



**CODE OF PRACTICES AND PROCEDURES
AND
CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING INSECURITIES
AND DETERMINATION OF LEGITIMATE PURPOSES AND
FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION
OF UNITY SMALL FINANCE BANK LIMITED**

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**CODE OF PRACTICES AND PROCEDURES AND
CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES AND
DETERMINATION OF LEGITIMATE PURPOSES AND
FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION
PURSUANT TO THE REQUIREMENTS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA
(PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

PART - A

PREAMBLE

UNITY SMALL FINANCE BANK LIMITED (hereinafter referred to as “the Bank” or “UNITY”) had introduced a Code of Conduct for prohibition of Insider Trading (this Code) in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “Regulations”). The said Code was approved by the Board of Directors at their meeting held on August 05, 2022 and subsequently amended by the Board at its meeting held on May 03, 2023 and the same has been since applicable to the Directors and other Designated Persons of the Bank and the connected persons.

The Policy and Obligations

The Regulations, *inter-alia*, direct the Board of Directors of the Bank whose securities are listed on Stock Exchange to do the following:-

- a) To lay down the Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information that it would follow in order to adhere to each of the principles set out in the Regulations without diluting its provisions in any manner.
- b) To formulate a Code of conduct to regulate, monitor and report trading by its Promoters, Directors, employees and other connected persons towards achieving compliance with the Regulations, while adopting the minimum standards set out in the Regulations without diluting their provisions in any manner.

Applicability

To achieve the objectives as stated in the Regulations, the Bank hereby notifies that the “**Code of practices and procedures and Code of conduct to regulate, monitor and report trading in securities and determination of legitimate purposes and fair disclosure of unpublished price sensitive information**” shall become effective and operational from the date as stated herein above.

For dealing in securities of Centrum Capital Limited, Ultimate Holding Company, the Code of Conduct of Centrum Capital Limited will apply.

**PART - B
DEFINITIONS**

For the purposes of this code, the words and expressions given below shall carry the meaning as stated hereinafter.

B.1. “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992).

B.2. “Board” shall mean the Securities Exchange Board of India.

B.3. “Board of Directors” means the Board of Directors of the Bank.

B.4. ‘Bank’ means Unity Small Finance Bank Limited;

B.5. ‘Compliance Officer’ means the Secretary of the Bank or any other person designated by the Board of Directors as Compliance Officer from time to time;

B.6. "Connected person" means-

- i. any person who is or has during the six months prior to the concerned act been associated with a Bank, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Bank or holds any position including a professional or business relationship between himself and the Bank whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - a. an immediate relative of connected persons specified in clause (i) above; or
 - b. a holding Company or associate Company or subsidiary Company; or
 - c. an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 - d. an investment Company, trustee Company, asset management Company or an employee or director thereof; or
 - e. an official of a stock exchange or of clearing house or corporation; or
 - f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management Company of a mutual fund or is an employee thereof; or
 - g. a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
 - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - i. a banker of the Bank; or
 - j. a concern, firm, trust, Hindu undivided family, Bank or association of persons wherein a director of a Bank or his immediate relative or banker of the Bank, has more than ten per cent of the holding or interest;
 - k. Any person being representative of the investors who attends the Board and Committee meetings of the Bank on behalf of the investor or any person having access to the Board and Committee meetings of the Bank

B.7. “Designated Person” (abbreviated as “DP”) shall include –

- a. All Directors on the Board;
- b. CEO/CFO/ CS;
- c. All employees in the cadre of Senior Vice President and above;

- d. All Employees in the Finance, Accounts, Compliance and Secretarial Department as may be determined by the Compliance Officer;
 - e. All employee who are attached to Directors/MD & CEO's office;
 - f. Internal Auditors, Statutory Auditors, Secretarial Auditors, Consultants and Advisors of the Company as may be determined by the Compliance Officer;
 - g. Immediate relative of (a) to (f) above;
 - h. Any other person who on the basis of their role and function in the Bank is expected to have access to the Unpublished Price Sensitive Information(s) relating to the Bank as may be designated by the Compliance Officer from time to time.
- B.8.** "generally available information" means information that is accessible to the public on a non-discriminatory basis;
- B.9.** "immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- B.10.** "insider" means any person who is:
- i. a connected person; or
 - ii. in possession of or having access to unpublished price sensitive information;
- B.11.** "Key Managerial Person" means person as defined in Section 2(51) of the Companies Act, 2013.
- B.12.** "Promoter" and "Promoter Group" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- B.13.** "Regulations" shall mean the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- B.14.** "Restricted List/Grey List" is a confidential list of Securities about whom/ which any Insider or the Company may receive/ have received Unpublished Price Sensitive Information, usually concerning a proposed transaction or assignment for which the Company may be engaged.

The Company shall maintain a Restricted Trade List ("RTL") comprising of the Securities of those companies for or in respect of whom the Company is handling any assignment or which makes insider privy to any Unpublished Price Sensitive Information in regard to the same. The Compliance Officer/Compliance Team may remove a company from the RTL after a relevant transaction which the Company is advising on or is involved in has been publicly announced or otherwise becomes a matter of public record. The placement of a company on the RTL generally restricts trading in the securities of that company.

The RTL and GL shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

It shall be the responsibility of the Heads of various divisions of the Company to provide the names of companies to be placed on GL & RTL and to keep the GL & RTL updated at all times. Immediately on receiving any information that may be deemed "confidential" or "non-public", the respective Head shall intimate the Compliance Officer/ Compliance Team to put such a company on the GL or RTL. This shall also be accompanied by the names of persons who are likely to have the

information and to whom restrictions on trading in securities of such company shall apply. On receipt of the information, the Compliance Officer shall put the name of such company on the Grey List or Restricted Trade List. This list will be reviewed every month. The securities may be removed from the Grey List/ Restricted Trade List in consultation with the Compliance Officer /Compliance Team after a relevant transaction which the Company is advising on or is involved in as an intermediary has been publicly announced or otherwise becomes a matter of public record.

The Grey List and the Restricted Trade List shall be considered highly confidential information and shall not be communicated, directly or indirectly, to anyone.

- B.15.** "securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof;
- B.16.** "takeover regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- B.17.** "trading" means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- B.18.** "trading day" means a day on which the recognized stock exchanges are open for trading;
- B.19.** "Unpublished Price Sensitive Information" (abbreviated as "UPSI") means any information, relating to the Bank 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;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - v. changes in key managerial personnel;

PART – C

APPLICABILITY

This Code shall apply to all insiders as defined at B.10 including Designated Person.

PART - D

RESTRICTION ON COMMUNICATIONS AND TRADING BY INSIDERS

- D.1.** Communication or procurement of Unpublished Price Sensitive Information.
- a. No Designated Person or insider shall communicate, provide, or allow access to any

unpublished price sensitive information, relating to securities of UNITY or securities proposed to be listed by UNITY, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- b. No person shall procure from or cause the communication by any Designated Persons or insider of unpublished price sensitive information, relating to securities of the Bank or securities proposed to be listed by the Bank, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The Policy for determination of Legitimate purpose is covered in G9 of this Code.
- c. Notwithstanding anything contained in this Code, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would,
 - i. entail an obligation to make an open offer under the takeover regulations where the board of directors of the Bank is of informed opinion that sharing of such information is in the best interests of the Bank;
 - ii. not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Bank is of informed opinion that the proposed transaction is in the best interests of the Bank and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.
- d. For the purpose of (c) above, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of (c) above, and shall not otherwise trade in securities of the Bank when in possession of unpublished price sensitive information.
- e. Trading by insiders including promoters, non-individual insiders when in possession of unpublished price sensitive information shall be governed by Regulation 4 of the Regulations.

D.2. Trading Plans.

- a. An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- b. Such trading plan shall –
 - i. not entail commencement of trading on behalf of the insiders earlier than six months from the public disclosure of the plan;
 - ii. not entail trading for the period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the Bank and the second trading day after the disclosure of such financial results;

- iii. entail trading for a period of not less than 12 months;
 - iv. not entail overlap of any period for which another trading plan is already in existence;
 - v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
 - vi. not entail trading in securities of the Bank for market abuse.
- c. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of this Code or “Regulations” and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.]

- d. The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of this code or “Regulations”.

- e. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the securities of the Bank are listed.

PART E

DISCLOSURE OF TRADING BY INSIDERS

E.1 General Provisions

- a. Every public disclosure shall be made in the Form/s as prescribed under the Regulations from time to time.
- b. The disclosures to be made by any person under this code shall include those relating to trading by such person’s immediate relatives, and by any other person for whom such person takes trading decisions.
- c. The disclosure of trading in securities shall also include trading in derivatives of securities and traded value of the derivatives shall be taken into account. Provided that trading in derivatives of securities is permitted by any law for the time being in force.

- d. The disclosures made under this Part shall be maintained by the Bank, for a minimum period of five years, in such form as may be specified.

E.2 Disclosure by certain persons

a. Initial Disclosures

- i. Every person on appointment as a Key Managerial Person or a Director of the Bank or upon becoming a Designated Person or Promoter or member of the promoter group shall disclose his holding of securities of the Bank in **Form C** as on the date of appointment or becoming a Designated Person or promoter or Member of Promoter group, to the Bank, within seven days of such appointment or becoming a Designated Person or promoter or Member of Promoter group.

b. Continual Disclosures

- i. Every Promoter or member of the promoter group, Designated Person shall disclose in **Form D** to the Bank the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lacs.
- ii. Bank shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

c. Disclosures by other connected persons.

The Bank may on its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Bank in **Form G** and at such frequency as may be determined by the Bank in order to monitor compliance with this Code.

PART - F

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

F.1. The Bank,

- a. shall make 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.
- b. shall ensure uniform and universal dissemination of unpublished price sensitive to avoid selective disclosure.
- c. Designate the Compliance Officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- d. shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e. shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- f. Shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- g. shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the website of the Bank to ensure official confirmation and documentation of disclosures made.
- h. shall ensure that all the unpublished price sensitive information are handled on a need-to-know basis.

PART-G

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES

G.1 Duties of Compliance Officer

- (a) He shall maintain a record of Designated Person and any changes made therein.
- (b) He may in consultation with the Chairman and shall as directed by the Board, specifies Prohibited Period from time to time and immediately make an announcement thereof to all concerned.
- (c) He shall maintain a record of Prohibited Period specified from time to time.
- (d) He shall be responsible for setting forth Policies, Procedures, Monitoring adherence to the rules for the preservation of 'Price-Sensitive Information', 'pre-clearing of Designated employees' and their immediate relatives' trades, Monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Bank.

- (e) He shall maintain records of all the declarations submitted in the appropriate form given by Designated Person for a minimum period of five years.
- (f) He shall place before the Board, on a quarterly basis all the details of the dealing in the securities of the Bank by the Designated Person, with relevant documents that such persons had executed under the pre-dealing procedure as envisaged in this Code.
- (g) He shall from time to time inform the Stock Exchanges of any price sensitive information on immediate basis.
- (h) He shall intimate to all Stock Exchanges on which the securities of the Bank are listed the relevant information received.
- (i) He shall be responsible for overseeing and co-ordinating disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.
- (j) He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, within 7 days of knowledge of any such violation.
- (k) He shall ensure that the 'Trading Window' is closed at the time when the Designated Persons or class of Designated Persons are reasonably expected to have possession of unpublished price sensitive information;
- (l) He shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting application for pre clearance of trades

G.2. Minimum Standards for Code of Conduct to regulate, monitor and report trading by designated persons

1. The Compliance Officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors, but not less than once in a year.
2. All information shall be handled within the organization on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
3. Designated Persons and immediate relatives of designated persons in the organization shall be governed by an internal code of conduct governing dealing in securities.
4. Designated persons may execute trades subject to compliance with these regulations. Towards the end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
5. Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information
6. The trading window restrictions mentioned above shall not apply in respect of –
 - (a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of

- regulation 4 and in respect of a pledge of shares for a bona fide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the Board;
- (b) transactions which are undertaken in accordance with respective regulations made by the Board such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer and transactions which are undertaken through such other mechanism as may be specified by the Board from time to time.
7. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than **forty-eight hours** after the information becomes generally available.
 8. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is in excess of **Rs. 10 Lakhs in a calendar quarter** as mentioned in clause G6 of this Code.
 9. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
 10. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Bank in **Form H** on an annual basis and as and when the information changes:
 - a) immediate relatives
 - b) persons with whom such designated person(s) shares a material financial relationship
 - c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions in **Form I** from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

11. The Bank shall inform promptly to the stock exchanges where the securities are traded, in such form and such manner as may be specified by the Board from time to time if the Bank observes that there has been a violation of regulations.
12. The Bank should clearly identify the people who are privy to sensitive and confidential transactions and make sure that the recipients of such information are made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.

G.3. Preservation of "Price Sensitive Information"

Designated Persons shall maintain the confidentiality of all Price Sensitive Information. Designated Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Bank. Following practices should be followed in this regard.

1. Need to know

Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Bank who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

2. Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

G.4. Prohibition on Dealing, Communicating or Counselling on Matters Relating to Insider Trading

No Insider shall –

- (a) either on his own behalf, or on behalf of any other person, trade in securities of the Bank when in the possession of any unpublished price sensitive information;
- (b) communicate, counsel or procure, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

G.5. Trading Restrictions

All Designated Person of the Bank shall be subject to trading restrictions as enumerated below:-

1. Trading Window

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Bank's securities. This sensitivity is due to the fact that the Designated Persons will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Designated Person will have to forego the opportunity of trading in the Bank's securities.

The Designated Person of the Bank shall not deal in the securities of the Bank when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

2. The trading window shall be, inter alia, closed at the time of:-

- (a) Declaration of Financial results (quarterly, half-yearly and annual)
- (b) Declaration of dividends (interim and final)
- (c) Issue of securities by way of public/ rights/bonus, etc.
- (d) Any major acquisition/ expansion plans or execution of new projects
- (e) Amalgamation, mergers, takeovers and buy-back

- (f) Disposal of whole or substantially whole of the undertaking
 - (g) Litigation/dispute with a material impact;
 - (h) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Bank;
3. The period of closure shall be effective from the date on which the Bank sends intimation to the Stock Exchange advising the date of the Board Meeting, up to 48 hours after the Price sensitive information is submitted to the Stock Exchange. Further, trading restriction period shall be applicable from the end of every quarter till 48 hours after the declaration of financial results.
 4. The trading window shall be opened 48 hours after the information referred in G.5. 2 is made public.
 5. All Designated Person of the Bank shall conduct all their dealings in the securities of the Bank only during the free period and shall not deal in any transaction involving the purchase or sale of the Bank's securities during the prohibited periods or during any other period as may be specified by the Bank from time to time.

G.6. Pre-clearance of trades/Transactions which require prior approval

Any Designated Person of the Bank, who intend to trade in the securities of the Bank during free period exceeding market price of Rs.10,00,000/- shall require to pre-clear the transactions as per the pre-dealing procedure as described hereunder. The Compliance Officer is authorised to change the limit of market dealing of Rs.10,00,000/- from time to time.

No Director/ Designated Person shall apply for pre-clearance of any trade if such person is in possession of Unpublished Price Sensitive Information even if the trading window is not closed.

1. Pre-dealing Procedure

An application for pre-clearance of trade shall be made in **Form 'A'** to the Compliance Officer alongwith an undertaking (UT) in favour of the Bank by such Designated Person incorporating, inter alia, the following clauses, as may be applicable:

- (a) That the Designated Person does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
- (b) That in case the Designated Person has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he or she shall inform the Compliance officer of the change in his position and that he or she would completely refrain from dealing in the securities of the Bank till the time such information becomes public.
- (c) That he or she has not contravened the provisions of this Code or Regulations as amended from time to time.
- (d) That he or she has made a full and true disclosure in the matter.
- (e) The Compliance Officer shall on receiving an application provide the Designated Person with an acknowledgement on the duplicate of the application.

- (f) The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.
- (g) The Compliance Officer shall retain copies of all applications and acknowledgements.
- (h) In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed trade is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent.
- (i) If so requested by the Compliance Officer, Designated Person must ensure that his stockbroker is authorised to disclose to the Bank all matters relevant to his share dealings.

2. Other restrictions

The Designated Person shall execute their order in respect of securities of the Bank within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the Designated Person must pre clear the transaction again.

The Designated Person shall hold their investments in securities for a minimum period of six months irrespective of mode of acquisition in order to be considered as being held for investment purposes. The Designated Person permitted to trade shall not be permitted to execute a contra trade within a period of six months from the date of said trade.

In case the sale of securities is necessitated by personal emergency, the Compliance Officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in **Form 'B'**.

3. Transactions allowed without prior approval

Subject to Applicable Holding Period, Buy back offers, open offers, rights issues, FPOs, bonus, exit offers, etc. of a listed company are available to Designated Persons and their immediate relatives, and restriction of 'contra-trade' shall not apply in respect of such matters.

Designated Persons who (or whose Dependents) intend to Trade in securities in a calendar quarter (either in one transaction or in a series of transactions) of a consideration price below Rs. 10,00,000/- (Rupees Ten Lakhs) for the such Securities, no prior approval is required.

G.7. Half yearly / Annual Disclosures

In addition to disclosures mentioned under Part E of this Code, all Designated Person of the Bank shall be required to forward following details of their Securities transactions, including the holdings of immediate relatives, to the Compliance officer:

- (a) All holdings in securities of the Bank at the time of joining the Bank in **Form C**;
- (b) In respect of existing Designated Person , all holdings in securities of the Bank as on the date specified by the Compliance Officer in **Form D**.
- (c) Statement of any transactions in securities of the Bank, whether pre-clearance of trade was obtained or not, in **Form 'E'** on a half yearly basis within 10 days from the end of half year,

and

- (d) Annual statement of all holdings in securities of the Bank in **Form 'F'** as on March 31 of each year, before April 15 of that year.

G.8 Records of disclosures received by the Bank

The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Designated Person for a minimum period of five years.

The Compliance Officer shall place before the Board of Directors, on a quarterly basis all the details of the dealing in the securities by the Director/ Designated employees of the Bank and the accompany documents that such persons had executed under the pre-dealing procedure as envisaged in this Code.

G.9. Determination of Legitimate Purpose

“legitimate purpose” includes 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.

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.

Sharing of UPSI for a particular instance tantamount to legitimate purpose or not would entirely depend on the specific facts and circumstances of each case.

The Board considers that the sharing of UPSI is for legitimate purposes if it has been shared by the Bank whether in the course of ordinary or special business with its legal and tax advisors, auditors, collaborators, lenders, customers, suppliers, merchant bankers, or any other advisors or consultants (hereinafter referred to as “Parties”), provided that such sharing has not been carried out to evade or circumvent the prohibitions.

The Bank shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of sub-regulation (3), and shall not otherwise trade in securities of the Bank when in possession of unpublished price sensitive information.

G.10. Institutional Mechanism for Prevention of Insider trading

- (1) The Chief Executive Officer, Managing Director or such other analogous person of Bank shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in Regulations to prevent insider trading.
- (2) The internal controls shall include the following:

- (a) all employees who have access to unpublished price sensitive information are identified as designated person;
 - (b) all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of regulations;
 - (c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
 - (d) lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
 - (e) all other relevant requirements specified under these regulations shall be complied with;
 - (f) periodic process review to evaluate effectiveness of such internal controls.
- (3) The board of directors of Bank shall ensure that the Chief Executive Officer or the Managing Director or such other analogous person ensures compliance with regulation 9 and sub-regulations (1) and (2) of this regulation.
- (4) The Audit Committee of Bank shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

G.11. Penalty for contravention of this Code

Any Designated Person, who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action will be taken by the Bank.

Designated Person of the Bank who violate this Code shall also be subject to disciplinary action by the Bank, which may include wage salary freeze, suspension, withholding of promotions, etc. The action by the Bank shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

G.12. Information to SEBI in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015

In case it is observed by the Bank and / or Compliance Officer that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Compliance Officer shall inform the SEBI within a period of 30 days from the date of knowing the same.

.....

Form A

Application for Pre-clearance of trading in securities of the Bank (in terms of Clause 5.1 of G.6 of the Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employees Code:-

PAN :-

Address:-

Date :-

To

The Compliance Officer
Unity Small Finance Bank Limited
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I want to purchase/ sale _____equity shares/ other securities of the Bank from the open market/ private arrangement, details of the same are as mentioned below :-

| Sr. No. | Heading | Particulars |
|---------|--|-------------|
| 1 | Existing holding of the shares/ other securities | |
| 2 | Folio No./ DP_ID and CL_ID | |
| 3 | Nature of new transaction : Sale / Purchase | |
| 4 | Quantity want to purchase/ Sale | |
| 5 | Price at which you want to purchase/ Sale | |
| 6 | Estimated consideration | |
| 7 | Mode of transaction – private / Open market | |
| 8 | Purpose of Purchase / Sale | |
| 9 | In whose name (with relation) the transactions will take place | |

I/ We declare that I/ we have complied with the requirements of Bank's "Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information" based on the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. I am executing an Undertaking as required and enclose herewith.

You are requested kindly to give your permission to trade in the equity shares/ other securities of the Bank as requested above.

Signature: _____

(Name : _____)

Encl. Duly executed Undertaking.

Undertaking
(in terms of Clause 5.1 of G.6 of the Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employees Code:-

PAN :-

Address:-

To

Date :- _____

The Compliance Officer
Unity Small Finance Bank Limited
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East), Mumbai – 400098

Sir,

With reference to my application dated _____ for pre-clearance of trade for purchase/ Sale of _____ equity shares/ other Securities of the Bank, I confirm, declare and undertake as follow :-

- (a) That I do not have any access or has not received “Price- sensitive information” up to the time of signing the Undertaking.
- (b) That in case I have access to or receive “Price- sensitive information” after the signing of the Undertaking but before the execution of the transaction, I shall inform you the change in my position and I shall completely refrain from trading in the securities of the Bank till such information becomes public.
- (c) That I have not contravened the Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 (Code) as notified by the Bank from time to time.
- (d) That I hereby confirm that I abide by the provisions of Clause 5.2 of G.6 of the Code with regard to time norms for execution and holding of securities.

I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge and belief.

Signature: _____

(Name : _____)

Form B

Application for waiver of holding period (in terms of Clause 5.2 of G.6 of the Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employees Code:-

PAN :-

Address:-

Date :- _____

To

The Compliance Officer
 Unity Small Finance Bank Limited
 Centrum House, C.S.T. Road,
 Vidyanagari Marg, Kalina,
 Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I had purchased _____ equity shares/ other Securities of the Bank on _____, the details are as mentioned below:-

| Sr. No. | Heading | Particulars |
|---------|--|-------------|
| 1 | No. of equity shares/ other Securities purchased | |
| 2 | Folio No./ DP_ID and CL_ID | |
| 3 | Date of purchase and price of purchase | |
| 4 | From whom purchased | |
| 5 | Existing total holding | |
| 6 | Quantity want to sale | |
| 7 | Reason for early selling | |
| 8 | Price at which you want to sale | |
| 9 | Mode of transaction – private / Open market | |

I understand that as provisions of the Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Code), I need to hold this Investment for a minimum period of six months, but, due to reason as mentioned above, I need to sale the same before prescribed period.

You are requested kindly to give your permission to sale aforesaid Securities as requested.

Signature: _____

(Name : _____)

Form C

Form for initial disclosure of holdings of equity shares/ other securities of the Bank (in terms of Clause G.7(a) of Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employees Code:-

PAN :-

Address:-

Date :- _____

To

The Compliance Officer
 Unity Small Finance Bank Limited
 Centrum House, C.S.T. Road,
 Vidyanagari Marg, Kalina,
 Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I have joined the Bank w.e.f. ____ as ____ (Director/ Designated employee) and have read the “Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015”(Code) of the Bank and declare that I alongwith my immediate relatives are holding equity shares/ other Securities of the Bank as follows :-

I Statement of holdings in my name:

| Name | Folio No./ DP ID/ Client ID | No. of Securities | Date on which purchased/ acquired |
|------|--------------------------------|-------------------|--------------------------------------|
| | | | |

II Details of holding by my immediate relatives:

| Name of Relative and PAN | Relationship | Folio No./ DP ID/ Client ID | No. of Securities | Date on which purchased/ acquired |
|--------------------------|--------------|--------------------------------|----------------------|--|
| | | | | |
| | | | | |

I also confirm that whatever I have declared above is true and I or my immediate relatives are not holding any other Securities of the Bank.

Signature: _____

(Name : _____)

FORM D**Form for disclosure of existing holdings of equity shares/ other securities of the Bank (in terms of Clause G.7(b) of Code)****From**

Name:-

Director / Designated Person:

Designation:-

DIN/ Employees Code:-

PAN

Address:-

Date :- _____

To

The Compliance Officer

Unity Small Finance Bank Limited

Centrum House, C.S.T. Road,

Vidyanagari Marg, Kalina,

Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I am working as _____ (Director / Designated employees) and declare that have read the “Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015”(Code) of the Bank and declare that I alongwith my immediate relatives are holding equity shares/ other Securities of the Bank as follows :-

I Statement of holdings in my name:

| Name, PAN, Address with Contact details | Folio No./ DP ID/ Client ID | No. of Securities | Date on which purchased |
|---|-----------------------------|-------------------|-------------------------|
| | | | |

II Details of holding by my immediate relatives:

| Name of Relative and PAN | Relationship | Folio No./ DP ID/ Client ID | No. of Securities | Date on which purchased |
|--------------------------|--------------|-----------------------------|-------------------|-------------------------|
| | | | | |
| | | | | |

I also confirm that whatever I have declared above is true and I or my immediate relatives are not holding any other Securities of the Bank.

Signature: _____

(Name : _____)

FORM E

Form for disclosure of holdings of equity shares/ other securities of the Bank on half yearly basis (in terms of Clause G.7(c) of Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employee's Code:-

PAN

Address:-

Date :- _____

To

The Compliance Officer

Unity Small Finance Bank Limited

Centrum House, C.S.T. Road,

Vidyanagari Marg, Kalina,

Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I alongwith my immediate relatives are holding equity shares/ other Securities of the Bank as follows:

I. Details of holdings in my name:

| Name | No. of Securities held on 01.04.____ | No. of Securities bought during the half year | No. of Securities sold during the half year | No. of Securities held on 30.09.____ | Folio No./ DP ID/ Client ID |
|------|--------------------------------------|---|---|--------------------------------------|-----------------------------|
| | | | | | |

II. Details of holdings in my name

| Name of Relative and PAN | Relationship | No. of Securities held on 01.04.____ | No. of Securities bought during the half year | No. of Securities sold during the half year | No. of Securities held on 30.09.____ | Folio No./ DP ID/ CL_ID |
|--------------------------|--------------|--------------------------------------|---|---|--------------------------------------|-------------------------|
| | | | | | | |
| | | | | | | |

I/ We declare that I/ we have complied/ will be complied with the requirements of Bank's Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 pertaining

to the minimum holding period of six months with respect to the Securities purchased during the half year.

Signature: _____

(Name : _____)

FORM F

Form for Annual disclosure of holdings of equity shares/ other securities of the Bank (in terms of Clause G.7(d) of Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employee's Code:-

PAN :-

Address:-

Date :- _____

To

The Compliance Officer
Unity Small Finance Bank Limited
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I along with my immediate relatives are holding equity shares/ other Securities of the Bank as follows:

I. Details of holdings in my name:

| Name | No. of Securities held on 01.04.____ | No. of Securities bought during the year | No. of Securities sold during the year | No. of Securities held on 31.03.____ | Folio No./ DP ID/ Client ID |
|------|--------------------------------------|--|--|--------------------------------------|-----------------------------|
| | | | | | |

II. Details of holdings in my name

| Name of Relative and PAN | Relationship | No. of Securities held on 01.04.____ | No. of Securities bought during the year | No. of Securities sold during the year | No. of Securities held on 31.03.____ | Folio No./ DP ID/ CL_ID |
|--------------------------|--------------|--------------------------------------|--|--|--------------------------------------|-------------------------|
| | | | | | | |
| | | | | | | |

I/ We declare that I/ we have complied with the requirements of Bank's Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 pertaining to the minimum holding period of six months with respect to the Securities purchased during the year.

Signature: _____

(Name : _____)

FORM G

Form for disclosure of holdings of equity shares/ other securities of the Bank by other Connected Persons (in terms of Clause E.2 (c) of Code)

From

Name:-

Connection with Company:

Designation:-

PAN :-

Address:-

Date: _____

To

The Compliance Officer
 Unity Small Finance Bank Limited
 Centrum House, C.S.T. Road,
 Vidyanagari Marg, Kalina,
 Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you that I along with my immediate relatives are holding equity shares/ other Securities of the Bank as follows:

I. Details of holdings in my name:

| Name | Folio No./ DP ID/ Client ID | No. of Securities held | Date on which purchased/ acquired |
|------|--------------------------------|---------------------------|--------------------------------------|
| | | | |

II. Details of holding by my immediate relatives:

| Name of Relative and PAN | Relationship | Folio No./ DP ID/ Client ID | No. of Securities | Date on which purchased/ acquired |
|--------------------------|--------------|--------------------------------|----------------------|--|
| | | | | |
| | | | | |

I also confirm that whatever I have declared above is true and I or my immediate relatives are not holding any other Securities of the Bank.

I/ We declare that I/ we have complied with the requirements of Bank's Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities

and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 pertaining to the minimum holding period of six months with respect to the Securities purchased during the year.

Signature: _____

(Name : _____)

FORM H

Form for disclosure of details of Immediate Relative and Person with whom DP shares Material Financial Relationship (in terms of Clause G.2 (10) of Code)

From

Name:-

Director / Designated Person:

Designation:-

DIN/ Employee's Code:-

PAN :-

Address:-

Date:_____

To

The Compliance Officer
Unity Small Finance Bank Limited
Centrum House, C.S.T. Road,
Vidyanagari Marg, Kalina,
Santacruz (East), Mumbai – 400098

Sir,

With reference to above, I wish to inform you following are the details of my immediate relatives and Person with whom I share Material Financial Relationship:

| Name | PAN | Relationship with Designated Person | Contact No. |
|---|-----|-------------------------------------|-------------|
| Immediate Relatives: | | | |
| Person with whom DP shares Material Financial Relationship: | | | |

I also confirm that whatever I have declared above is true.

Explanation:

Immediate relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

Material Financial Relationship” shall mean a relationship in which one person is a recipient of any

kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

Signature: _____

(Name : _____)

FORM I**Form for disclosure of details Education Institution and Past Employers
(in terms of Clause G.2 (10) of Code)****From**

Name:-

Director / Designated Person:

Designation:-

DIN/ Employee's Code:-

PAN :-

Address:-

Date: _____

To

The Compliance Officer

Unity Small Finance Bank Limited

Centrum House, C.S.T. Road,

Vidyanagari Marg, Kalina,

Santacruz (East), Mumbai – 400098

A. Name of Educational Institution from which I am Graduated**B. Name of Past Employers:**

Signature: _____

(Name : _____)