

## **THE BIRLA COTTON SPIINING AND WEAVING MILLS LIMITED**

### **A CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

#### **Introduction :**

As per Regulation 8 (1) of SEBI (Prohibition Of Insider Trading) Regulations, 2015 (**“Regulations”**) requires a listed Company to formulate and publish the same on it’s official website a code of practices and procedures for fair disclosure of unpublished price sensitive information in manner as prescribed therein.

As per Regulation 3(2A) of Regulations requires a listed Company to formulate a policy for determination of “legitimate purposes” (**“Policy”**) as a part of “Codes of Fair Disclosure and Conduct” formulated under these regulations

Accordingly, in compliance of the aforementioned requirement of the Regulations, the “Code of fair disclosure of Unpublished Price Sensitive Information” (**“Code”**) & (**“Policy”**) is hereby framed as under:

#### **Code :**

1. Prompt public disclosure of Unpublished Price Sensitive Information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such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. The Unpublished Price Sensitive Information will be disclosed publicly via first intimating to the Stock Exchanges.
2. Uniform and universal dissemination of Unpublished Price sensitive Information to avoid selective disclosure.
3. Chief Executive Officer of the Company is designated as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information and to implement fair disclosure norms hereunder.
4. It shall be ensured that any UPSI which gets disclosed selectively or inadvertently, is promptly disseminated through Stock Exchanges and made generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
7. Ensure prompt publication/disclosure of policies such as those on dividend, inorganic growth pursuits etc. if any set to be put in public domain, calls meetings with analysts, publication of transcripts of such calls and meetings, with the intent of ensuring asymmetry of information available in public domain
8. Developing best practices 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.
9. Handling of all Unpublished Price Sensitive Information on a need-to-know basis.

**10. Policy for determination of legitimate purpose for disclosure of unpublished price sensitive information**

- I. The Board of Directors and /or Designated Persons of the Company can share unpublished price sensitive information for “legitimate purpose”.

The term “legitimate purpose” shall mean -

*“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.*

- II. The Board may from to time decide what shall constitute legitimate purpose in addition to legitimate purpose defined in Para 1 of this policy. The legitimate purpose, shall *inter-alia* include the following :
- a) Sharing of unpublished price sensitive information under any contractual/legal obligations
  - b) Any other specific purpose based on the business related needs of the Company.
- III. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations .
- IV. The Board shall give due notice to such persons as referred above to maintain confidentiality of such unpublished price sensitive information.
- V. The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number 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