

AU SMALL FINANCE BANK LIMITED
CODE OF FAIR DISCLOSURE AND
CONDUCT

Version Control

Document Version	Description of Changes	Date	Prepared / Changed by	Sign-Off
1.0	Original First Version	17 th April, 2017	Secretarial Department	

Version Control

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2.0	Second Version	26 th April, 2018	Secretarial Department	
3.0	Amended Policy		Secretarial Department	

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1. BACKGROUND, PURPOSE & SCOPE

- **Background:**

The Securities Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015, on 15th January, 2015 and amended from time to time (hereinafter referred to as the “**Regulations**”), to formulate a stated framework and code for fair disclosure of Unpublished Price Sensitive Information, events and occurrences (herein after referred to as the “**Code**”) that could impact price discovery in the market for its securities.

- **Objects & Scope:**

As per the requirement of Regulation 8 of Chapter IV of the aforesaid code,

“The board of directors of every company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to these regulations, without diluting the provisions of these regulations in any manner”

The Bank has adopted this Code of Fair Disclosure and Conduct after incorporating the relevant clauses of Regulation 8 & Schedule A to the aforesaid Code. The provisions of this Code must be read along with the Regulations and if there is any inconsistency/contradiction between the two, the provisions of the Regulations shall prevail.

2. Definitions

- I. **“Bank”** means AU Small Finance Bank Limited, having its registered office at 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur India.
- II. **“Chief Investor Relations Officer”** means the head of Investor Relations department of the Bank.
- III. **“Unpublished Price Sensitive Information”** means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which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 the securities and shall, ordinarily including but not restricted to, information relating to the following :-
 - a) Financial results;
 - b) Dividends;
 - c) Change in capital structure;
 - d) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - e) Change in key managerial personnel;
- IV. **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.

V. "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.

VI. "Insider" means any person who is a connected person or in possession of or having access to unpublished price sensitive information.

3. Administration:-

Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information:

Senior officer of the Bank will be designated as Chief Investor Relations Officer, to deal with dissemination of information and disclosure of unpublished price sensitive information.

The duties of the Chief Investor Relations Officer will be inclusive of, but not limited to, the following :-

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
4. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
5. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
6. Developing 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.
7. Handling of all unpublished price sensitive information on a need-to-know basis.
8. Due notice shall be given to such person in receipt of unpublished price sensitive information pursuant to a **"legitimate purpose"** who shall be considered an **"insider"** for purposes of these regulations to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

4. Review of the Policy

The Board shall review and amend this Policy, pursuant to any amendment to the Listing Regulations or as and when deemed appropriate.

Proposed By:	
Name	Signature
Mr. Sunil Parnami	Sd/-
Reviewed by	
Mr. Manmohan Parnami	Sd/-

Approving Authority	Board of Directors
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