

**SHERVANI INDUSTRIAL SYNDICATE LIMITED**

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)**

Regulation (8) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 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company to formulate and publish on its official website a "Code of Practices and Procedure for fair disclosure of Unpublished Price Sensitive Information" in adherence to the principles set out in Schedule A to the said Regulations.

Regulation 3 of PIT Regulations allows communication or procurement of UPSI if the same is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The code intends to formulate a framework and policy for:

- i. fair disclosure of events and occurrences that could impact price discovery in the market for the securities of the Company; and
- ii. determination of "Legitimate Purposes".

Accordingly, in supersession of the previous Code, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) is hereby framed as under: -

**Principles of fair disclosure**

1. The company shall ensure prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, in order to make such information 'generally available', i.e. to make the information accessible to the public on a non-discriminatory basis.
2. The company shall ensure a uniform and universal dissemination of UPSI to avoid selective disclosure.
3. The company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information 'generally available'.
4. The company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.



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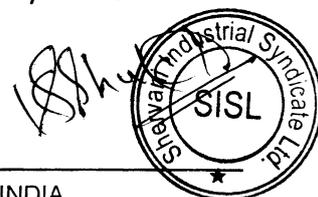
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5. The company shall ensure that information shared with analysts and research personnel is not UPSI.
6. The company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
7. The company shall ensure the handling of all UPSI on a need-to-know basis.
8. The Compliance Officer of the Company shall act as the Chief Investor Relations Officer (CIRO) for the purpose of dealing with dissemination of information and disclosure of UPSI as contained herein.
9. Any person in receipt of unpublished price sensitive information pursuant to "legitimate purpose" shall be considered an "insider" for purposes of PIT Regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

### Principles for determination of "Legitimate Purpose"

1. The Company shall ensure that UPSI is:
  - 1.1. communicated, provided or is accessible to insiders; or
  - 1.2. procured by any person only in furtherance of legitimate purpose.
2. An action shall be considered to be undertaken for a "legitimate purpose" if:
  - 2.1. it conforms with the statutes applicable to the Company;
  - 2.2. it is taken pursuant to a legal/ regulatory obligation of the Company;
  - 2.3. it conforms to the business of the Company/ is in the ordinary course of business of the Company;
  - 2.4. it is undertaken by a person to fulfill the obligations of his/ her role with respect to the Company;
  - 2.5. the action is executed in a manner which can be considered fair, transparent and effective;
  - 2.6. the action does not lead to 'market abuse';
  - 2.7. the action does not result into personal benefit of any Connected Person.
3. Legitimate Purpose shall include sharing of UPSI 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 PIT Regulations. Purposes involving sharing of UPSI, which shall be deemed to be legitimate, shall include, but will not limited to the following:
  - 3.1 facilitating conduct of due diligence for undertaking any transaction in the ordinary course of business; and
  - 3.2 preparation of financial statements .



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The decision of the Board of Directors with regard to all matters relating to the Code will be final and binding.

The Board of Directors reserves the right to modify or amend the Code in whole or in part.

This Code and every subsequent amendment made thereto shall be promptly intimated to the stock exchange where the securities are listed.

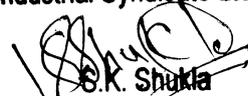
This Code is subject to review by the Board of Directors at least once a year or at a lesser frequency as the Board may decide.

This Code is subject to review from time to time and shall be hosted on the Company's website.

**Place:** Prayagraj

**Date :** March 30, 2019

**For Shervani Industrial Syndicate Ltd.**

  
**O.K. Shukla**  
Company Secretary