



**POLICY ON CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED
PRICE SENSITIVE INFORMATION AND DETERMINATION OF LEGITIMATE PURPOSE**

1. Introduction

Pursuant to the Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015, no insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such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. However, 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 Such unpublished data or information, if made publicly available may materially impact the market price of the listed securities of the Company and may result in an undue advantage to such unpublished data or information holders.

The trading in the securities of the Company by an insider is governed by and subject to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('**Regulations**') as amended from time to time.

This "**Policy on Determination of Legitimate Purpose**" ('**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 Conduct" of the Company. 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 Regulations 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- ii) in possession of or having access to Unpublished Price Sensitive Information.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(c) "Unpublished price sensitive information or UPSI" means any information, relating to a company or its securities, directly or indirectly, that is not generally available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;
- (ii) dividends;

- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel;

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 interalia 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 on need to know basis.

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

- Sharing the relevant UPSI 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 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 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 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 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 for statutory consolidation requirements or related customary disclosure obligations;
- Sharing the relevant UPSI 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. Principles of Fair Disclosure

The Company shall adhere to the following principles to ensure timely and fair disclosure of Unpublished Price Sensitive Information:

- i. Prompt public disclosure of unpublished price sensitive information that would impact price discovery, as soon as it has credible and concrete information, in order to make such information generally available.
- ii. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- iii. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- iv. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.

- v. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website to ensure official confirmation and documentation of disclosures made.
- vi. Handling of all unpublished price sensitive information on a need-to-know basis. Unpublished price sensitive information shall be disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

6. Chief Investor Relations Officer ("CIO") to oversee and coordinate disclosures:

- i. The Compliance Officer of the Company is designated as the Chief Investor Relations Officer and is responsible for dissemination of information and disclosure of UPSI.
- ii. The Compliance Officer is also responsible for ensuring compliance under this code, overseeing and coordinating disclosure of UPSI to stock exchanges, shareholders, analysts and media and for educating Company's staff on disclosure policies and procedure.
- iii. All UPSI is to be handled on "need to know basis", i.e., UPSI should be disclosed only to those within the Company 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 the information. All the non-public information directly received by any employee should immediately be reported to the Compliance Officer.

7. Powers & Duties of Chief Investor Relations Officer:

- i. Other than information which is price sensitive in accordance with the Companies Act 2013, the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other applicable law for the time being in force, the CIO in consultation with the Managing Director & Chief Financial Officer (CFO) shall decide whether an information is price sensitive or not.
- ii. The CIO shall ensure that disclosure to Stock Exchanges is made promptly.
- iii. All information disclosure/dissemination may normally be approved in advance by the CIO. In case information is accidentally disclosed without prior approval of CIO, the person responsible shall immediately inform the CIO.
- iv. The CIO shall ensure that no unpublished price sensitive information is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.
- v. Any queries or requests for verification of market rumour(s) by the Regulatory Authorities shall be forwarded to the CIO, who shall decide on the clarification to be provided.
- vi. The CIO shall decide whether a public announcement is necessary for verifying or denying any rumour(s).

8. Process for sharing UPSI

The insider shall 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.
- 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.

9. 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.

10. Amendment

The Board of Directors of the Company may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy, in case there is any change in applicable laws, rules & regulations.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

Any change in the Policy shall be approved by the Board of Directors of the Company. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

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.