

BALKRISHNA INDUSTRIES LIMITED

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OF UNPUBLISHED PRICE SENSITIVE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

PREFACE:

Policy Title	Code of practices and procedures for fair disclosure of unpublished price sensitive information
Version Number	1
Effective Date	14 th May, 2015
Authorised by	Board of Directors
Number of Revisions	1 (One)
Last Revised Date	28 th March, 2019

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), as adopted by the Board of Directors of the Company at its meeting held on 14th March, 2015.

SEBI has vide notification dated 31st December, 2018, amended SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 1st April, 2019. As required under the said Regulations, a revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), (hereinafter referred to as the "Code") has been framed for adoption by the Board of Directors of the Company. The said Code shall supersede the earlier Code of Practices and shall be effective from 1st April, 2019.

I. Definitions:

- a. **“Legitimate Purpose”** shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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 said Regulations.

- b. **“Unpublished Price Sensitive Information (UPSII)”** means any information, relating to a company or its securities, directly or indirectly, that is not generally available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, delisting, disposals and expansion of business and such other transactions;
 - (v) changes in key managerial personnel.
- c. Other terms not specifically defined here shall have the same meaning as assigned under the said Regulations.

II. Code

The Company will adhere to the followings so as to ensure timely and adequate disclosure of UPSII with respect to it or its securities which is likely to affect price of the securities.

- i. The Company will make 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.
- ii. The Company will make, uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- iii. The CFO (Director – Finance) of the Company will be Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- iv. The Company will make prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- v. The Company will provide, appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- vi. The Company will ensure that, information if any shared with analysts and research personnel is not unpublished price sensitive information.
- vii. The Company shall develop and follow best practices and will make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made.
- viii. The Company will handle all unpublished price sensitive information on a need-to-know basis.
- ix. Any person in receipt of Unpublished Price Sensitive Information pursuant to a "legitimate purpose" shall be considered an "insider" for the purposes of the Regulations and due notice

shall be given to such person(s) to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the said Regulations.

- x. A structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared along with their Permanent Account Number or any other identifier authorized by law where Permanent Account Number not available shall be maintained. Such databases shall be maintained with adequate and internal controls and checks to ensure compliance with the requirements of said Regulations to prevent Insider Trading.

III. Amendment

The Board of Directors is authorized to amend or modify this Fair Disclosure Code when deemed necessary, and may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of Unpublished Price Sensitive Information.
