

# UMIYA TUBES LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

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(Revised by the Board of Directors at its meeting held on 5<sup>th</sup> January, 2019)

## **A. INTRODUCTION:**

The Securities and Exchange Board of India (SEBI) to protect the interest of Investors in general, had formulated the SEBI (Insider Trading) Regulation, 2015 under the powers conferred on it under the SEBI Act, 1992.

The Board of Directors of every Company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information that it would follow in order to adhere to each of the principles set out in Schedule A of the SEBI (Insider Trading) Regulation, 2015, without diluting the provisions of these regulations in any manner.

The document embodies the code of Conduct for Prohibition of Insider Trading (“the Code”) to be adopted by the Company owe a fiduciary duty to, among others, the shareholders of the Company, to place the interest of the shareholders above their own and to conduct their personal securities transactions in a manner that does not create any conflict of interest situation.

The Original Code was come into force from 1<sup>st</sup> April, 2016.

This Code shall come into force from 1<sup>st</sup> April, 2019.

## **B. DEFINITIONS:**

1. “**Act**” means the Securities and Exchange Board of India Act, 1992.
2. “**Code**” or “**Code of Conduct**” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of “**Umiya Tubes Limited**” as amended from time to time.
3. “**Company**” means “**Umiya Tubes Limited**”
4. “**Compliance Officer**” means any senior officer, designated so and reporting to the Board of Directors, 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board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;
5. “**Connected Person**” means:
  - (i) 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 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 recognised 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 ten percent of the holding or interest;
6. **"Generally available Information"** means information that is accessible to the public on a non-discriminatory basis.
7. **"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.
8. **"Insider"** means any person who,
- (i) a connected person; or
  - (ii) in possession of or having access to unpublished price sensitive information.
9. **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
10. **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

11. **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
12. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
13. **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;
14. **"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 (quarterly and annual);
  - (ii) dividends (both interim and final);
  - (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; and
  - (vi)

**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.

## **C. PRINCIPLES OF FAIR DISCLOSURE:**

The Company shall ensure:

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. Managing Director or Whole Time Director or Chief Financial Officer or Company Secretary or any one of the Director of the Company be designated as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information.
4. The Company has defined the 'legitimate purposes' as part of its internal Code of Conduct (approved by the Board of Directors) under the SEBI Regulations. 'Legitimate Purposes' would include information shared for the purposes mentioned hereunder:
  - a. Sharing of information in the ordinary course of business with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants on a need to know basis.
  - b. Sharing of information for execution of specific projects
  - c. Sharing of Information in accordance with the Company's communication and disclosure policy
  - d. Sharing of Information for market sounding purposes through intermediaries/fiduciaries to obtain feedback from potential or existing investors about a transaction involving the Company
  - e. Sharing of Information for any other genuine or reasonable purpose as may be determined by the CIRO
5. A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal .controls will also be laid

out to ensure the compliance of maintenance of a digital database for sharing the information for said legitimate purposes.

6. Prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
7. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
8. Ensuring that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
9. 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.
10. Handling of all Unpublished Price Sensitive Information on a need-to-know basis.