

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This Code of Fair Practices, Procedures and Disclosure of Unpublished Price Sensitive Information (hereinafter called as the “**Code**”) has been framed and adopted pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the “**Regulations**”) by RCI Industries & Technologies Limited (the “**Company**”),.

This Code shall be effective from 1<sup>st</sup> April 2019, and shall be subject to review by the Board from time to time.

### 1. Definitions

- 1.1 “**Compliance Officer**” shall mean the Company Secretary of the Company, or any other senior officer, designated so by the Board of Directors of the Company (“**Board**”) and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information (“**UPSI**”), monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board. The Compliance Officer shall report to the Board.
- 1.2 “**Financially Literate**” shall mean a person who has the ability to read and understand basic financial statements, i.e. balance sheet, profit and loss account, and statement of cash flows.
- 1.3 “**Legitimate Purposes**” shall include 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, other advisors or consultants, or any other persons identified by the Chief Investor Relations Officer (“**CIO**”) or Compliance Officer in the context of the business and operations of the Company, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- 1.4 “**Generally Available Information**” means information that is accessible to the public on a non-discriminatory basis, and “**Generally Available**” will be construed accordingly. Any information published on the website of the stock exchanges or the website of the Company shall ordinarily be considered as Generally Available Information.
- 1.5 “**Unpublished Price Sensitive Information**” or “**UPSI**” means any information relating to the Company and its securities, directly or indirectly, that is not Generally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 of the Company and shall, ordinarily include but not be restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) changes in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals, expansion of business and such other transactions; and
- (v) changes in key managerial personnel.

It is clarified that UPSI is not restricted to information regarding the events mentioned above and may include direct or indirect information relating to the Company or its securities.

## **2. Fair Disclosure of Unpublished Price Sensitive Information**

All UPSI shall be handled strictly on a “need-to-know” basis. No UPSI shall be communicated to any person except in furtherance of Legitimate Purposes (in accordance with the policy for determination of Legitimate Purposes set out in **Annexure 1**), performance of duties or discharge of legal obligations.

UPSI shall be promptly disclosed to the public no sooner than credible and concrete information comes into being in order to make such information Generally Available and the dissemination of UPSI shall be uniform and universal to avoid selective disclosure.

The [Chief Financial Officer] of the Company has been designated as the CIO of the Company to deal with dissemination of information and disclosure of UPSI. [Information disclosure/ dissemination may normally be approved in advance by the CIO. If information is accidentally disclosed without prior approval, then the person responsible for such disclosure may inform the CIO immediately, and the CIO shall take appropriate action.]

The CIO shall ensure prompt dissemination of UPSI that is disclosed selectively, inadvertently [or otherwise (which is not in accordance with the Company’s policies)] to make such information Generally Available.

Queries on news reports and requests for verification of market rumors by regulatory authorities shall be appropriately and fairly responded to by the Compliance Officer / CIO, in consultation with the Board, subject to non-disclosure obligations. [Other employees of the Company are not authorized to and shall not respond to enquiries from the stock



exchange, the media or any other person, unless specifically authorized to do so by the CIO.]

The Compliance Officer / CIO shall ensure that the information shared with analysts and research personnel is not UPSI.

Meetings/ calls with analysts or investor relations conferences shall be transcribed or recorded on the official website of Company to ensure official confirmation and documentation of disclosures made.

## Annexure 1

### Policy for determination of Legitimate Purposes for communicating/ procuring UPSI

The Policy forms a part of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated pursuant to the Regulations and shall come into effect from April 1, 2019.

1. The principles for determining the Legitimate Purposes for which UPSI can be communicated / procured under the Regulations are as follows:
  - i. If the purpose conforms with the laws and regulations applicable to the Company;
  - ii. If the purpose is to ensure compliance with or is undertaken pursuant to a legal / regulatory obligation applicable to the Company;
  - iii. If the purpose is in furtherance of the business of the Company and is in the ordinary course of business of the Company;
  - iv. The sharing of UPSI is not made with an intent to evade or circumvent the Regulations and the UPSI is shared on a need-to-know basis.
2. The person sharing UPSI for a Legitimate Purpose should consider the following:
  - i. Whether the sharing of UPSI is for a *bona fide* purpose?
  - ii. Whether the sharing is permitted as per the principles laid down herein?
  - iii. Why the information is required by the recipient i.e., is there a need to know?
  - iv. Whether the person is authorized to share the UPSI?
  - v. Whether the UPSI being shared is in line with the purpose and authorization to share the UPSI?
  - vi. Whether due notice has been provided to the recipient of the UPSI to maintain confidentiality of such UPSI in compliance with the Regulations?
3. Any person in receipt of UPSI for Legitimate Purposes shall be considered as an “insider” for the purpose of Regulations and due notice shall be given to such persons(s) to maintain confidentiality of such UPSI under the Regulations and to make such person(s) aware that the information shared is UPSI, such that the person(s) is / are aware of their duties and responsibilities and also the liability for any misuse or unwarranted use of the UPSI shared.