



GILLANDERS ARBUTHNOT AND COMPANY LIMITED

Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

[Under Regulation 8(1) of SEBI (Prohibition of insider Trading) Regulations, 2015]

"The Company" means GILLANDERS ARBUTHNOT AND COMPANY LIMITED.

1. Introduction:

- 1.1 The Securities and Exchange Board of India (SEBI), for protection of the rights of the investors and to regulate the securities market, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations") under the powers conferred on it under the SEBI Act, 1992 and has amended the same, from time to time. The PIT Regulations came into force with effect from May 15, 2015 and are applicable to all companies whose securities are listed on an Indian Stock Exchange.

SEBI amended the PIT Regulations through the SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018, which was notified on December 31, 2018. Further, the PIT Regulations was again amended on January 21, 2019, by SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2019, The said amended Regulation mandates that every listed Company shall formulate a policy for determination of 'Legitimate purpose' as a part of 'Code of Fair Disclosure and Conduct' in compliance with Regulation 8 of the PIT Regulations.

- 1.2 Accordingly the Board of Directors of "The Company" has formulated the "Fair Disclosure Code".

2. Objective:

The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

3. Scope:

- 3.1 "The Company" endeavours to preserve the confidentiality of unpublished price sensitive information (UPSI) and to prevent its misuse. To achieve these objectives, and in compliance with the aforesaid Regulations, "The Company" has adopted this Fair Disclosure Code.



- 3.2 This Code ensures timely and adequate disclosure of UPSI which would impact the price of its securities and to maintain uniformity, transparency and fairness in dealing with all its stakeholders.
- 3.3 "The Company" is committed to timely and accurate disclosure based on applicable legal and regulatory requirements.

4. Terms and Definitions:

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the SEBI (Prohibition of Insider Trading) Regulations, 2015, or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be or in any amendment thereto.

Definitions:

a) "Insider" shall include the following persons, in receipt of UPSI pursuant to "legitimate purpose":

- (i) Promoters & Members of the Promoter Group of the Company
- (ii) Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as may be applicable)
- (iii) Staff Members of the Audit Firm / Team conducting the Audit
- (iv) Lenders
- (v) Customers
- (vi) Suppliers
- (vii) Bankers
- (viii) Legal Advisors
- (ix) Insolvency Professionals
- (x) Consultants
- (xi) Merchant Bankers
- (xii) Any other Advisors/Consultant/Partners
- (xiii) Any other persons with whom UPSI is shared.

All the other terms used in the Policy shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

b) "Unpublished Price Sensitive Information" ("UPSI") means any information, relating to a company or its securities, directly or indirectly, that is not generally available, which upon becoming available, is likely to materially affect the price of the securities and shall, ordinarily include, but not restricted to, information relating to the following matters: —

- 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; and
- v. Changes in key managerial personnel.

c) **"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 in order to perform duty or discharge of legal obligation i.e. on need to know basis, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.

d) **Chief Investor Relation Officer ("CIO")** shall mean the Compliance Officer of the Company appointed by the Board of Directors under Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015 .

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. Un-anticipated questions should 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. UPSI 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")

The Compliance Officer of the Company has been designated as the 'Chief Investor Relations Officer' and is responsible for dissemination of information and disclosure of UPSI to the Stock Exchanges and other Regulatory Authorities as may be required under any applicable law for time being in force and overseeing and coordinating disclosure of UPSI to stock exchange.

7. Sharing of Information with analysts, research personnel etc. and handling of UPSI

- (i) The Managing Director, Executive Director & CEO and Chief Financial Officer are responsible for ensuring compliance under this Code for sharing of information with analysts, research personnel, bankers, media etc. and for educating the Company staff on disclosure policies and procedure.
- (ii) All UPSI is to be handled on "need-to-know basis", i.e., UPSI should be disclosed by the Managing Director, Executive Director & CEO and Chief Financial Officer 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 misuse of the information. All the non- public information directly received by any employee should immediately be reported to the Managing Director.
- (iii) In case of sharing of UPSI, the Company shall enter into a confidentiality Agreement / Non -Disclosure Agreement with Parties and the same may be signed by the Managing Director or Executive Director & CEO or Chief Financial Officer of the Company.
- (iv) All UPSI shall be first communicated to the Stock Exchanges before the same is shared with Analyst and Research personnel.
- (v) Transcript of the Meetings / Con-calls with Analysts shall be furnished to the Stock Exchanges and then posted on the Company's website.

8. Prompt disclosure of unpublished price sensitive information:

- (i) "The Company" will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the Stock Exchanges in accordance with the PIT Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as may be amended, from time to time.
- (ii) To ensure that the information is disseminated in a uniform manner, The Company will transmit the information to all the Stock Exchanges where the securities of the





Company are listed, at the same time and shall also publish the same on the website of the Company viz. www.gillandersarbuthnot.com

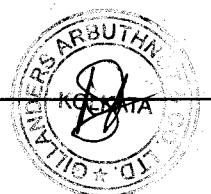
9. Responding to Market Rumours:

The Managing Director and the Executive Director & CEO or any other official(s) ("**Spokesperson**") authorized by the Board of Directors of the Company, from time to time, shall give an appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and making disclosures.

10. Sharing of UPSI for legitimate purpose:

The UPSI shall be shared by the Managing Director, Executive Director & CEO and Chief Financial Officer, or any other person authorized by the Board of Directors, from time to time, only in furtherance of legitimate purpose(s) which shall include the following;

- (i) In the ordinary course of business to any Insider, Designated Person, or by any Authorized person with existing or proposed partners, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, valuers, insolvency professionals , other advisors or consultants or business support agents, service providers, in order to avail professional services from them in relation to the subject matter of UPSI.
- (ii) Sharing the relevant UPSI with consultant, advisors engaged by the Company in relation to the subject matter of the proposed deal/assignment/tie-up/fund raising resulting to UPSI.
- (iii) Where such communication is in furtherance of performance of duty(ies).
- (iv) For discharge of legal obligation(s).
- (v) For any other genuine or reasonable purpose as may be determined from time to time.
- (vi) Sharing the relevant UPSI with potential customers, joint ventures partners and vendors essential to fulfill the terms and conditions of business contract.
- (vii) Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new business opportunities.
- (viii) Sharing the relevant UPSI for statutory consolidation requirements or related customary disclosure obligations;





- (ix) 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
- (x) For any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of PIT Regulations. However, other provisions / restrictions as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other law for the time being in force in this behalf, as may be amended from time to time, shall be complied with.

11. Restrictions for Sharing UPSI

Till the UPSI becomes generally available information, it can be shared with the Insiders only on a **"need-to-know"** basis i.e., Unpublished Price Sensitive Information should be disclosed only to those within and outside the Company who need to know such Unpublished Price Sensitive Information to discharge their duty and whose possession of such Unpublished Price Sensitive Information will not give rise to a conflict of interest or misuse thereof and for legitimate purpose as provided under this policy.

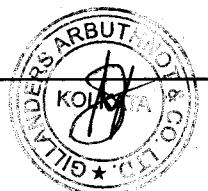
The Managing Director, Executive Director & CEO and the Compliance Officer of the Company shall issue a notice to the Insider to maintain confidentiality of UPSI shared for legitimate purposes.

The Insider will obtain Company's written consent, in case UPSI received by the Insider under this Policy is proposed to be used by the Insider for purpose other than the initial legitimate purpose for which the Company has provided UPSI.

12. Issue of Notice to the recipient of UPSI:

Any person in receipt of Unpublished Price Sensitive Information for a **"Legitimate Purpose"** shall be considered an "Insider" for purposes of this Code and due notice shall be given to such persons, under this code;

- (i) To make aware to such person that the information shared is or would be UPSI.
- (ii) To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
- (iii) To instruct such person to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the PIT Regulations and to refrain from trading / dealing in securities of the Company, whether directly or indirectly, when in possession of UPSI.



Handwritten mark or signature.



13. Digital Database of recipient of UPSI:

The Company shall maintain a structured digital database of such persons or entities, as the case may be, with whom information is shared under this Code, which shall contain the following information:

- (i) Name of such recipient of UPSI;
- (ii) Name of the Organization or entity to which the recipient represent;
- (iii) E-mail ID of such recipient;
- (iv) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The CIO shall be responsible to ensure that such databases shall be maintained with adequate internal controls (as prescribed under the PIT Regulations or such other regulation(s), as may be applicable for time being in force) and checks such as time stamping and audit trails to ensure non-tampering of such database.

14. 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.



Policy for Determination of Legitimate Purpose

Objective

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Regulation 3(2)(a) of the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, the Board of Directors of Gillanders Arbuthnot and Company Limited. ("the Company") has framed this policy for determination of "legitimate purposes for sharing of price sensitive information ("UPSI").

The objective of the policy is to regulate and monitor communication of UPSI only for legitimate business purposes and in the best interests of the Company and to ensure that such information is not misused by a person privy to such information or recipient thereof.

Policy:

1. The Company shall handle all Unpublished Price Sensitive information (UPSI) on a need-to-know basis, i.e. UPSI shall be disclosed / shared only to those where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
2. Any UPSI shall be shared only on a "need to know" basis and only for legitimate purpose. Any such communication or sharing of UPSI shall be in furtherance of and in the best interests of the Company only.
3. All persons who are in receipt of such UPSI shall be considered as "insider" and shall not trade in securities of the company when in possession of such UPSI. Such "insiders" are obliged to comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.
4. The Company shall maintain a Structured Digital Database of all such persons with whom UPSI have been shared, which shall contain the name, address, PAN number or any other Identifier if PAN not available, nature of UPSI shared, legitimate purpose for which the information or communication was shared and date and time when such UPSI was shared.
5. The Company shall before sharing of such information (UPSI) serve a Notice on or sign Confidentiality / Non-Disclosure Agreement with the person with whom UPSI is being shared informing him/her that he/she becomes an "insider" in having access to such information and has to ensure compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.
6. If information/communication is shared with several persons representing a firm/entity which has been appointed or has the duty to carry out a legitimate business purpose, the Notice to or Confidentiality/Non-Disclosure Agreement has to be entered into with such entity.



7. Where information/communication is shared with any Regulatory or statutory or Government Authority, the said Authority may be put to notice with respect to dealing with such UPSI and compliance of the aforesaid Regulations.

**On behalf of the Board of Directors
For Gillanders Arbuthnot and Company Limited**

Mahesh Sodhani
Managing Director

Date: 13.02.2019
Place: Kolkata