

# **SHANTNU INVESTMENTS (INDIA) LTD**

## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

*(Pursuant to Regulation 8(1) and Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015)*

### **1. PURPOSE**

The Securities and Exchange Board of India (“SEBI”) has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI Insider Regulations) to prescribe a legal framework for prohibition of insider trading. In terms of the provisions of Regulation 8 of SEBI Insider Regulations, every listed company is required to formulate Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information (UPSI). Accordingly, the Company has formulated this Code of Fair Disclosure to ensure timely and adequate disclosure of Unpublished Price Sensitive Information(s).

### **2. DEFINITIONS**

Capitalized terms used but not defined herein shall have the same meaning as assigned thereto in the SEBI Insider Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulations) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under or any other applicable laws or regulations, as the case may be.

- a) **“Board”** means Board of Directors of the Company.
- b) **“Chief Investor Relation Officer”** (CIRO) shall mean any officer as may be designated by the Board of Directors of the Company, from time to time, to deal with dissemination of information and disclosure of unpublished price sensitive information(s).
- c) **“Code”** shall mean this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information(s).
- d) **“Company”** means PPAP Automotive Limited.
- e) **“Connected Person”** means:
  - i. any person who is or has during the six months prior to the concerned act, been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.
  - ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons unless the contrary is established:

- a. An Immediate Relative of (Connected Persons specified in clause (i)); or
  - b. A holding company or associate company or subsidiary company; or
  - c. An intermediary as specified in Section 12 of the Act or an employee or director thereof; or
  - d. An investment company, trustee company, asset management company or an employee or director thereof; or
  - e. An official of a Stock Exchange or of clearing house or corporation; or
  - f. A member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - g. A member of the board of directors or an employee, of a public financial institution as defined in Section 2(72) of the Companies Act, 2013; or
  - h. An official or an employee of a self-regulatory organization recognized or authorized by the Board; or
  - i. A banker of the Company; or
  - j. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a Director of the Company or his Immediate Relative or banker of the Company, has more than ten percent, of the holding or interest.
- f) **"Immediate Relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in Securities.
- g) **"Insider"** means any person who is:
- i. a Connected Person; or
  - ii. a person in possession of or having access to UPSI including any person who is in receipt of UPSI for legitimate purpose.
- h) **"Key Managerial Personnel"** means Key Managerial Personnel (KMP) as defined in Section 2(51) of the Companies Act, 2013.
- i) **"Legitimate Purpose"** 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 or other advisors or consultants of the Company, provided that such sharing has not been carried out to evade or circumvent the prohibitions of said Regulations.
- j) **"Regulation"** means SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time.
- k) **"Securities"** means the equity / preference shares, debentures or any other security of the Company which is listed on any Stock Exchange whether in India or overseas and related stock market derivatives, for the avoidance of doubt, with reference to the Company, has the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof, but does not include units of a mutual fund.

l) **“Unpublished Price Sensitive Information”** 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;
- vi. any event as may be considered by the Compliance Officer in consultation with the Managing Director; and
- vii. any other matter / event as may be prescribed by SEBI from time to time.

### **3. PRINCIPLES OF FAIR DISCLOSURE**

- 3.1 The Company shall ensure prompt public disclosure of UPSI that would impact price discovery no sooner the credible and concrete information comes into being in order to make such information generally available.
- 3.2. The Company shall ensure uniform and universal dissemination of UPSI to avoid selective disclosure.
- 3.3 Chief Finance Officer has been designated as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of unpublished price sensitive information. In the absence of the Chief Finance Officer for any reason, the Compliance Officer/Company Secretary or any other Officer of the Company duly authorized by the Board of Directors of the Company shall officiate as the CIRO to discharge the responsibilities under the said Code.
- 3.4 The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 3.5 The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- 3.6 The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- 3.7 The Company shall develop 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 the disclosures made.
- 3.8 The Company shall ensure the Handling of all UPSI on a need-to-know basis.
- 3.9 The Company shall ensure that sharing of UPSI for Legitimate Purpose or for performance of duties or discharge of legal obligations.

- 3.10 Any Person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for the purpose 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.
- 3.11 A structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared along with the Permanent Account Number or any other identifier authorised by law where Permanent Account Number is not available shall be maintained. Such database shall be maintained with adequate internal controls and checks, such as time stamping and audit trails to ensure non tampering of the database

## **7. MEDIUM OF DISCLOSURE AND DISSEMINATION**

- i. The Company shall disseminate all credible and concrete UPSI on a continuous and in a timely manner to Stock Exchanges in accordance with the requirements of applicable law(s), where its Securities are listed and thereafter to the press.
- ii. As a good corporate practice, the UPSI disclosed to the Stock Exchanges and may also be supplemented by prompt updates on the Company’s website. The Company may also consider other modes of public disclosure of UPSI so as to improve investor access to the same.
- iii. The information filed by the Company with the stock exchanges under the Listing Agreement shall also be posted on the Company’s website.
- iv. This Code of Fair Disclosure and any amendment thereof shall also be published on the official website of the Company, as required under the Regulation.