investor Relations Officer. In case of doubt, the Chief Investor Relations Officer, shall consult and seek approval of the Managing Director before dissemination of such information.

Should any dissemination of information on behalf of the Company take place without prior approval referred above, out of accidental omission, selectively, inadvertently or otherwise by any Employee / Director of the Company then such Employee / Director of the Company shall forthwith inform the Chief Investor Relations Officer., about such disclosure. The Chief Investor Relations Officer will then promptly disseminate the information so as to make such information generally available.

### **Responding to market rumours:**

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 Chief Investor Relations Officer.

The Chief Investor Relations Officer, shall on receipt of requests as aforesaid, consult the Managing Director the case may be and send an appropriate and fair response to the same.

The Chief Investor Relations Officer 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 and thereafter making appropriate disclosures.

All requests/queries received shall be documented and as far as practicable, the Chief Investor Relations Officer, shall request for such queries/requests in writing. No disclosure in response to

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the queries/request shall be made by the Chief Investor Relations Officer, unless the Managing Director approves the same.

### **Disclosure/ dissemination of UPSI with special reference to analysts, institutional investors:**

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

All Directors and Employees of the Company 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 Chief Investor Relations Officer, in advance. The Chief Investor Relations Officer, shall ensure that that the information provided to the analyst/research person/investor as above is made public simultaneously with such disclosure.

The Company shall take extreme care and caution when dealing with analysts' questions that raise issues outside the intended scope of discussion.

The Chief Investor Relations Officer, 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 Chief Investor Relations Officer, shall report the same to the Managing Director and obtain necessary approval for its dissemination to the Stock Exchanges/public announcement through press. The Chief Investor Relations Officer, shall, after dissemination of such UPSI, respond to such unanticipated questions.

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

#### (ii) 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 execution of confidentiality agreement with such persons, to maintain confidentiality of such UPSI in compliance with the Regulations.

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(iii) Recording of discussion:

All analyst and other investor relations conferences shall be attended by the Chief Investor Relations Officer who may be accompanied by any other Employee(s) of the Company. In order to avoid misquoting or misrepresentation, the Chief Investor Relations Officer can make transcripts or arrangements for recording the discussions at the meeting.

(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 Chief Investor Relations Officer, shall be responsible for drafting of the press release or the text of the information to be posted on the Company's web-site, in consultation with the Managing Director.

(v) Medium of disclosure/ dissemination:

The Company shall disseminate all credible and concrete UPSI on a continuous and in a timely manner to stock exchanges where its Securities are listed in accordance with the requirements of applicable law and thereafter to the press.

As a good corporate practice, the UPSI disclosed to the Stock Exchanges and to the Press may also be supplemented by prompt updates on the Company's web-site. The Company may also consider other modes of public disclosure of UPSI so as to improve investor access to the same.

The Chief Investor Relations Officer, shall mark a copy of the press release to Chief - Group Corporate Affairs and Media, Tata Sons Limited, simultaneously for supplementing the Group's website: [www.tata.com](http://www.tata.com).

The information filed by the Company with the Stock Exchanges under the Stock Exchange Listing Agreement shall also be posted on the Company's website.

The Company will also promptly intimate any amendment to this Code of Corporate Disclosure Practices to the Stock Exchanges, as required under the Regulations.

# TATA CAPITAL FINANCIAL SERVICES LIMITED

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

### 1. Background

Tata Capital Financial Services Limited (the “Company”) shares data or information with various stakeholders like organizations, agencies, institutions, intermediaries, establishments, persons, etc., during the course of its business operations. Such unpublished data or information, if made publicly available may impact the market price of the listed securities of the Company. If such persons trade on the basis of unpublished price sensitive information (“UPSI”), it could result in an undue advantage to such persons. The trading in the securities of the Company by an insider is governed by and subject to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”), as amended from time to time, and the Code of Conduct for Prevention of Insider Trading and Code for Corporate Disclosure Practices (“the Code”).

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 amendment in the Regulations, in 2018 and is part of ‘Code of Corporate Disclosure Practices’. (*Regulation 3(2A) and 3(2B)*)

This policy is effective from April 1, 2019.

### 2. Applicability (*As specified in Code*)

This policy is applicable to all Insiders.

### 3. Definitions

(a) **“Connected Person”** means Connected Person as defined under SEBI Regulations 2015 and shall also include promoters and their directors and key managerial personnel. (*Regulation 2(1)(d)*).

(b) **“Insider”** means any person who is  
i) a Connected Person or  
ii) in possession of or having access to Unpublished Price Sensitive Information.  
(*Regulation 2(1)(g)*)

(c) **“Unpublished price sensitive information”** 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: –  
(i) financial results;

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- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) such other information as determined by the Board of Directors/Managing Director /Compliance Officer from time to time. (*Regulation 2(1)(n)*).

#### 4. Legitimate Purpose

“Legitimate Purpose” shall mean sharing of UPSI in the ordinary course of business or on a need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

Legitimate Purpose 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 Regulations. (*Regulation 3(2A) and 3(2B)*).

In following cases which are illustrative in nature, sharing of UPSI would 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.  
*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 requirement for the purposes of promoting the business and Strategies of business. Which may requires sharing of information with Promoters and Promoters in turn with their Promoters as well as by Promoters with their advisors, consultants, intermediaries, fiduciaries etc.

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*Example: Some of the examples which are illustrative in nature are as mentioned below:*

- Sharing the relevant UPSI by Company or Promoters for advice, consultation, valuation, fund raising or other intermediation and approvals in relation to the subject matter of a proposed deal/assignment/tie-up/venture/fund raising;
- 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 in order to avail professional services from them;
- Sharing the relevant UPSI by Company or Promoters for advice, consultation, transaction support, intermediation and approvals on projects relating to enterprise transformation, strategy, change management, analytics, re-organization, operation improvement, technology and similar domains;
- 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 advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business;
- 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;

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

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

The insider may conduct the following steps while sharing UPSI:

- i) Satisfy that information is UPSI and sharing is for legitimate purpose
- ii) Identify the persons with whom the information is to be shared
- iii) Notify the recipient that UPSI is being shared and enter into a confidentiality/non-disclosure agreement.
- iv) Mode of sharing UPSI shall be either by an email (address directly to the insider without copying) or hard copy or any other electronic mode or device or provide access to the information, data, server with acknowledgement or verbal exchange.

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- v) 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.

### **6. Audit**

There should be periodic audit once in a year to ensure the integrity of the system and data maintained.

### **7. Policy Review**

The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes or any regulatory requirements 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.



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## *Legitimate Purpose referred to in the SEBI (Prohibition of Insider Trading) Regulations, 2015*

### **Regulation 3:**

**(1)** No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or **proposed to be listed**, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**(2)** No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or **proposed to be listed**, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**(2A)** The board of directors of a listed company shall make a policy for determination of “**legitimate purposes**” as a part of “Codes of Fair Disclosure and Conduct” formulated under regulation 8.

**Explanation** -“legitimate purpose” 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.

**(2B)** Any person in receipt of unpublished price sensitive information pursuant to a “**legitimate purpose**” shall be considered an “insider” for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.