



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UNPUBLISHED PRICE SENSITIVE INFORMATION**

**OF**

**TRIVENI TURBINE LIMITED**

**EFFECTIVE FROM 1<sup>ST</sup> APRIL, 2019**

## 1. Purpose

The Securities and Exchange Board of India had formulated the SEBI Insider Regulations (*as defined below*) to prescribe a legal framework for prohibition of insider trading. In terms of the provisions of SEBI Insider Regulations, every listed company is required to formulate a Code of Fair Disclosure. Accordingly, the Company has formulated this Code of Fair Disclosure to ensure timely and adequate disclosure of Unpublished Price Sensitive Information, which was approved by the Board of Directors, effective 15<sup>th</sup> May, 2015.

The objective of this Disclosure Code is to ensure timely and adequate public disclosure of Unpublished Price Sensitive Information (as hereinafter defined) no sooner than credible and concrete information comes into being in order to make such information generally available.

## 2. Effectiveness

In compliance with the provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2019, this Amended Code of Fair Disclosure including the Policy for determination of Legitimate Purposes (hereinafter collectively referred to as the “Code of Fair Disclosure”) has been approved by the Board of Directors of the Company and shall be effective from 1<sup>st</sup> April, 2019.

## 3. Definitions

Capitalized terms used but not defined herein shall have the same meaning as assigned thereto in the SEBI Insider Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder or any other applicable laws or regulations, as the case may be.

“**Act**” means the Securities Exchange Board of India Act, 1992 (15 of 1992).

“**Board**” means Board of Directors of the Company.

“**CFO**” means Chief Financial Officer as defined in Section 2(19) of the Companies Act, 2013.

“**CIO**” means Chief Investor Relations Officer of the Company, designated as per the requirement of the SEBI Insider Regulations.

“**Company Secretary**” means the company secretary of the Company appointed in terms of the resolution passed by the Board of the Company in compliance of the provisions of the Companies Act, 2013.

“**Code of Fair Disclosure**” means this code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information formulated by the Company and as amended from time to time.

“**Company**” means Triveni Turbine Limited.

“**Compliance Officer**” means Company Secretary of the Company or any other senior officer, designated so from time to time and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the SEBI Insider 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 SEBI Insider Regulations under the overall supervision of the Board of the Company.

“**Financially literate**” means a person who has the ability to read and understand basic financial statements, i.e. balance sheet, profit and loss and statement of cash flows

“**Investor**” means analyst, research personnel, securities market professional, individual, institutional investor or potential investor.

“**Managing Director**” means managing director as defined in Section 2(54) of the Companies Act, 2013.

“**Officer**” includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose direction or instructions the board of director or any one or more of the directors is/are accustomed to act.

“**SEBI Insider Regulations**” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

“**SEBI**” means the Securities and Exchange Board of India.

“**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.

“**Unpublished Price Sensitive Information**” or “**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 include but not restricted to, information relating to the following:

- (i) Periodical audited or un-audited financial results of the Company;
- (ii) Declaration of dividends (both interim and final);
- (iii) Change in Capital Structure including issue and buyback of securities;

- (iv) Mergers, demergers, acquisitions, delistings, disposals, diversification and expansion of business and such other transactions;
- (v) Changes in Key Managerial Personnel; and
- (vi) Any other matter as may be prescribed under the Listing Regulations and/or Companies Act to be price sensitive, from time to time.

#### **4. Prompt disclosure of Unpublished Price Sensitive Information**

The Company will comply with all periodic reporting and disclosure requirements contained in the Companies Act, 2013, listing agreement executed with the stock exchanges, SEBI Insider Regulations and other applicable laws.

The Company shall make prompt disclosure of Unpublished Price Sensitive Information that would impact the price discovery and will also consider from time to time ways of supplementing the Unpublished Price Sensitive Information released to stock exchanges by improving investors' access to public announcement.

#### **5. Overseeing and Co-ordinating disclosures**

**5.1** The following officials shall individually or collectively act as "CIO" of the Company for dissemination of information and disclosure of UPSI and shall also be responsible for ensuring compliance under this Code, overseeing and coordinating disclosure of UPSI to the stock exchanges, investors, analysts and media in co-ordination with the Managing Director(s) of the Company:

- CFO & Group CFO;
- Group Vice President (Investor Relations); and
- Compliance Officer

**5.2** The Compliance Officer shall also promptly disseminate the Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available by informing to the stock exchanges where the Securities of the Company are listed. If any Unpublished Price Sensitive Information is inadvertently disclosed without the consultation of the Managing Director(s), the person responsible shall inform the Compliance Officer/CIO as the case may be, immediately for dissemination of the information so as to make it generally available.

#### **6. Response to queries on market rumors**

The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. The Compliance Officer/CIO shall in consultation with the Managing Director(s) also decide whether a public announcement is necessary for verifying or denying rumors and in case it is necessary, the Company should make a public announcement for either verifying or denying the rumors.

## 7. Information shared with analyst and research personnel

The Company shall ensure that the information shared with analyst and research personnel is not Unpublished Price Sensitive Information and follow the guidelines given hereunder while dealing with analysts and institutional investors

- (i) **Only public information to be provided** – The Company shall provide only public information to the analyst/research persons/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.
- (ii) **Recording of discussion** – In order to avoid misquoting or misrepresentation, it is desirable that at least two company representatives be present at meetings with Analysts, brokers or Institutional Investors and discussion should preferably be recorded.
- (iii) **Handling of unanticipated questions** – The Company should be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response may be given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- (iv) **Investors Conference Calls** After issuance of each quarterly financial results, the Company may hold an Investors conference call. The Company will furnish the Investors brief to the stock exchanges where its Securities are listed before the commencement of Investors conference call. The Company will also make available the transcript of the conference call at its website.

## 8. Unpublished Price Sensitive Information on "Need to Know basis" for legitimate purposes

Unpublished Price Sensitive Information shall be handled on a need to know basis, i.e. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and shall not be communicated to any person except in furtherance of the legitimate purposes, as per its "Policy for determination of Legitimate Purpose" as per **Annexure I** attached hereto, performance of duties or discharge of legal obligations, provided it is not shared to evade or circumvent the prohibition under SEBI Insider Regulation.

## 9. Modification and Amendments

The Company reserves all right to modify and/or amend this Code of Fair Disclosure at any time. This Code of Fair Disclosure and subsequent amendment(s) thereto, shall be promptly intimated to the stock exchanges where the Securities of the Company are listed.

This Code of Fair Disclosure and any amendment thereof shall also be published on the official website of the Company i.e. [www.triveniturbines.com](http://www.triveniturbines.com)

**POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

[Pursuant to Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

**1. PREFACE**

This Policy, as a part of “Codes of Fair Disclosure and Conduct” formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015, will be known as “Policy for Determination of Legitimate Purposes (hereinafter referred to as “Policy”). This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

**2. OBJECTIVE**

The objective of this Policy is to identify Legitimate Purposes for performance of duties or discharge of legal obligations, which will be considered as exceptions for the purpose of sharing/procuring UPSI relating to the Company or its listed securities or proposed to be listed securities, if any.

**3. DEFINITION**

- a). **“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 SEBI Insider Regulations.
- b). **“Insider”**- Any person in receipt of UPSI pursuant to a “Legitimate Purpose” shall be considered an “Insider” for purpose of SEBI Insider Regulations and due notice shall be given to such person(s) by the Compliance Officer and/or the Person sharing such information to maintain confidentiality of such UPSI in compliance with this Code and SEBI Insider Regulations and shall not otherwise trade in securities of the Company when in the possession of UPSI.
- c). **“Ordinary Course of Business”** for the purpose of this Policy will mean activities that are necessary and regular to the main business of the Company and forms the common practices and customs of the business transactions

**4. IDENTIFICATION OF LEGITIMATE PURPOSE**

To evaluate whether the purpose for sharing UPSI is legitimate or not, the following indicative criterion may be taken into consideration:

- a. There is a reasonable need in respect of carrying on the business activity, i.e. sharing of the UPSI is a necessity for the business activity to be carried on;
- b. The recipient of the UPSI has been hired by the Company itself for a specific purpose or event and the relationship between the recipient and the Company necessitates such sharing;
- c. The end result of the sharing will not accumulate to fraud the Company or its stakeholders
- d. Where the purpose of sharing UPSI is to obtain professional advice or to take professional assistance for an event of the Company
- e. The sharing of UPSI on requirement of any legal obligation or regulatory order

The above mentioned criterion are illustrative in nature and the need for sharing of UPSI requires to be validated before any sharing by Insider.

## **5. IDENTIFICATION OF ORDINARY COURSE OF BUSINESS**

An Insider can share UPSI relating to the Company or its securities for legitimate purpose in the ordinary course of business. A person herein will need to identify the ordinary course of business. The criterion for identification of ordinary course of business may include the following:

- a. Object Clause** – An activity is more likely to be considered in the ordinary course of business if it is mentioned in the main object clause of the company’s Memorandum of Association and is for the purpose of furtherance of its core business activity;
- b. Nature of Business and Industry** – The nature of business and the industry practice followed in general is also an identifier when deciding on ordinary course of business;
- c. Precedence** – An activity of the company which has been carried out on a regular basis constitutes to be an ordinary course of business. Where an activity is proposed to be conducted for the first time will not likely be considered as an ordinary course of business;

## **6. NOTICE TO INSIDER AND RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS**

Every Insider with whom an Unpublished Price Sensitive Information is shared pursuant to a legitimate purpose will be given a notice or will be required to execute agreements to maintain confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep UPSI so received confidential in compliance with these regulations and shall not otherwise trade in securities of the Company when in possession of UPSI.

## **7. DIGITAL DATABASE**

The Company shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared for legitimate purposes along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Adequate and effective system of internal controls and checks will also be laid out to ensure the compliance of a digital database for sharing the information for said legitimate purposes.

## **8. SHARING OF UPSI FOR LEGITIMATE PURPOSE**

UPSI is in the nature of information relating to the Company or its securities, directly or indirectly, of precise nature that can have material impact on the prices of the securities of the Company, if made public.

Till the UPSI becomes a generally available information, UPSI can be shared only on a need-to-know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the prohibitions of the SEBI Insider Regulations.

- Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of proposed deal/assignment in relation to UPSI;
- Sharing of relevant UPSI with intermediaries/fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
- Sharing of relevant UPSI with persons for legitimate business purpose (e.g. attorneys, investment bankers or accountants);
- Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture partners, collaborators and vendors, and not to transact in the company's securities on the basis of such information; and
- Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.

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