



Sakthi Finance

Since 1955

**CODE OF PRACTICES AND PROCEDURES FOR
FAIR DISCLOSURE OF
UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)**

(As amended by the Board of Directors at their meeting held on 30 May 2025)



TABLE OF CONTENTS

Para No	Page No
Document Control	2
Abbreviations Used.....	3
1.0. Introduction	4
2.0. Important definitions.....	5
3.0. Preservation of Unpublished Price Sensitive Information (“UPSI”)	6
4.0. References	8



DOCUMENT CONTROL

Document Information	
Company	Sakthi Finance Limited ("SFL"), Coimbatore
Document Title	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Classification	Public

Document Owner	
Name	Designation
Sri S Venkatesh	Company Secretary and Chief Compliance Officer

Document History			
SI No	Date	Nature of Document	Remarks
1	31 October 2009	Base Document	Initially the policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information was adopted by the Board of Directors
2	29 May 2019	Amendment	Amendments were made in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
3	12 February 2025	Amendment	Amendments were made in line with the SEBI (Prohibition of Insider Trading) Regulations 2015 amended on December 6, 2024.
4	30 May 2025	Amendment	Amendments were made in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 dated March 11, 2025 which are effective from June 9, 2025.



ABBREVIATIONS USED

Board	Board of Directors
the "Code"	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")
the "Regulations"	SEBI (Prohibition of Insider Trading) Regulations 2015
the "Act"	The Companies Act 2013
the Company	Sakthi Finance Limited
UPSI	Unpublished Price Sensitive Information



CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED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

(Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations 2015)

1.0. INTRODUCTION

- 1.1. The Board of Directors of Sakthi Finance Limited ("the Company") has always strived to conduct its business in a fair and transparent manner with a view to protect the interest of all stakeholders of the Company.
- 1.2. The Company shall adhere to the following principles of fair disclosure of Unpublished Price Sensitive Information ("UPSI") with respect to it or its securities which are likely to affect price of the securities:
 - 1.2.1. The Company shall ensure 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.
 - 1.2.2. The Company shall ensure uniform and universal dissemination of UPSI to avoid selective disclosure.
 - 1.2.3. The Company Secretary and Chief Compliance Officer of the Company shall act as the Chief Investor Relations officer to deal with dissemination of information and disclosure of UPSI.
 - 1.2.4. The Company shall make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
 - 1.2.5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
 - 1.2.6. The Company shall ensure that information shared with analysts and research personnel is not UPSI.
 - 1.2.7. The Company shall develop and follow 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.
 - 1.2.8. The Company shall handle all UPSI on a need-to-know basis.



2.0. IMPORTANT DEFINITIONS

2.1. "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 include but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, *[award or termination of order/contracts not in the normal course of business and such other transactions;]
- v. changes in key managerial personnel, *[other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
- vi. change in rating(s), other than ESG rating(s);
- vii. fund raising proposed to be undertaken;
- viii. agreements, by whatever name called, which may impact the management or control of the company;
- ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
- x. resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
- xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- xii. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business; and



xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.]

*With effect from June 9, 2025 or such other date as may be specified by SEBI.

3.0 PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI")

3.1. Following is the policy with respect to preservation of UPSI:

3.1.1. No insider shall communicate, provide, or allow access to any UPSI, relating to the company or its securities, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

3.1.2. No person shall procure from or cause the communication by any insider of UPSI, 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 unless for the purpose and manner permitted in the Regulations.

3.1.3. Legitimate purpose means sharing of UPSI in the ordinary course of business or on a UPSI need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

3.1.4. The legitimate purpose shall, *inter alia*, include sharing of UPSI on need to know basis by an insider with employees, directors, lenders, customers, merchant bankers, legal advisors, auditors, or other advisors or consultants.

3.1.5. For the purpose of clarity in understanding, following are illustrative examples of sharing of UPSI which would be considered as legitimate purpose:

3.1.5.1. Furnishing of information to statutory authorities, controlling authorities, local or administrative bodies as per applicable statute or in the usual course of business or for investigation/inquiry purpose or when specifically required by them.

3.1.5.2. Under or in connection with any legal proceedings or pursuant to any order of Courts, Tribunals or Judicial Forums / Authorities.

3.1.5.3. Arising out of any contractual obligations under any contract, agreement, arrangement, settlement, understanding or undertaking entered into by the Company.



- 3.1.5.4. In connection with compliance with applicable laws, rules, regulations and requirements.
- 3.1.6. Sharing of UPSI on need-to-know basis in the usual course of business or arising out of business requirements, strategies, developments, etc., which includes, but not limited to, the following:
- 3.1.6.1. With promoters and/or their representatives/advisors.
 - 3.1.6.2. By an insider with fellow employees in the course of discharge of his duties or in furtherance of the business of the Company.
 - 3.1.6.3. With bankers/lenders, including proposed bankers/ lenders, in connection with loans availed / proposed to be availed by the Company or under applicable guidelines of the Reserve Bank of India.
 - 3.1.6.4. With auditors, lawyers, other advisors, merchant bankers, intermediaries, valuers, service providers, Trustees, Registrars and Share Transfer Agents, Custodians, Valuation Agencies, fund accountants, Association of Mutual Funds of India, Credit Rating Agencies and other consultants during the course of their engagement for the purpose of or in connection with the business of the Company.
 - 3.1.6.5. With financial / technical experts for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of business opportunities.
- 3.1.7. Sharing of UPSI for any other purpose as may be permitted by the Vice Chairman and Managing Director of the Company in writing considering the business exigencies of the Company.
- 3.1.8. Any communication or access to UPSI relating to the Company to any person including other insiders other than for legitimate purpose mentioned above requires prior approval of the Vice Chairman and Managing Director.
- 3.1.9. Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for the purposes of SEBI (Prohibition of Insider Trading) Regulations 2015 and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- 3.2. The Board of Directors of the Company, subject to the provisions of SEBI (Prohibition of Insider Trading) Regulations 2015, as amended from time to time, is authorized to amend or modify this Code in whole or in part.



- 3.3. The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of UPSI.
- 3.4. This Code shall be published on the official website of the Company.
- 3.5. This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.
- 3.6. The Code shall be deemed to have come into force with effect from 1st April 2019.
- 3.7. Subsequent modification(s) / amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015 shall automatically apply to this Code.

4.0. REFERENCES

- 4.1. SEBI (Prohibition of Insider Trading) Regulations 2015, as amended.

Date: 30 May 2025

Place: Coimbatore

(As amended by Board of Directors at their meeting held on 30 May 2025)

