

Code of Practices and Procedures for fair disclosure of unpublished price sensitive information

(Formulated in line with Sub regulation (1) of Regulation 8 of SEBI Insider Trading Code Regulations, 2015 read with Schedule A thereof)

In adherence of the principles of fair disclosure enumerated under Schedule A to the SEBI (Prohibition of Insider trading) Regulations, 2015, which stand further, amended by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (hereinafter referred to as "SEBI PIT Regulations"), the Board of Directors of 'Premier Explosives Limited' has formulated and amended the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure") to include policy for determination of "Legitimate Purposes", notified on 31st December, 2018, and applicable w.e.f 1st April, 2019.

Principles of Fair Disclosure for Purpose of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")

- 1.1. Prompt public disclosure of unpublished price sensitive information immediately after credible and concrete information comes into being.
- 1.2. Uniform and universal dissemination of unpublished price sensitive information and avoiding selective disclosure.
- 1.3. Company Secretary shall act as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
- 1.4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 1.5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- 1.6. Ensuring that unpublished price sensitive information is not shared with analysts and research personnel.
- 1.7. 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.
- 1.8. Handling of all unpublished price sensitive information on a need-to-know basis/for legitimate purpose.

Policy for determination of "Legitimate Purposes"

In line with clause 2A of Regulations 3 of SEBI PIT Regulations and any modification(s)/amendment(s) thereto, the Policy for determination of legitimate purposes is as under:

- 2.1 "Legitimate purpose" shall mean Sharing of unpublished price sensitive information in the course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.
- 2.2 Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an "insider" for purposes of the SEBI PIT Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations. Such person is also required to ensure the confidentiality of unpublished price sensitive information shared with him /her, in compliance with the SEBI PIT Regulations.
- 2.3. Unpublished Price Sensitive Information, such as Financial Results, declaration of Dividends, proposal of Corporate Restructuring, diversification, expansion acquisition in the stake of other entities, etc. shall be handled within the Company on a need-to-know basis, and the same should be disclosed only to those who need such information to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information.
- 2.4.A structured digital database shall be maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to secure such database. Documents containing confidential information shall be kept secured. Computer files must have adequate security login and password, etc.

Amendment

The Board of Directors is authorised to amend or modify this Fair Disclosure Code in whole or in part as and when deemed necessary, to stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information.

Scope and Limitation

In case there are any regulatory changes requiring modifications to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this Policy even if not incorporated in this Policy.

Disclosure of the Code on Public Domain

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed and also published on the official website of the Company.

(Note: Policy for determination of "Legitimate Purposes" covered under Clauses 2.1 to 2.4 of this Code, formulated pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 shall come into effect from April 01, 2019.)
