

May 15, 2015

**The Secretary
National Stock Exchange of India Limited
Capital Market – Listing
Exchange Plaza, 5th Floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051**

Dear Sirs,

Sub.: Formulation of Code of Conduct and Code of Fair Disclosure

**Ref.: SEBI (Prohibition of Insider Trading) Regulations, 2015 dated January 15, 2015 and
SEBI Circular No.CIR/ISD/01/2015 dated May 11, 2015**

We refer to the above SEBI Regulations and Circular and confirm that the Board of Directors have formulated the:

1. Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company and
2. Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI).

We enclose a copy of the code of practices and procedures for fair disclosure as required under Regulation 8(2) for your records please. We have also published the same in our Company website.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,
For Cholamandalam Investment and Finance Company Limited



P Sujatha
Compliance Officer

Enc.: As above

Cholamandalam Investment and Finance Company Ltd.

Dare House, 2, N.S.C. Bose Road, Parrys, Chennai 600001, India.

Tel : 91.44.30007172 / Fax : 91.44.25346464

Website : www.cholamandalam.com

CIN – L65993TN1978PLC007576

CODE FOR PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

1.0. Corporate Disclosure Policy:

- 1.1 The following is the Corporate Disclosure Policy/norm to be followed by the Company to ensure timely and adequate disclosure of price sensitive information.

2.0. Prompt disclosure of price sensitive information:

- 2.1. Disclosure of UPSI would be done promptly when credible and concrete information is available for making the same generally available;
- 2.2. The Company will endeavour to make uniform and universal dissemination of UPSI and will avoid making selective disclosure once the information is ready to be made generally available. Material events will be disseminated as mandated by the stock exchanges in clause 36 of the Listing Agreement as amended from time to time.
- 2.3. In case the Company is required to make selective disclosure of UPSI, then the information will be promptly disseminated either in the form of notification to stock exchanges, press releases or upload of information on the website of the Company.
- 2.4 UPSI handling will be on a need to know for legitimate purposes only.
- 2.5 The information released to stock exchanges is also published in the website of the Company for investor access to the public announcements.

3.0 Overseeing and coordinating disclosure:

- 3.1 The CEO/ Managing Director of the Company who is also the designated as the Corporate Disclosure Officer (CDO) to oversee corporate disclosure will be the Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.
- 3.2 CIO shall be responsible for ensuring that the company complies with continuous disclosure requirements, overseeing and co-coordinating disclosure of price sensitive information to stock exchanges, analysts, shareholders and media, and educating staff on disclosure policies and procedure.
- 3.3 Information disclosure/ dissemination may normally be approved in advance by the CIO.
- 3.4 If information is accidentally disclosed without prior approval, the person responsible may inform the CIO immediately, even if the information is not considered price sensitive.

4.0 Responding to market rumours:

- 4.1 Any queries or requests for verification of market rumours by exchanges should be forwarded immediately to the CIO who shall decide on the response/clarification.
- 4.2 The CIO shall decide whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.
- 4.3 The Company will, subject to non-disclosure obligations, aim to provide appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities.
- 4.4 As a general practice, if the rumour appears in a responsible media channel which has reasonably wide audience and rumour can have material impact on pricing of securities, then the Company would immediately make a proper announcement to present the correct position.

5.0 Timely Reporting of shareholdings/ ownership and changes in ownership:

- 5.1 Disclosure of shareholdings/ ownership by major shareholders and disclosure of changes in ownership as provided under any Regulations made under the Act and the listing agreement shall be made in a timely and adequate manner.

6.0 Disclosure / dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors:

The guidelines given hereunder shall be followed while dealing with analysts and institutional investors:-

(i) Only Public information to be provided:

Only public information should be provided to the analyst/ research persons. Alternatively, the information given to the such persons should be made generally available at the earliest.

(ii) Recording of discussion:

In order to avoid misquoting or misrepresentation, it is desirable that at least two representatives of the Company be present at meetings with analysts, brokers or Institutional Investors and discussion should preferably be recorded.

(iii) Handling of unanticipated questions:

Sufficient care should be exercised while 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 price sensitive information, the same should be promptly made generally available.



(iv) Prompt release of Information:

The Company will make transcripts or records of the proceedings of the meetings with Analysts, Investor Relation meetings available on the website of the Company promptly. The company may also consider live webcasting of analyst meets.

7.0 Medium of disclosure / dissemination:

- [i] Disclosure/ dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- [ii] CIO shall ensure that disclosure to stock exchanges is made promptly.
- [iii] Company may also facilitate disclosure through the use of their dedicated Internet website.
- [iv] Company websites may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.
- [v] The information filed by the Company with exchanges under continuous disclosure requirements may be made available on the company website.

