



## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

### 1. Preface:

Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (“**The Regulations**”), mandate the every Listed Company to formulate and publish on its official Website, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“**Code**”) that it would follow in order to adhere to each of the principles set out in Schedule A to the regulations.

This Code has been reviewed, approved and amended by the Board of Directors of the D P Abhushan Limited (“**the Company**”) by inserting the new principles as set out in the amended Regulations and shall come into effect from April 1, 2019.

### 2. Applicability:

This Code shall be applicable and binding on all the employees, officers, directors and those persons authorized to speak on behalf of the Company.

### 3. Coverage:

#### A. Unpublished Price Sensitive Information:

“Unpublished Price Sensitive Information” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon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:

- 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; and
- e) Changes in key managerial personnel.

#### B. Other Information:

Other Information includes all such information relating to a company or securities, that is not generally available, would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain.

For the purpose of this Code, all such above information including unpublished price sensitive information would be referred to as “**Material Information**”.

### 4. Legitimate Purposes:

Legitimate Purposes shall have meaning assigned as such in the policy for determination of “**Legitimate Purposes**”, attached herewith, which forms part of this Code.

### 5. Basic Principles of Disclosures of Material Information:

This code intends to formulate a stated framework and policy for Fair Disclosure of Price Sensitive Information that could impact price discovery in the market for the securities of the



Company. To achieve this objective, the Board of Directors shall adhere to the following principles in letter and in spirit:

- A. Unpublished Price Sensitive Information that would impact price discovery shall promptly be disclosed no sooner than credible and concrete information comes into being in order to make such information generally available.
- B. Under certain circumstances, the Company may determine that such disclosure would be unduly detrimental to the Company (for example if release of the information would cause prejudice to negotiations in a corporate transaction), in which case, the information shall be kept confidential until the Company determines it may be publicly disclosed. Information should be disclosed only after there is credibility to the information and the information has concretized.
- C. It shall be ensured that Unpublished Price Sensitive Information are disclosed uniformly and universally to avoid selective disclosure.
- D. Unless otherwise resolved by the Board of Directors, the Public Spokes Person or Senior Office of the Company shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- E. There shall be prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise. It shall be ensured that such information is made generally available.
- F. Appropriate and fair response shall be provided against queries on news reports and requests for verification of market rumours by regulatory authorities.
- G. The Board of Directors shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- H. Disclosure must be complete in all material respects and should not be misleading.
- I. Best practices will be followed 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.
- J. Unpublished price sensitive information shall be handled on a need-to-know basis.
- K. Disclosure must be corrected immediately if the Company is subsequently made aware that its earlier disclosure contained a material error or omission at the time it was given.

#### **6. Disclosure of Material Information:**

The Company shall disclose Material Information concerning its business and affairs to the public immediately, except when otherwise required for the purpose of maintaining the confidentiality of the information. This Code is to enable all persons investing in the securities of the Company to have the opportunity for equal and timely access to information that may affect their investment decisions regarding those securities.

This Code further provides that, once there is credibility to the information and once the information is reached to a level of concretization, the information would be disclosed by the Company in a timely manner.

#### **7. Process of Disclosures of Material Information:**

In case any Functional Head becomes aware of some Material Information about the Company, the said Functional Head would contact the Compliance Officer appointed by the Company under Insider Code ("Compliance Officer").



The Compliance officer would then determine whether the information requires disclosure to the stock exchanges or not in accordance with this Code or Regulation or the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“Listing Regulations”). Thereafter, concerned functional head will prepare the content of the disclosure and determine the timing of the disclosures. Thereafter, the Company will disclose the said information to the stock exchanges.

#### **8. Delay in Disclosing Material Information:**

Under certain circumstances, the Company may keep Material Information confidential for a limited period of time because immediate disclosure may compromise certain strategic business opportunities of the Company or may not be disclosable due to third-party confidentiality restrictions or uncertainty of events.

The determination of when not to disclose Material Information immediately shall be made by the Compliance officer appointed under the Insider Code.

#### **9. Information to be shared on a Need to Know basis:**

The directors/ employees of the Company shall not discuss the matters or developments regarding the Company which in any way relate to Material Information with any other persons, except where such communication is in furtherance of legitimate purposes, performance of his/her duties or discharge of legal obligations.

To protect Material Information from disclosure, the directors/ employees of the Company:

- A. Should not discuss Material Information in public places where Material Information may be overheard (e.g., elevators, restaurants, airplanes, taxicabs) or participate in, host or link to Internet chat rooms, online social networking sites, news group discussions or bulletin boards which discuss matters pertaining to the Company's activities or its securities;
- B. Should not carry, read or discard Material Information in an exposed manner in public places;
- C. Should not discuss Material Information with any other persons, except as required in performance of his or her duties;
- D. Shall advise the other persons with whom they are meeting where Material Information may be disclosed, before the meeting, that they must not divulge the Material Information; and
- E. Should not deal in the securities of the Company until the Material Information is publicly disclosed.

#### **10. Unintentional/ Inadvertent Disclosure:**

In the event the Company makes an unintentional disclosure of Material Information, it shall forthwith take steps to ensure that the same is disclosed to the stock exchanges immediately.

Further, if the Company becomes aware that there has been an inadvertent disclosure of Material Information, it should immediately contact the Compliance Officer, who shall consider the matter and take appropriate steps.

#### **11. Contacts with Analysts and other Investors:**

The Company communicates with its institutional shareholders through meetings with analysts and discussions between fund managers and management. The Company may participate at investor conferences. All interactions with institutional shareholders, fund managers and analysts are based on generally available information that is accessible to the public on a non-discriminatory basis. The presentations made to analysts and fund managers are placed on the Company's website. The official news releases are also displayed on the said website.



The main channel of communication to the shareholders is through the annual report. Details relating to quarterly performance and financial results are disseminated to the shareholders through press releases and uploaded on the Company's website.

### **12. Market Rumours**

The Employees/Directors of the Company shall promptly direct any queries or requests for verification of market rumours received from stock exchanges or from the press or media or from any other source to the Public Spokes Person as the case may be. The Public Spokes Person shall on receipt of requests as aforesaid, consult the Compliance Officer and respond to the same without any delay.

The Public Spokes Person shall be also responsible for deciding in consultation with Compliance Officer as to the necessity of a public announcement for verifying or denying rumours and thereafter making appropriate disclosures.

All the requests/queries received shall be documented and as far as practicable, the Public Spokes Person as the case may be, shall request for such queries / requests in writing. No disclosure in response to the queries / request shall be made by the Public Spokes Person be unless the Compliance Officer approve the same.

### **13. Review of Analyst Reports**

The Company may at the request of the Analysts, review their research reports for the limited purpose of pointing errors based on previously disclosed information.

### **14. Maintenance of Disclosure Records**

The Company shall maintain and store records in respect of disclosures made by it through any means under the relevant provisions of the Companies Act, 2013, Rules made there under, SEBI Act, 1992, Rules, Regulations and Guidelines issued there under and the Listing Regulations, for audit and future reference.

### **15. Share Dealing Code**

No employees, officers, directors and those persons authorized to speak on behalf of the Company including his/her Immediate Relatives shall either on his/ her own behalf or own behalf of any other person, trade or undertake to trade or cause to trade in the Securities of the Company;

A. When he/she is in possession of any Unpublished Price Sensitive Information and

B. During the Restricted Trading Period.

### **16. Amendments and Modification**

This Code shall be reviewed from time to time and any amendments or modifications thereto shall be subject to review and approval of the Board of Directors of the Company.

### **17. Disclosure:**

The Code will be placed on the official website of the Company.

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The policy for determination of "Legitimate Purposes" attached herewith shall form integral part of this Code.



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

### **1. Preface:**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (“The Regulations”) by inserting Sub-Regulation 2A under Regulation 3 of the Regulations, mandate the every Listed Company to make a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct” formulated under regulation 8 of the regulations.

Unpublished Price Sensitive Information (“UPSI”) in connection with the Company or its Securities may be communicated or provided/ allowed access to, only where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

This Code has been reviewed, approved by the Board of Directors of the D P Abhushan Limited (“the Company”) and shall come into effect from April 1, 2019.

### **2. Applicability:**

This Policy shall be applicable and binding on all the employees, officers, directors and those persons authorized to speak on behalf of the Company.

### **3. Legitimate Purpose:**

The term “legitimate purpose” includes sharing of UPSI in the ordinary course of business with Company's collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors, credit rating agencies, insolvency professionals or other advisors, service providers or consultants; provided that such sharing of UPSI has not been carried out to evade or circumvent the prohibitions of the Regulations.

Whether sharing of UPSI for a particular instance tantamount to “legitimate purpose” would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

- i) whether sharing of such UPSI is in the ordinary course of business of the Company;
- ii) whether sharing of such UPSI is in the interests of the Company or in furtherance of a genuine commercial purpose; and
- iii) whether the nature of UPSI being shared is commensurate to the purpose for which access is sought to be provided to the recipient.

Any person who is in receipt of UPSI pursuant to a “legitimate purpose” shall be considered as Insider for the purpose of Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

Additionally, structured digital database of recipients of UPSI shall be maintained by the Company in compliance with the requirements under the Regulations in this regard.

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