

# SHIVA SUITINGS LTD

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

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### I. Introduction

The Securities and Exchange Board of India (SEBI), for protection of investors and to regulate the securities market, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the PIT Regulations”) under the powers conferred on it under the SEBI Act, 1992 and amended the same by SEBI from time to time. The PIT Regulations came into force w.e.f. May 15, 2015 and are applicable to all companies whose securities are listed on an Indian Stock Exchange.

The PIT Regulations replaced the erstwhile, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Regulations required to formulate, a code of practices and procedure for fair disclosure of unpublished price sensitive information. (“Fair Disclosure Code”).

Accordingly the Board of Directors of Shiva Suitings Ltd (hereinafter referred to as ‘the Company’) has formulated and adopted this Fair Disclosure Code which is effective from May 15, 2015.

Further, SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 and subsequent amendment to PIT Regulations notified on January 21, 2019 require every listed Company, inter alia, to formulate a policy for determination of ‘Legitimate purpose’ as a part of this code formulated under regulation 8 of SEBI PIT Regulations. Accordingly, the Board of Directors in their meeting held on 29<sup>th</sup> March, 2019 adopted this new Code covering a policy for determination of ‘Legitimate purpose’. This revised Code will be applicable from April 1, 2019 and existing Code will be applicable upto March 31, 2019.

## II. Scope:

The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information (“UPSI”) and to prevent its misuse. To achieve these objectives, and in compliance with the PIT Regulations, the Company has adopted this Fair Disclosure Code.

This Fair Disclosure Code ensures timely and adequate disclosure of UPSI which would impact the price of its securities and to maintain uniformity, transparency and fairness in dealing with all its stakeholders.

The Company is committed to timely and accurate disclosure based on applicable legal and regulatory requirements.

## III. Terms and Definitions

a) In this code:

1. “Generally available information” shall mean- information that is accessible to the public on a non-discriminatory basis.

Note: Information published on the website of a stock exchange, would ordinarily be considered as generally available.

2. “Insider” shall mean- any person (e.g. Individual, Company, Association or Body of Individuals, whether incorporated or not) who is:

- i. a connected person (including deemed connected person); or

- ii. in possession of or having access to unpublished price sensitive information.

- iii. Any person who is in receipt of unpublished price sensitive information for legitimate purpose.

Note: Since “generally available information” is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an “insider” regardless of how one came in possession of or had access to such information.

3. “Legitimate purpose” shall include sharing of UPSI in the ordinary course of business by an Insider with:

- 1) Auditors and their staff members of the Audit firm/team;
- 2) Partners;
- 3) Collaborators;
- 4) Lenders;
- 5) Customers;
- 6) Suppliers;
- 7) Merchant Bankers and valuers;
- 8) Bankers;
- 9) Legal Advisors;
- 10) Insolvency Professionals;
- 11) Any other advisors or consultants; and  
Any other Insider.

***Provided that*** such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.

4. “Unpublished Price Sensitive Information” shall mean –

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 following-

- i. Financial results;
- ii. Dividends;
- iii. Change in capital structure;
- iv. Merges, de-merges, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v. Changes in key managerial personal;

b) Words and expressions used but not defined in this Fair Disclosure Code shall have the same meaning assigned to them in the PIT Regulations or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, SEBI(Listing Obligations & Disclosure Requirements)Regulations, 2015 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be or in any amendment thereto.

#### **IV. Principles of Fair Disclosure**

The Company shall adhere to the following principles for the purpose of this Code—

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a Compliance officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
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.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

#### **V. Compliance Officer**

“compliance officer” means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be

responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be.

## **VI. Policy for Determination of Legitimate Purposes**

a) **“Legitimate purpose”** shall mean sharing of UPSI in the ordinary course of business by an Insider with following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations:

- i. Auditors and their staff members of the Audit firm/team;
- ii. Partners;
- iii. Collaborators;
- iv. Lenders;
- v. Customers;
- vi. Suppliers;
- vii. Merchant Bankers and valuers;
- viii. Bankers;
- ix. Legal Advisors;
- x. Insolvency Professionals;
- xi. Any other advisors or consultants; and
- xii. Any other Insider.

b) **Sharing of UPSI for legitimate purpose:**

The UPSI shall be shared by any person(s) authorized by the Board of Directors or Compliance Officer in this behalf, only in furtherance of legitimate purpose(s) which shall include the following;

- i. Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants;
- ii. Sharing of UPSI where such communication is in furtherance of performance of duty(ies);

- iii. Sharing of UPSI for discharge of legal obligation(s);
- iv. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Compliance Officer of the Company;
- v. Sharing of UPSI for any other purpose as may be prescribed under the SEBI Regulations or Company Law or any other applicable law for the time being in force, in this behalf.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of PIT Regulations.

However, other provisions/ restrictions as prescribed under the PIT Regulations or any other law for the time being in force in this behalf shall be observed.

**c) UPSI in the Ordinary Course of Business**

UPSI in the Ordinary Course of Business shall mean Information disclosed to those persons within the Company or persons connected with the Company who need the Information to discharge their duty or legal obligations and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the said information.

**d) Receipt of UPSI for legitimate purpose**

Receipt of Unpublished Price Sensitive Information for legitimate purpose shall be considered as insider for the purpose of this code. Accordingly, the person who shares UPSI shall give proper notice to the recipient of UPSI to maintain confidentiality of such UPSI in compliance with SEBI (PIT) Regulations, 2015.

This Code may be reviewed from time to time by the Stakeholders Relationship Committee of the Board of Directors of the Company.

Sd/-

**SHARAD KUMAR SUREKA**

**MANAGING DIRECTOR**

**DIN: 00058164**

**29<sup>th</sup> MARCH, 2019**