

## HINDUJA VENTURES LIMITED

### CODE OF PRACTICES AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

*[Sub-regulation (1) of regulation 8, of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

*This policy was adopted by the Board of Directors on August 04, 2015 and amended by the Board of Directors on March 27, 2019 in order to align with the SEBI (Prohibition of Insider Trading) Regulations, 2015.*

#### **1. PREAMBLE**

- 1.1 The Board of Directors ("Board") of Hinduja Ventures Limited ("Company") is expected to manage its affairs in a fair, transparent and ethical manner keeping in view the needs and interest of all the stakeholders.
- 1.2 The Company endeavors to preserve the confidentiality of unpublished price sensitive information ("UPSI") and to prevent the misuse of such information.

#### **2. LEGAL FRAMEWORK**

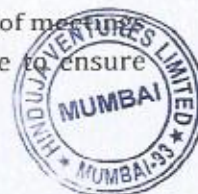
- 2.1 The Securities and Exchange Board of India ("SEBI"), vide its circular no. LAD-NRO/GN/2014-15/21/85 dated January 15, 2015, has enacted the SEBI (Prohibition of Insider Trading) Regulations, 2015 ["SEBI Regulations"] which came in to effect from May 15, 2015.
- 2.2 Regulation 13(1) read with Schedule A provides for the formulation of and the principles on which the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ("Code of Fair Disclosure") shall be formulated.
- 2.3 Any subsequent modification or amendments brought about by the SEBI Regulations shall automatically apply to the Code of Fair Disclosure.
- 2.4 In terms of Regulation 3(2A) of SEBI Regulations which was inserted in the SEBI Regulations by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 vide notification dated 31 December, 2018, the Board of Directors of every listed company shall make a policy for determination of "legitimate purposes" as a part of "Code of Fair Disclosure" formulated under regulation 8 of SEBI Regulations.
- 2.5 The Code of Fair Disclosure was subsequently modified to include policy for determination of "legitimate purposes" by the Board of Directors on March 27, 2019 to give effect to the above amendments in the SEBI Regulations.
- 2.6 The revised **Code of Fair Disclosure** shall be applicable to all members of the Board with effect from 1 April 2019.



### **3. PRINCIPLES OF FAIR DISCLOSURE FOR THE PURPOSE OF THE CODE OF FAIR DISCLOSURE**

The **Code of Fair Disclosure** intends to formulate the stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the securities of the Company. To achieve this objective, the members of the Board shall adhere to the following principles:

- 3.1 There shall be 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.
- 3.2 There shall be uniform and universal dissemination of **UPSI** to avoid selective disclosure.
- 3.3 Unless otherwise resolved by the Board, Managing Director shall act as a Chief Investor Relations officer ("**IRO**").
- 3.4 The **IRO** shall be responsible to deal with dissemination of information and disclosure of **UPSI** and to ensure timely, adequate, uniform and universal dissemination of such information and disclosure of **UPSI** pursuant to this Code of Fair Disclosure as required under the SEBI Regulations so as to avoid selective disclosure.
- 3.5 There shall be prompt disclosure/dissemination of **UPSI** that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 3.6 All disclosures/dissemination of any **UPSI** (save and except disclosure required to be made under any law or under this Code of Fair Disclosure) on behalf of the Company shall be marked to the **IRO** for approval. Any such information shall be made public or published on behalf of the Company only if the same is approved by the **IRO**.
- 3.7 Should any dissemination of information on behalf of the Company take place without prior approval referred to above, as a result of inadvertent mistake, omission or otherwise by any employee of the Company ("**Employee**") or the director of the Company ("**Director**") of the Company then such **Employee/Director** shall forthwith inform the **IRO** of the same along with the reasons for the same. The **IRO** will then promptly take appropriate measures to rectify such inadvertent disclosures or omissions including disseminate the information so as to make such information generally available.
- 3.8 The **Employee/Director** shall promptly direct any queries on news reports or requests for verification of market rumors received from regulatory authorities to the **IRO**. The **IRO** on receipt of such requests send an appropriate and fair response to the same.
- 3.9 The **IRO** shall be responsible for deciding as to the necessity of a public announcement for verifying or denying rumors and thereafter making appropriate disclosures.
- 3.10 All requests/queries received shall be documented and as far as practicable, the **IRO** shall request for such queries/requests in writing.
- 3.11 The **IRO** shall ensure that information shared with media, investor, potential investor, analysts and research personnel is not **UPSI**. The **IRO** shall be responsible for overseeing and coordinating disclosure of **UPSI** to analysts, shareholders and media, and educating **Employees** on disclosure policies and procedures.
- 3.12 **Best practices** shall 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.



- 3.13 UPSI shall be handled on a need-to-know basis.
- 3.14 The **Company** shall deal with only such market intermediary/every other person, who is required to handle UPSI, who have formulated a code of conduct as per the requirements of the SEBI Regulations.

#### **4. LEGITIMATE PURPOSE**

The UPSI can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purpose" attached as Schedule I to the Code of Fair Disclosure, provided it is not shared to evade or circumvent the prohibition under SEBI Regulations.

#### **5. POWER OF THE BOARD**

- 5.1 The **IRO** subject to approval of the Board, reserves the right to amend or modify the Code of Fair Disclosure in whole or in part, at any time, without assigning any reason whatsoever.
- 5.2 The **Board** may establish further rules and procedures, from time to time, to give effect to the intent of the Code of Fair Disclosure and to further the objective of good corporate governance.
- 5.3 The decision of the **Board** with regard to any or all matters relating to the Code of Fair Disclosure shall be final and binding on all concerned.

#### **6. DISCLOSURE**

- 6.1 The Code of Fair Disclosure shall be published on the official website of the Company, i.e. [www.hindujaventures.com](http://www.hindujaventures.com)
- 6.2 The Code of Fair Disclosure and every amendment thereto shall be immediately confirmed and intimated to the stock exchanges where the securities of the Company are listed, i.e., the BSE Limited and the National Stock Exchange of India Limited.

#### **7. APPLICABILITY**

The above amended code will be applicable to HVL with effect from **1<sup>st</sup> April, 2019**.



**POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

This Policy is formulated to comply with the provisions of Regulation 3(2A) of the SEBI Regulations as amended from time to time. This policy, is a part of "Codes of Fair Disclosure" formulated under Regulation 8 of SEBI Regulations, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as "Policy".

**1. Objective**

The objective of this policy is to identify Legitimate Purposes for performance of duties or discharge of legal obligations, which will be considered as exceptions for the purpose of procuring UPSI relating to the Company or its listed securities or proposed to be listed securities, if any.

**2. Legitimate purpose**

- As per Explanation to Regulation 3(2A) of SEBI Regulations, the term "Legitimate Purpose" is defined as an illustration which includes sharing of UPSI 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 the SEBI Regulations.
- Accordingly, apart from sharing of UPSI as mentioned above, "Legitimate Purpose" shall also include the following:
  - UPSI shared with any person on need-to-know basis;
  - UPSI shared for performance of duties or discharge of legal obligations;
  - UPSI shared with any regulatory authorities including stock exchanges on the basis of order / communication received from them;
  - UPSI shared with any persons / third parties for any purpose not mentioned above for a genuine or reasonable purpose subject to authorization by the Board.

**3. Notice to recipient of UPSI**

Any person who is in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of SEBI regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with SEBI Regulations.

**4. Maintenance of Structured Digital Database**

A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom UPSI is shared for legitimate purposes along with the Permanent Account Number (PAN) or any other identifier authorized by law where PAN is not available.

Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

