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**ATLAS JEWELLERY INDIA LIMITED (AJIL)**

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**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION –[COP(PIT-FDC)] V02-2021 -  
11.11.20**

**Contents**

1. Introduction:.....	2
2. Purpose:.....	2
3. Applicability: .....	3
4. Key Definitions:.....	3
5. Principles of Fair Disclosure:.....	5
6. Handling of Unpublished Price Sensitive Information on “NEED TO KNOW” Basis: .....	6
7. Policy for determination of Legitimate Purposes:.....	7
8. Structured Digital Database for UPSI:.....	8
9. Procedure in case of leak/suspected leak of UPSI:.....	9
10. Scope & Limitation: .....	11
11. Disclaimer: .....	12
12. Version Control:.....	12

## AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI

### 1. Introduction:

Securities and Exchange Board of India (“SEBI”) vide its Notification dated January 15, 2015, had issued the SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amended the same vide its notification dated December 31, 2018, the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, (hereinafter referred to as the ‘**Regulations**’) to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof.

As part of its review mechanism the Company has decided to relook at its existing policies and procedures related to prevention of insider trading in the securities of the Company by Designated persons and their relatives and other connected persons and further strengthen and streamline the same as deemed necessary.

The Company proposes to amend both its existing codes of Conduct and Practices dealing with prevention of insider trading, viz-

	Present Code	Replaced By
1	Code of Conduct to Regulate, Monitor & Report Trading by Insiders [COC_RMR_PIT]	Insider Trading Code [COC(PIT-ITC)]
2	Code of Practices & Procedures for Fair Disclosures of Unpublished Price Sensitive Information [IT_FDC]	Code of Practices & Procedures for Fair Disclosures of Unpublished Price Sensitive Information [COP(PIT-FDC)]

### 2. Purpose:

Through this Code of Practice, the Company seeks to preserve and maintain confidentiality of its Unpublished Price Sensitive Information’s and also prevent its misuse by any insider. This Code of Practice lays down the framework and principles to be adhered to while disclosing any event or occurrences that could impact price discovery in the market for the securities of the Company.

## **AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

The guidelines that would be followed by the Company for consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive Information or such other information as required under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Code of Practice is meant to enable all persons investing in the securities of the Company to have an equal and timely opportunity to access such information that may affect their investment decisions regarding the securities of the Company.

### **3. Applicability:**

This Code shall be applicable and binding on all the employees, directors and such other persons authorized to speak on behalf of the Company and other Insiders.

### **4. Key Definitions:**

- 4.1 “Act” means the Securities and Exchange Board of India Act, 1992.
- 4.2 “Code of Practice” means the Code Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in terms of Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations 2015 as amended from time to time by the Board.
- 4.3 “Company” means ATLAS Jewellery India Limited.
- 4.4 “Board” means the Board of Directors of the Company.
- 4.5 "Director" means a member of the Board of Directors of the Company.
- 4.6 “Employee” means every employee of the Company including the Directors in the employment of the Company.
- 4.7 "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.
- 4.8 "Generally available Information" means information that is accessible to the public on a nondiscriminatory basis.
- 4.9 "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

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

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 (includes quarterly financial results)
- b. dividends.
- c. change in capital structure.
- d. mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions.
- e. changes in key managerial personnel.
- f. Such other material event/ information as included in the Policy of Determination of Materiality and which satisfies the criteria mentioned above.

4.10 'Leak of UPSI' shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

4.11 "Insider" means any person who is:  
I. a Connected Person or  
II. in possession of or having access to UPSI.

4.12 Chief Investor Relations Officer (CIRO) means, an officer designated by the Board of the Company as the CIRO who shall along with the Company Secretary of the Company be responsible to deal with the dissemination and disclosure of Unpublished Price Sensitive Information.

**NOTE:**

Terms that have not been defined in this code shall have the same meaning assigned to them in the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prevention of Insider Trading) Regulations 2015 and/or any other SEBI Regulation(s) as amended from time to time.

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI****5. Principles of Fair Disclosure:**

The following principles shall be followed at all times in relation to any disclosure of Unpublished Price Sensitive Information at any forum pursuant to the requirements of the Code or applicable laws:

- a. Prompt public disclosure of unpublished price sensitive information ('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. make the information available to the public on a non-discriminatory basis.
- b. Uniform and universal dissemination of UPSI to avoid selective disclosure.
- c. Prompt dissemination of UPSI that may get disclosed selectively, inadvertently or otherwise, to make such information generally available.
- d. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities, other than news reports motivated by vested interests, the clarification of which is likely to be detrimental to the interests of the Company and the shareholders or to the advantage of the Company's competitors, existing or potential.
- e. That information shared with analysts and research personnel is not UPSI.
- f. The Company shall ensure that any Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise, is promptly disseminated to the public through intimation to stock exchanges and/or via a press release to make such Unpublished Price Sensitive Information generally available
- g. The Company shall ensure that disclosures are corrected immediately if the Company is subsequently made aware that its earlier disclosure contained a material error or omission at the time it was given.
- h. The Company shall ensure that financial results and related investor presentations (if any) are simultaneously displayed on the Company's own web site as soon as the same is shared with the Stock Exchange concerned.
- i. Other than CIRO/ Company Secretary of the Company, no other employee shall respond to any enquiry from Stock Exchanges/Media houses/Others, unless the same is so authorised by the CIRO/Company Secretary as the case may be.

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

- j. The Company would endeavor to provide appropriate and fair response to any query on media reports or request for verification of market rumors by any regulatory authority.
- k. The Company shall ordinarily not comment, affirmatively or negatively, in relation to market rumors. In the event that a stock exchange directs the Company to make a definitive statement in response to a market rumors, the CIRO and/or the company secretary of the Company in consultation with the whole-time directors/ Board shall clarify the same to the stock exchanges.

**6. Handling of Unpublished Price Sensitive Information on “NEED TO KNOW” Basis:**

To prevent leakage/Misuse inadvertently or otherwise of UPSI, the sharing of such information shall be only on a “**NEED TO KNOW BASIS**” and also putting in place suitable safeguards to avoid UPSI becoming available to any person who is not required to have access to such information.

The term “**NEED TO KNOW BASIS**” shall mean that Unpublished Price Sensitive Information should only be disclosed to/procured by such persons who need to share/need access to the Unpublished Price Sensitive Information in: -

- a. furtherance of legitimate purposes,
- b. performance of duties or
- c. discharge of legal obligations and
- d. whose possession of such Unpublished Price Sensitive Information
  - will not give rise to a conflict of interest or
  - amount to the misuse of such Unpublished Price Sensitive Information

Further to ensure and protect UPSI all insiders having access to UPSI shall at all time ensure among other things, the following:

- ✓ Not discuss UPSI in public places where such UPSI may be overheard (for example, elevators, restaurants, public transport, etc.) or
- ✓ participate in, host or link to internet chat rooms, online social networking sites, newsgroup discussions or bulletin boards which discuss matters pertaining to the Company’s activities or its securities.
- ✓ Not carry, read or discard UPSI in an exposed manner in public places.

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

- ✓ Not discuss UPSI with any other persons, who is not accepted to have access to such information.
- ✓ Ensure that the sharing of UPSI, wherever required, is done by way of the Company's official email system only.
- ✓ Ensure that subsequent queries/ clarifications shall be responded to by way of official e-mail, meetings, over the phone (including SMS) but shall be addressed only to concerned persons. Communication which entails UPSI via WhatsApp or other social networking applications shall not be used.

Any suspected violation of leak of unpublished price sensitive information or violation of this policy can be reported under the Company's Vigil Mechanism Policy (VGM).

**7. Policy for determination of Legitimate Purposes:****Policy Objective:**

The Objective being to laydown the purposes which may be considered legitimate for the purposes of sharing Unpublished Price Sensitive Information related to the Company and its operations.

**Sharing of UPSI:**

- a. Any Unpublished Price Sensitive Information shall only be shared in furtherance of legitimate purpose(s), performance of duties or discharge of legal obligations and only on a "Need to Know Basis" as explained in Clause 7, hereinabove, provided such sharing has not been carried out to evade or circumvent the prohibitions of this regulation.
- b. UPSI can be shared in the ordinary course of business only if the same is required and necessary to be shared in order to perform any task/activity/ deal including any other assignments for the furtherance of the Company's business objectives or in the interest of the Company.
- c. Sharing of Unpublished Price Sensitive Information for any other genuine or reasonable purpose as may be determined by the whole-time directors or Board or CIRO or Company Secretary.
- d. Sharing of Unpublished Price Sensitive Information with a court of law or any governmental authority or a regulatory body on the basis of any order issued by them.

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

- e. Sharing of Unpublished Price Sensitive Information for any other purpose as may be prescribed under Regulations formulated by SEBI or the Companies Act, 2013 and Rules thereunder or any other law for the time being in force, as may be amended from time to time.

**Insider for the purposes of UPSI:**

Any person who is in receipt of UPSI pursuant to any legitimate purpose for rendering some professional service or in respect of some business assignment or for any other purposes of the Company shall be treated as an “Insider” for the purposes of this Regulations and includes-

- I. Existing or proposed Partners/ Collaborators.
- II. Lenders
- III. Customers
- IV. Suppliers
- V. Merchant Bankers/ Investment Bankers
- VI. Legal Advisors
- VII. Insolvency Professionals
- VIII. Auditors including their team members engaged in the audit assignment
- IX. Other advisors and consultants.

Such Insiders shall always maintain confidentiality of all UPSI in their possession in compliance with this Code of Practice as well as Insider Trading Policy and SEBI Regulations in this regard.

**8. Structured Digital Database for UPSI:**

The authorized officer shall maintain a digital database of all persons with whom UPSI is shared for any legitimate purposes, that is: -

- a. in case of individuals, details such as name of the recipient of UPSI, name of the organization with which he or she is affiliated (if applicable), e-mail id and Permanent Account Number or in its absence Unique Identification Number allotted by UIDAI or any other identifier authorised by law, of such persons, and
- b. in case of entities, details such as name of the entity, name of all-natural persons associated with the entity having reasonable access to the UPSI and Permanent Account Number of such entity and any natural person associated with the entity or in its absence any other identifier authorised by law.



## **AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

The authorized officer shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database.

The authorized officer shall also be responsible to 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 relevant information in the structured digital database shall be preserved till the completion of such proceedings

### **9. Procedure in case of leak/suspected leak of UPSI:**

#### **9.1 Complaint (Written /Oral/ Electronic)**

Regarding a leak or suspected leak of UPSI may be received by the Company

- A. Suo-moto (by the Compliance Officer/ CIRO/ Managing Director/Executive Director);  
or
- B. Detected through the internal controls processes implemented by the Company in this regard or
- C. Received through the Vigil Mechanism Policy of the Company; or
- D. From other agencies or bodies like the Registrar and Share Transfer Agent (RTA) of the Company, Stock Exchange, SEBI, Registrar of Companies, or any other regulatory authority having jurisdiction on such matters.

#### **9.2 Authorised Officers (AO)**

For conducting inquiry and submission of findings related to such leaks or suspected leaks shall include.

- The Compliance Officer / Company Secretary; or
- Chief Investor Relations Officer (CIRO);
- Audit Committee Chairman; and
- Any other person so authorised by the Board/Audit Committee in this regard

## **AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

### 9.3 Enquiry/ Reporting thereon

#### **Initial Enquiry**

- A. On receipt of any complaint regarding leak or suspected leak of UPSI, the Authorised Officers shall conduct an initial review of the same.
- B. If on review it is found that the Complaint does not merit further investigation or does not fall within the ambit of this PIT-FDC it shall be summarily closed through a documented closer report, which shall contain the reasons/grounds of closure.
- C. All such closure reports/cases shall be reported to the Audit Committee and Board Meeting at its next meeting held thereafter.

#### **Further Enquiry**

- D. On initial review/inquiry the Authorised Officer/s deem it necessary to conduct a more detailed investigation. The AO shall put up the same before the Audit Committee for its review and recommendation.
- E. The Audit Committee on receipt of the preliminary report and suggestions from the AO concerned shall in consultation with the Compliance Officer and Company Secretary may give the following directions-
  - a. Seeking of additional information to consider an investigation,
  - b. disclosure requirements to the regulatory authorities,
  - c. appointment of an investigation panel consisting of internal employees or external agencies.
  - d. Any other matter related thereto.
  - e. Designate the Compliance Officer or any of the AO's as the chief Investigating Officer in the matter.

#### **Chief Investigating Officer (CIO)**

The CIO shall be the nodal officer for dealing with the matter and a on point contact for the investigation.

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

He shall be responsible to brief the Audit Committee at such intervals as deemed appropriate by him along with the progress report.

The CIO will endeavor to complete the investigation within ninety (90) days of its commencement. If further time is required, the same shall be recorded along with reasons thereof.

On completion of investigation, the report thereof shall be submitted by the CIO to the Audit Committee.

The report of the CIO shall include-

- (i) Facts of the matter.
- (ii) Findings of the investigation
- (iii) Details of violation noticed
- (iv) Disciplinary or other actions being recommended
- (v) Corrective/ remedial or other actions proposed if any.
- (vi) Any other matter which deems due merit.

**Audit Committee & Board**

Audit Committee on receipt of the CIO's Report shall review and put forward its recommendation to the Board.

The Board, on receipt of such recommendation and after due review/deliberations, shall decide on the next steps including informing SEBI of such/suspected leaks, inquiries done and the outcome thereof.

**10. Scope & Limitation:**

The Code of Practice has been framed/adopted by the Company in compliance with the provisions of the Regulations. In case of any subsequent changes in the provisions of the

**AJIL- CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI**

Regulations which renders any of the provisions in this Code inconsistent with the Regulations, the provisions of the Regulations would prevail over the Code and the provisions in the Code would be modified in due course to make it consistent with the Regulations.

However, such conflict between the provisions of the Code and any law, rule or regulation that is in force for the time being shall in no way affect or impair the validity, legality and enforceability of the remaining provisions of the Code.

This Code of Practice shall be reviewed by the Board of Directors as and when any changes are to be incorporated in the Code due to change in Regulations or as may be felt appropriate by the Board.

**11. Disclaimer:**

This Code of Practice is only internal code of conduct and one of the measures to avoid insider trading. Every insider is required to familiarize himself with the **SEBI (Prevention of Insider Trading) Regulations 2015** as amended from time to time as it will be the responsibility of each insider to ensure compliance of this code, SEBI regulation and other related statutes fully.

**12. Version Control:**

Sl. No	Version	Recommended (by AC)	Approved (By Board)	Effective From (Date)
1	FDC/V01/1516	NA	18-May-2015	18-May-2015
2	<b>FDC/V02/2021</b>	10-Nov-2020	11-Nov-2020	<b>11-Nov-2020</b>