

**Code of Practices and Procedures for Fair Disclosure of Unpublished
Price Sensitive Information
OF
Continental Securities Limited**

SUMMARY OF POLICY

Policy Name	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
Act/Regulations	Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, As amended from time to time.
Review Cycle	Annually and upon any regulatory change.
Approver LIMITED	Board of Directors of CONTINENTAL SECURITIES

Latest Review/Approval
Date **APRIL 2023**

Contents

1. Introduction:
2. Definition:
3. Principles and code of conduct for Fair disclosure and practices
 - 3.1 Chief Investor Relations Officer
 - 3.2 Prompt public disclosure of UPSI
 - 3.3 Uniform and Universal dissemination of UPSI to avoid selective disclosure
 - 3.4 Procedures for responding to any queries on news reports and/or requests for verification of market rumors by regulatory authorities
 - 3.5 Procedures for Disclosure/ dissemination of Information with reference to analysts, Institutional Investors and research personnel
 - 3.6 Need to know basis
 - 3.7 Communication and procurement of UPSI
4. Determination of Legitimate Purpose
5. FUNCTIONS OF THE CHIEF INVESTOR RELATIONS OFFICER:
6. POLICY SEVERABLE
7. AMENDMENT

1. Introduction:

In compliance with the Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (hereinafter referred as “Insider Trading Regulations” or “Regulations”), Continental Securities Limited (hereinafter referred as “the Company”) has formulated this Code of Practices and Procedures for Fair Disclosure of UPSI (herein after referred as “Fair Disclosure Code”/ the “UPSI Code”) in adherence with the principles set out in Schedule A to the Insider Trading Regulations.

2. Definition:

For the purpose of the Code the following terms shall have the meanings assigned to them hereunder:

“**Applicable Law**” means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including any amendment thereto) or any statute, law, listing agreement, regulation, rule, directive, guideline, notifications and clarifications, circulars or other governmental instruction and/or Mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

“**Board**” means the board of directors of the Company.

“**Chief Investors Relations Officer**” shall mean such Designated Person of the Company identified as such by the Chief Financial Officer of the Company for the purpose of this Code.

“**Company**” means Continental Securities Limited).

“**Compliance Officer**” shall mean the Company Secretary of the Company.

Connected Person” means:

1. Any person who is or has during the six months prior to the concerned act been associated with a 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 UPSI or is reasonably expected to allow such access.

2. 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 Securities and Exchange Board of India Act, 1992. 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 a company or his immediate relative or banker of the company, has more than 10% of the holding or interest;

“Code” shall mean this Code of Practices and Procedures for Fair Disclosure of UPSI.

Designated Person” shall mean:

- i. All Promoters of the company and their immediate relatives.

- ii. All Directors of the company whether executive, non-executive or independent;
- iii. **Key Managerial Personnel (KMP)** i.e. Chief Executive Officer (CEO), Managing Director (MD), Wholetime Director (WTD), Chief Financial Officer (CFO) and Company Secretary (CS) of the Company;
- iv. All employees of the company in the rank of senior management personnel.
- v. Employees of Secretarial, Accounts, Treasury and other departments as designated by the company from time to time.
- vi. Such other employees as may be determined by the Compliance officer or company from time- to time.

"Generally available information" means information that is accessible to the public on a Non-discriminatory basis;

"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;

"Insider" means any person who is;

- i) a connected person; or
- ii) in possession of or having access to UPSI. Further, any person in receipt of UPSI pursuant to a legitimate purpose shall be considered as "Insider" for the purpose of these regulations.;

"Legitimate Purpose" shall, for the purpose of this Code, mean sharing of UPSI in the ordinary course of business by an Insider. It shall include sharing of UPSI with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors , consultants or regulatory authorities. Provided that, such sharing is not carried out to evade or circumvent the Insider Trading Regulations.

"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956.

"Stock Exchange" shall mean a recognised stock exchange on which the securities of the Company are listed.

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

"Trading day" means a day on which the recognized stock exchanges are open for trading;

"Trading Window" means the period during which, trading in the Company's securities by insiders shall be permissible.

"Unpublished Price Sensitive Information" (herein after referred as "UPSI") shall have the meaning given to such term in the Insider Trading Regulations and currently means any information, relating to the 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.

All terms used but not defined herein shall have the meaning ascribed to such term under the Insider Trading Regulations. In case of any discrepancy between the Insider Trading Regulations and the terms defined herein, the meaning as ascribed under the Insider Trading Regulations, shall prevail.

3. Principles and code of conduct for Fair disclosure and practices

3.1 Chief Investor Relations Officer

The Chief Financial Officer has been appointed as the Chief Investor Relations Officer, who shall be responsible for, and deal with, the dissemination of information and disclosure of UPSI. He shall be responsible for ensuring that the Company complies with the continuous disclosure requirements of the Insider Trading Regulations and this Code.

3.2 Prompt public disclosure of UPSI

The Company shall make prompt public disclosure of UPSI that would impact price discovery to the stock exchanges where the securities of the Company are listed no sooner than credible and concrete information comes into being in order to make such information generally available to the public.

3.3 Uniform and Universal dissemination of UPSI to avoid selective disclosure

The UPSI shall be disseminated uniformly and universally to all stakeholders through Stock Exchanges. The Company shall use its best endeavors to avoid selective disclosure of price sensitive information. However, if any information gets disclosed selectively or inadvertently or otherwise, endeavor shall be made to make generally available the above information through dissemination of the same to Stock Exchanges and/or by posting the same on the official website of the Company as soon as practicable.

3.4 Procedures for responding to any queries on news reports and/or requests for verification of market rumors by regulatory authorities

Chief Investor Relations Officer shall ensure that appropriate, fair and prompt response shall be submitted to all queries on news reports and/ or requests for verification of market rumors received from regulatory authorities.

3.5 Procedures for Disclosure/ dissemination of Information with reference to analysts, Institutional Investors and research personnel

Only public information will be provided to analysts, research personnel and institutional investors.

Alternatively, any UPSI given to analysts, research personnel and institutional investors should be simultaneously made public at the earliest.

3.6 Need to know basis

Personnel working in concerned departments of the Company which are handling UPSI, should not share such UPSI with personnel of other departments of the Company or with outsiders except on a “need to know” basis. UPSI shall be handled on a “need to know” basis, such that UPSI shall be disclosed only to Those persons where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations. For sharing of UPSI with personnel of other departments of the Company or with outsiders, appropriate procedure shall be followed.

3.7 Communication and procurement of UPSI

The determination of ‘legitimate purposes’ in relation to communication or procurement of UPSI under regulation 3 of the Insider Trading Regulations, shall be made by the Board of Directors or the Authorised Personnel in accordance with Clause 3 below.

4. Determination of Legitimate Purpose

4.1 Till the UPSI becomes a generally available information, UPSI can be shared only on a need-to-know basis. In terms of the Insider Trading Regulations, it has been clarified that ‘legitimate purpose’ includes 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, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations.

4.2 The determination of ‘legitimate purpose’ would be a subjective assessment, and would have to be evaluated on a case to case basis. As such, it would not be possible to prescribe an exhaustive list of circumstances that would be considered ‘legitimate’ at all times, for the purposes of sharing UPSI.

4.3 Having regard to the fiduciary obligations cast on the Board, this Policy sets out the broad principles of the approach that the Board shall adopt while

considering if UPSI ought to be shared, in a particular set of circumstances, so as to ensure responsible treatment of UPSI, in line with the spirit of the Insider Trading Regulations, which shall include:

(a)Evaluating the purpose for which UPSI is proposed to be shared:

This would involve a consideration of the circumstances requiring the sharing of UPSI as:

- (i) being in the best interests of the Company, without any intention to make profits/ gains or avoid losses unlawfully; **(ii)** being in furtherance of a genuine business/ corporate purpose, or for enabling the Company to discharge its legal obligations, etc. While undertaking this evaluation, it would also be relevant to consider the circumstances affecting the Company at that time, as well as the information that is generally available about the Company, at the relevant time. It is clarified that in the event there exist multiple purposes for sharing UPSI, each purpose will be evaluated on its own merits, in line with the aforementioned principles.

(b)Analysing the nature of the UPSI proposed to be shared in that regard:

The nature and extent of UPSI proposed to be shared, and whether the same is commensurate with the objective sought to be achieved, should also be subject to critical review. It is emphasized that UPSI should, at all times, be shared on a need – to – know basis, and only to the extent required.

(c)Identity of the persons with whom UPSI is proposed to be shared:

The Company should obtain the necessary particulars in respect of the persons (legal or natural) with whom UPSI is proposed to be shared, including, name, address, email, Permanent Account Number (PAN), or any other identifier

authorised by law, where PAN is not available; and such other documents as may be deemed fit. These details shall be maintained digitally by the Company in a database that has time stamps and appropriate controls for maintaining audit trails.

The recipient of UPSI shall be apprised of the following, by way of written intimation/contractual agreement, such as, confidentiality agreement or non – disclosure agreement:

- (i) the information being shared is UPSI and that the Company is the exclusive owner of such UPSI;
- (ii) upon receipt of UPSI, the recipient would be deemed to be an Insider and such person shall be subject to the provisions of the Regulations,
- (iii) the recipient must maintain confidentiality of the UPSI at all times,
- (iv) the recipient may use the UPSI only for the approved purposes for which it was disclosed;
- (v) the recipient should provide a written undertaking that he/she/it shall not undertake trades in the securities of the Company while in possession of the UPSI;
- (vi) the recipient must extend all cooperation to the Company in this regard, and
- (vii) the recipient must also adopt a code of conduct in terms of Regulation 9 of the Insider Trading Regulations, to inter alia ensure that it safeguards the UPSI in line with the Regulations.

It is noted that information is shared by the Company, from time to time, in the ordinary course of its business activities with its advisers and service providers, viz., auditors, merchant bankers and legal advisers/consultants of the Company, etc. in line with the aforementioned principles.

5. FUNCTIONS OF THE CHIEF INVESTOR RELATIONS OFFICER:

- Dealing with universal dissemination and disclosure of UPSI.
- Determination of questions as to whether any particular information amounts to UPSI.
- Determination of response, if any, of the Company to any market rumour in accordance with this Code.
- Dealing with any query received by any Insider about any UPSI.

If an Insider receives a query about any UPSI related to the Company, he shall not comment on the same and shall forward such query to the Chief Investor

Relations Officer. The Chief Investor Relation Officer shall deal with such query in accordance with Applicable Law and this Code.

6. POLICY SEVERABLE

This Policy constitutes the entire document in relation to its subject matter. In the event that any term, condition or provision of this Policy being held to be a violation of any Applicable Law, statute or regulation, the same shall be severable from the rest of this Policy and shall be of no force and effect, and this Policy shall remain in full force and effect as if such term, condition or provision had not originally been contained in this Policy.

7. AMENDMENT

In case of any subsequent changes in the provisions of the Act or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the provisions in the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Board of Directors as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Board.