



ntc industries limited

CODE OF PRACTICE & PROCEDURE FOR FAIR DISCLOSURE

(As envisaged under SEBI (Prohibition of Insider Trading) Regulations, 2015)

1. PREFACE

This Code is made pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

2. OBJECTIVE

The objective of this Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

3. PRACTICES AND PROCEDURES

The following Principles of Fair Disclosure for the purposes of "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" shall be followed by the Company:

- i.** The Company shall make prompt disclose of unpublished price sensitive information that may impact price discovery, no sooner than such credible & concrete information comes into being in order to make such information generally available.
- ii.** The Compliance officer so designated by the Board under the Regulation serve as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- iii.** The chief Investor Relations Office shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- iv.** The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- v.** The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- vi.** The Company shall publish proceedings of meeting with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclose made.
- vii.** All unpublished price sensitive information within the company shall be handled on a need-to-know basis.

4. LEGITIMATE PURPOSE

The Unpublished price sensitive information can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purposes" (**Annexure A**), provided it is not shared to evade or circumvent the prohibition under this Regulation.

(ANNEXURE-A)

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

*[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading)
(Amendment) Regulations, 2018]*

1. PREFACE

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is framed by the Board of Directors of the Company in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

2. 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, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel;
- (vi) such other information as determined by the Board of Directors and Chief Financial Officer from time to time. (Regulation 2(1)(n))

3. 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 inter alia 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;
- ii. Under any proceedings or pursuant to any order of courts or tribunals;
- iii. As part of compliance with applicable laws, regulations, rules and requirements;
- iv. Arising out of any contractual obligations or arrangement entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;
- v. Arising out of business requirement including requirement for the purposes of promoting the business and Strategies of business.

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.

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;
- (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 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.

AMENDMENT/REVIEW OF THE POLICY

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

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.