



# HEC INFRA PROJECTS LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Under Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

### **Registered Office:**

Sigma-1 Corporates, Corporate House No.6, Nr. Mann Party Plot Cross Road,  
Sindhu Bhavan Road, Bodakdev, Ahmedabad-380054.

## **Preamble:-**

In adherence of the principles of fair Disclosure enumerated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulation"), the Board of Directors of the company has formulated and publish on its website a "Code of Practices and procedure for fair disclosure of Unpublished Price Sensitive Information".

The SEBI vide notification dated 31<sup>st</sup> December, 2018 has amended the SEBI (Prohibition of Insider Trading) Regulations, 2015, and subsequent amendment to PIT Regulations notified on 21<sup>st</sup> January, 2019, requires 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 Regulation.

Accordingly, in supersession of the previous code, the Board of Directors in their meeting held on 30<sup>th</sup> March, 2019 adopted the revised "Code of Practices and procedure for fair disclosure of Unpublished Price Sensitive Information" ("the code") covering a policy for determination of "Legitimate purpose". This revised Code will be applicable from 1<sup>st</sup> April, 2019 and existing Code will be applicable up to 31<sup>st</sup> March, 2019.

## **Definitions:**

1. "**Board**" means the Board of Directors of the Company.
2. "**Code**" means the Code of practices and procedures for Fair Disclosures of Unpublished Price Sensitive Information.
3. "**Company**" means HEC Infra Projects Limited.
4. "**Compliance Officer**" means the Company Secretary of HEC Infra Projects Limited.
5. "**Unpublished Price Sensitive Information**" ( "**UPSI**" ) means any information, relating to the Company or its securities, directly or indirectly, that is not generally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 the following:
  - a) Financial Results;
  - b) Dividends if any;
  - c) Change in Capital Structure;
  - d) Mergers, De-mergers, Acquisitions, Delisting, Disposals and Expansion of Business and such other transactions;
  - e) Changes in Key Managerial Personnel;

All capitalized terms used in this policy document but not defined herein shall have the same meaning as described to such term in the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Listing Obligations and Disclosure Requirements) Regulations,

2015, the Companies Act, 2013 and the Rules framed there under, as amended from time to time.

### **Principles of Fair Disclosure of Unpublished Price Sensitive Information:-**

The Company shall adhere to the following principles of fair designed of Unpublished Price Sensitive Information with respect to it and its securities, which is likely to affect price of the Securities:

1. The Company shall ensure 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. The Company shall ensure uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. The Company shall ensure designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall ensure prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
7. 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.
8. The Company shall ensure the handling of all unpublished price sensitive information on a need-to-know basis.
9. Policy for determining of Legitimate Purposes is annexed as **Annexure A**.

The Board of Directors of the company is authorized to amend or modify this code in whole or in part as per amendment made in SEBI (Prevention of Insider Trading) Regulation, 2015.

This Code and every subsequent modification, alteration or amendments made thereto, shall also be intimated to the Stock Exchange where Shares of the Company are listed.

This code shall be published on the official website of the Company.

## Annexure A

### POLICY FOR DETERMINING LEGITIMATE PURPOSE

#### Preamble:

Pursuant to the Regulation 3 (2A) of the SEBI (Prohibition of Insider Trading) Regulation, 2015, the Board of Directors of a listed company shall make a policy for determination of "legitimate purpose" as a part of Code of fair Disclosure and Conduct formulated under regulation 8.

This Policy will be applicable on 'all insider' and will be effective from 1<sup>st</sup> April, 2019.

Any subsequent modification and/ or amendments brought by SEBI in the SEBI (Prohibition of Insider Trading) Regulation, 2015 shall automatically apply on this policy.

#### Information shared for legitimate purpose:

- 1) The Board of Director and/ or designated person can share unpublished price sensitive information for legitimate purpose, provided the due notice shall be given to recipient of the said information to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations and refrain himself/ themselves from trading in the shares of the Company unless the said information is publicly disclosed by the Company.

**Explanation:** For the purpose of this policy, the term "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 these regulations.

- 2) What shall constitute legitimate purpose and what shall not constitute legitimate purpose will be based on the business related needs of the Company. In general, legitimate purpose shall inter alia, include the following purpose:
  - i) Sharing of UPSI in the ordinary course of business with existing and potential partners, collaborators, bankers, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, 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 purpose as may be determined by any of the Personnel as may be required in this behalf, provided the same shall be capable of being demonstrated as genuine purpose by the said Personnel, as & when required.
- v) Sharing of UPSI for any other purpose as may be prescribed under any law, rules, regulations, notifications etc. for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing shall not be carried out to evade or circumvent the prohibitions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as may be amended from time to time).

**Issue of Notice to the recipient of the UPSI:**

Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of this code and due notice shall be given to such Insider(s) by the relevant Personnel disclosing the UPSI as per this code:

- i) To make aware such Insider that the information shared is or would be UPSI;
- ii) To instruct such insider to maintain confidentiality of unpublished price sensitive information in compliance with this code & SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended).

However, other provisions / restrictions as may be prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015, if any, or any other law for the time being in force in this behalf, as may be amended from time to time, shall prevail over this Code.

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