

PRUDENT CORPORATE ADVISORY SERVICES LIMITED

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Code of Practices And Procedures for Fair Disclosure Of Unpublished Price Sensitive Information

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1. INTRODUCTION

To put in place a framework for Prohibition of Insider Trading in securities and to strengthen the legal framework relating thereto, the Securities and Exchange Board of India (“SEBI”) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Insider Trading Regulations”). Insider Trading Regulations are applicable to all companies whose securities are listed on stock exchanges.

In terms of Regulation 8(1) of Insider Trading Regulations, the Board of Directors of listed companies are required to formulate and publish on their official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the Insider Trading Regulations.

2. DEFINITIONS

- (i). **“Board”** shall mean the board of directors of the Company.
- (ii). **“Company”** shall mean Prudent Corporate Advisory Services Limited.
- (iii). **“Chief Investors Relations Officer”** means a senior officer as may be designated from time to time.
- (iv). **“Compliance Officer”** means any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Insider Trading Regulations, and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules of preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified under the Insider Trading Regulations under the overall supervision of the Board.
- (v). **“Generally available Information”** means information that is accessible to the public on a non-discriminatory basis.
- (vi). **“Insider Trading Regulations”** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- (vii). **“Legitimate Purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of Insider Trading Regulations.”
- (viii). **“Stock Exchange”** shall mean a recognised stock exchange on which the securities of the Company are listed.
- (ix). **“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:

- a) Periodical financial results of the Company;
- b) Intended declaration of dividends (both interim and final);
- c) Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company's shares;
- d) Acquisition, Merger, De-merger, Amalgamation, Restructuring, Scheme of arrangement or takeovers;
- e) Disposal, spin off or selling division of whole or substantially whole of the undertaking;
- f) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- g) Changes in Key Managerial Personnel; &
- h) Other matters as may be prescribed by SEBI/considered by the Compliance Officer to be price sensitive from time to time.

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. OBJECTIVE

Prudent Corporate Advisory Services Limited ("PCASL" or "the Company") endeavours to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. Accordingly, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("this Code") has been formulated with a view to maintain uniformity, transparency and fairness in dealing with all stakeholders and to ensure timely, fair and adequate disclosure of unpublished price sensitive information to the investors community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

4. CODE

The Company will adhere to the following so as to ensure fair disclosure of events and occurrence that could impact price discovery in the market for its securities:

1. The Company will make prompt disclosure to the stock exchange of any UPSI that would impact price discovery no sooner than credible and concrete information comes into being, in order to make such information generally available. The Company may, in appropriate circumstances, also simultaneously disclose the UPSI in such manner as it deems fit including on the Company's website, print or electronic media or social media.
2. The Company will make uniform and universal dissemination of UPSI to avoid selective / speculative disclosure which could have an adverse impact on the market and the price discovery process.
3. The Company Secretary of the Company shall act as the Chief Investor Relations officer to deal with dissemination of information and disclosure of UPSI.
4. The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

5. The Company will provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company will ensure that only Public information will be provided to Analysts/Research person and Institutional Investors. Alternatively, any unpublished price sensitive information given to Analysts/Research Person should be simultaneously made public at the earliest.
7. All analyst/ investor conference shall be attended by any of the Directors, the Company Secretary or authorised representative. To avoid misrepresentation, the attendee can make transcripts or arrangement for recording the discussions at the meeting.
8. The Company will disclose all UPSI on a need to-know basis i.e. UPSI may be disclosed where such disclosure is in furtherance of legitimate purposes, discharge of legal obligations or to those within the company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information

5. Legitimate Purpose

An Insider shall not share UPSI with any person including other Insider(s) except where such communication is in the ordinary course of business or on a need-to know basis and in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. An Insider before so sharing the UPSI with any other person shall notify him/her that the information is UPSI and to maintain confidentiality of the same.

Further, the Insider shall get a Confidentiality Declaration executed by the recipient of UPSI and forward the same to the Compliance Officer. Designated Persons, who are employees and Directors and bound by the terms of the Code of Conduct in their capacity as employees or Directors, respectively, need not separately execute a Confidentiality Declaration. Legitimate Purpose shall, inter-alia, include sharing of UPSI on need-to-know basis by an insider with promoters, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, etc. provided that such sharing has not been carried out to evade or circumvent the prohibitions under these Regulations.

In following cases which are illustrative in nature, sharing of UPSI would be considered as legitimate purpose:

- i. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;
- ii. Under any proceedings or pursuant to any order of courts or tribunals;
- iii. As part of compliance with applicable laws, regulations, rules and requirements;
- iv. Arising out of any contractual obligations or arrangements entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;
- v. Arising out of business requirement including requirement for the purposes of promoting business of the Company, strategies of business, statutory consolidation requirements or related customary disclosure obligations which may require sharing of UPSI with any outsider or Promoter of the Company, who in turn may share it with their Promoter(s) as well as with their advisors, consultants, intermediaries, fiduciaries, etc.

The provisions of this Policy for Determination of Legitimate Purpose have to be read

along with the Regulations, as amended from time to time and in case of any inconsistency/contradiction between the two, the provisions of the Regulations shall prevail.

6. DISCLOSURES

This Code and any amendment thereof will be published on the Company's official website and formulation and publication of the same shall be confirmed to the Stock Exchange(s) where the securities of the Company are listed.

7. POLICY REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this Code from time to time. All provisions of this Code would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.
