



CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION FOR RUNGTA IRRIGATION LIMITED

(INCLUSIVE OF POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES)

In pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, **RUNGTA IRRIGATION LIMITED (“Company”)** has formulated this **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.**

The principles of Fair disclosure of **Unpublished Price Sensitive Information (“UPSI”)** followed and adopted by the Company are as follows:

1. The Company shall ensure to disclose UPSI to the stock exchange where the shares of the Company is listed, forthwith after getting credible and concrete information, in order to make it generally available.
2. The Company shall ensure to make uniform and universal dissemination of unpublished price sensitive information to all the shareholders to avoid selective disclosure.
3. The Company shall appoint the Company Secretary as the Chief Investor Relations Officer (CRIO) to deal with dissemination of information and disclosure of UPSI. In case of doubt, the CRIO shall consult and seek approval of the Chairman/ Managing Director, if necessary.
4. The Company shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise. The Company shall promptly make available the above mentioned UPSI to the general public through dissemination to the Stock Exchange. The CRIO shall be responsible for deciding whether to make a public announcement to either verify or deny the rumours floating in the market. He may consult the Chairman/ Managing Director, if required.
5. The CRIO/Compliance officer shall provide appropriate and fair response to queries on news reports and request for verification of market rumours by regulatory authorities including stock exchange. Such response shall be published on all the stock exchanges, where the shares of the Company are listed. The CRIO shall decide whether a public announcement is necessary for verifying or denying the floating rumours in the market and then make a disclosure.
6. The Company shall ensure that information, if any, shared with the analysts and research personnel is not unpublished prices sensitive information.
7. The Company shall make transcripts or records of proceedings of meetings with analysts and any other investor relations conferences and shall make them available on the official website to ensure official confirmation and documentation of disclosures made therein. The Company should be very careful while dealing with Analysts questions that may be raised outside the intended scope of discussion.



8. The Company shall ensure to handle all the unpublished price sensitive information on a “need to know” basis only.
9. The Policy for determination of “Legitimate Purposes” is annexed and forms part of this Code.
10. This Policy may be amended by the Board from time to time. The Compliance officer is authorized to make amendments in this policy to make it in consistent with any mandatory changes required by the law.

Annexure

POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES”

[Framed under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

1. Introduction

- a. This policy has been framed to comply with the regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- b. This policy will be applicable on all “Insider”.
- c. The policy shall come to force with effect from April 01, 2019.

2. Definition

- a. **Insider** means any person in receipt of UPSI of the Company for the purpose of this policy and SEBI (Prohibition of Insider Trading) Regulations, 2015.
- b. **Legitimate Purpose** means sharing of UPSI by the Company for following purposes:
 - i. Must be shared in the ordinary of course of business.
 - ii. Must be done in furtherance of performance of duties and discharge of legal and other statutory obligations.
 - iii. The information shared shall not be shared for personal benefit.
- c. **Ordinary course of business** includes regular and day to day transactions, general customs and practices of a business performed in the Company.



3. Recipient of UPSI

The Company may, in its ordinary course of business, share UPSI, for legitimate purpose, with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants. However, such sharing of UPSI should not be carried out to evade or circumvent the prohibitions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

4. Communication pursuant to sharing of UPSI

Any person who receives the UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

A contract of confidentiality and non- disclosure obligations shall be executed between the Company and the receivers of UPSI and such outside party shall keep the information so received confidential, and shall not trade in securities of the Company when in possession of UPSI.

The Company shall take required information from the recipient before communication of UPSI as part of their internal policy, including but not limited to:

- i. Full name of the recipient of UPSI.
- ii. Name of the entity whom the recipient represents.
- iii. Complete residential address of recipient and registered office address of the recipient entity.
- iv. Permanent Account Number or other identifier authorized by law in case permanent Account Number is not available of the recipient and his entity.

5. Structural digital database

The board of directors of the Company shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under the regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls.

The board of directors shall also ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the



RUNGTA IRRIGATION LIMITED

relevant information in the structured digital database shall be preserved till the completion of such proceedings.

6. Amendments

Any subsequent modification(s)/amendment(s) to SEBI (Prohibition of Insider Trading) Regulations, 2015, shall automatically apply to this Policy.