

BHARAT BIJLEE LIMITED (“BBL”)

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(This Code shall come into effect from April 1, 2019)

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[As envisaged under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

INTRODUCTION:

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (herein after referred as “the Regulations” or “the said Regulations”) under the powers conferred on it under the SEBI Act, 1992. Regulation 8(1) of the said Regulations requires a listed company to formulate and publish on its official website a “**Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information**” in adherence to the principles set out in Schedule A to the said Regulations.

Accordingly, this Code was framed by Bharat Bijlee Limited (“the Company” / “BBL”) with an aim to ensure timely, fair and transparent disclosure(s) of Unpublished Price Sensitive Information (herein after referred to as ‘UPSI’) and the manner in which it shall be unvaryingly disseminated to the Investors on immediate and regular basis.

Vide Notification No. SEBI/LAD-NRO/GN/2018/59 dated December 31, 2018, SEBI has notified the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, effective from April 1, 2019 (hereinafter referred as “Revised Regulations” or “PIT Regulations”). In view of the fact that the Revised Regulations will come into force by the date stated above, it is necessary for the Company to revise the existing Code and substitute the same with a Revised Code (“Revised Code” or “this Code”).

This Code shall be followed in strict accordance with the procedures and conduct laid down hereunder till otherwise notified by either Managing Directors or the Compliance Officer. All the Directors and Designated Persons of BBL are advised to carefully go through and familiarize themselves with and adhere to the Regulations and the Code.

EFFECTIVE DATE:

The Code is effective from April 1, 2019.

DEFINITIONS:

- Un-published Price Sensitive Information (“UPSI”):

The term **UPSI 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 (Interim and Final);
- (iii) Change in capital structure;
- (iv) Mergers, De-mergers, Amalgamation, Acquisitions, De-listings, Scheme of Arrangement or Takeover, disposals, spin off or selling division of whole or substantially whole of the undertaking and expansion of business and such other transactions;
- (v) Changes in Key Managerial Personnel;

- Generally Available Information:

It means information that is accessible to the public on a non-discriminatory basis. Information published on the website of a stock exchange, would ordinarily be considered generally available information.

- “Insider” means any person who,

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information

- *NOTE: Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.*

CHIEF INVESTOR RELATIONS OFFICER:

The Compliance Officer of the Company is designated as the “Chief Investor Relations Officer” (herein after referred to as “**CIRO**”) and is responsible for dissemination of information and disclosure of UPSI.

NEED TO KNOW:

CIRO shall overview to ensure that the confidentiality of all UPSI is strictly handled on a “Need-to-Know” basis. This means that the UPSI shall be disclosed only to those persons within the Company who need to know the same in the course of performance or discharge of their duties / obligations and whose possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of the information.

RESPONDING TO MARKET RUMOURS:

All the queries or requests for verification of market rumors by Regulatory Authority(ies) shall be directed to CIRO. On receipt of such request(s), CIRO shall promptly consult the Chairman and / or Managing Director (“MD”) and / or Board of Directors and respond to the Regulatory Authority(ies) without any delay.

CIRO in consultation with the Chairman and / or Managing Director and / or Board of Directors shall make a public announcement for verifying or denying such rumors and thereafter shall make appropriate disclosure(s).

PRINCIPLES OF FAIR DISCLOSURE ADOPTED BY BBL:

The Company and the members of the Board, Officers, all employees and connected persons shall adhere to the following principles of fair disclosure of UPSI in letter as well as in spirit:

1. To promptly make public disclosure of unpublished price sensitive information that would impact price discovery. Such disclosures are made no sooner than credible and concrete information comes into being in order to make such information generally available.
2. To make disclosures of unpublished price sensitive information, as and when made, in a universal and uniform manner through forums like widely circulated media and / or through stock exchanges where its equity shares are listed. Selective disclosure of Unpublished Price Sensitive Information is to be avoided.
3. BBL’s Company Secretary & Senior General Manager (Compliance Officer), designated as Chief Investor Relations Officer (“CIRO”) to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information.
4. To promptly disseminate Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise if at all, to make such information generally available.

5. To provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. To ensure that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
7. To publish proceedings of meetings with analysts and of other investor relations conferences on its official website www.bharatbijlee.com to ensure official confirmation and documentation of disclosures made therein.
8. To handle all Unpublished Price Sensitive Information on a “Need-To-Know” basis only.

POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSE”:

The sharing of Unpublished Price Sensitive Information shall be deemed to be for “Legitimate Purpose” if it satisfied the following criteria:

- (i) The “**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 the Regulations.
- (ii) The information shall be shared with any person on “Need-To-Know” basis.
- (iii) Insider(s) shall share the UPSI with the external agencies only in the interest of the Company and / or in compliance with the requirements of the law.
- (iv) Sharing of information may be construed as insider trading even while it is in pursuit of compliances required or business interests of the Company in appropriate circumstances. The person who has the UPSI should ideally recuse himself from assigned task of the sharing the UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- (v) The agreements entered into involve sharing of UPSI should have a “confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.

DIGITAL DATABASE OF RECIPIENT OF UPSI

The CIRO shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom information is shared under this regulation, which shall contain the following information;

- (i) Name of such recipient of UPSI;
- (ii) Name of the Organization or entity to whom the recipient represent;
- (iii) Postal Address and E-mail ID of such recipient;
- (iv) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The CIRO shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

AUTHORITY TO MAKE ALTERATIONS AMENDMENT(S)

BBL reserves the right to amend / modify any provision(s) with a new provision(s) or replace this entire Code with a new Code, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever.

In any circumstance where the terms of the Code differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over the Code.

{This Code is only internal code of conduct and one of the measures to avoid insider trading. It will be the responsibility of each employee of BBL to ensure compliance of SEBI guidelines and other related statutes.}