



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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

OF

BAANGANGA GOLD & DIAMOND (I) LIMITED
(formerly known as Baanganga Gold & Diamond (I) Private Limited)

(Approved by the Board in its meeting held on _____)

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1. INTRODUCTION

In accordance with Regulation 8 read with Schedule A of the Securities and Exchange Board of India (“**SEBI**”) (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”), as amended time to time, the Board of Directors of the Company, has adopted this ‘Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information’ (“**Code**”).

The Company believes in timely, consistent and fair disclosure of all material information in a manner that provides all stakeholders, including investors, analysts and the general public, with equal access to information. This Code outlines the practices and procedures for the fair disclosure of unpublished price-sensitive information, ensuring that no insider trading violations occur within the organization

2. OBJECTIVE

The objective of the Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s Securities, including the Unpublished Price Sensitive Information, and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

3. DEFINITIONS

“**Board**” shall mean the board of directors of the Company.

“**Company**” shall mean Baanganga Gold & Diamond (I) Limited (formerly known as Baanganga Gold & Diamond (I) Private Limited)

“**Compliance Officer**” means any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the PIT Regulations, and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules of preservation of UPSI, monitoring of trades and the implementation of the codes specified under the PIT Regulations under the overall supervision of the Board.

“**Stock Exchange**” shall mean a recognised stock exchange on which the securities of the Company are listed.

“**Unpublished Price Sensitive Information**” or “**UPSI**” shall have the meaning given to such term in the PIT Regulations.

All terms used but not defined herein shall have the meaning ascribed to such term under the PIT Regulations and the Code of Conduct for Prevention of Insider Trading of the Company (“**Insider Code**”) In case of any discrepancy between the PIT Regulations and the terms defined herein, the meaning as ascribed under the PIT Regulations, shall prevail.

4. CHIEF INVESTOR RELATIONS OFFICER (CIRO)

4.1. For the purposes of this Code, the Chief Financial Officer or such other senior official nominated as such by the Company from time to time shall be the Chief Investor Relations Officer (“**CIRO**”).

4.2. The CIRO would be responsible for:

4.2.1. Ensuring uniform and universal dissemination of information and disclosure of UPSI at an appropriate time, so as to avoid selective disclosure;

4.2.2. Ensuring compliance with the Code and intimating instances of violations of the Code to the Compliance Officer;

4.2.3. Overseeing and monitoring sharing of information of the Company (including UPSI) by employees and educating employees on disclosure policies and procedures;

4.2.4. Reviewing the disclosure process and controls and ensuring that same are operating effectively for compliance with the Code and the PIT Regulations; and

4.2.5. In discussion with the Board/senior management, making an assessment of (i) materiality of information; (ii) updates, if any, required to be provided in respect of past disclosures; and (iii) the timing and adequacy of the proposed disclosures.

4.3. The CIRO shall strictly observe the timelines stipulated in terms of the SEBI regulatory framework with respect to prior intimations / notices / notifications and disclosures to ensure prompt disclosure of any UPSI that gets disclosed selectively / inadvertently.

5. PURPOSE AND SCOPE

5.1. Prompt public disclosure of UPSI

UPSI shall be disclosed to the Stock Exchanges by the CIRO or the Chief Compliance Officer and disseminated promptly on a continuous basis as soon as credible and concrete information comes into being in order to make such information generally available. For the purposes of timely disclosures of UPSI and other material events, the Company shall follow the timelines as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.2. Uniform and Universal dissemination of UPSI to avoid selective disclosure

The UPSI shall be disseminated uniformly and universally to all stakeholders through Stock Exchanges and by posting the same on official website of the Company i.e. [•]. The Company shall use its best endeavors to avoid selective disclosure of UPSI. However, if any information gets disclosed selectively or inadvertently or otherwise, it should be brought to the notice of the CIRO and such information shall be made generally available through dissemination of the same to Stock Exchanges and/or by posting the same on the official website

of the Company as soon as practicable.

5.3. Procedures for responding to any queries on news reports and/or requests for verification of market rumors by regulatory authorities

- 5.3.1.** Appropriate, fair and prompt response shall be submitted to queries and/ or requests for verification of market rumors received from regulatory authorities or otherwise, in line with the applicable regulatory framework.
- 5.3.2.** Such replies shall be signed by the CFO or any other person as identified by the board for the time being.
- 5.3.3.** In case the query/request has been received from any Stock Exchange, a copy of such reply shall be sent to other stock exchange(s) also where equity shares of the Company are listed, if any, by the Compliance Officer.
- 5.3.4.** The CRO shall oversee all public disclosures by the Company. He/ she shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors (other than in cases where clarification has been sought by the regulators or is otherwise necessary in terms of the regulatory framework) and then making the appropriate disclosures in this regard.

5.4. Procedures for Disclosure / dissemination of Information to analysts, Institutional Investors and research personnel

- 5.4.1.** The Company will ensure that information shared with analysts, research personnel, and institutional investors, as part of any engagement/ interaction with them, does not contain any UPSI. If any UPSI is shared with analysts, research personnel and institutional investors, the same should be simultaneously made public by way of disclosure to the Stock Exchanges as well as on the website of the Company.
- 5.4.2.** The Company will also ensure that it has appropriate systems in place, and follows industry best practices so as to record the transcripts of conference call(s) and meetings held between the management of the Company and the analysts and other investor relations conferences and disclose it to the Stock Exchanges and host it on the website of the Company, in line with the applicable regulatory framework.
- 5.4.3.** Extra caution shall be taken while dealing with analysts' questions that raise issues outside the intended scope of discussion. Any unanticipated questions may be noted, and a considered response be given later in consultation with the CRO. If the answer includes UPSI, a public announcement/ dissemination should be made in the manner set out under paragraph 5.2 above before responding.
- 5.4.4.** The Company shall develop best practices to make adequate disclosures on the official website to ensure that official confirmation and documentation of disclosures is made.

5.5. Handling of UPSI on a need-to-know basis

- 5.5.1.** UPSI shall be made available to relevant persons / entities strictly on a need-to-know basis, and in line with any other applicable codes, policies and procedures of the Company, including, specifically, this Code and the Insider Code.
- 5.5.2.** No UPSI shall be communicated by employees, directors and Insiders of the Company to any person except in furtherance of his / her legitimate purposes, performance of duties or discharge of his / her legal obligations or as otherwise permitted under law.
- 5.5.3.** No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or its Securities, except in furtherance of legitimate purposes, performances of his / her duties or discharge of his / her legal obligations.
- 5.5.4.** The Company will, on an on-going basis, sensitise and educate its employees, Designated Persons, management on dealing with information, including UPSI, strictly on a need-to-know basis.
- 5.5.5.** For sharing of UPSI within the Company or with external parties for genuine business purpose, appropriate wall-crossing procedure as stipulated in the Insider Code / this Code shall be followed. Further, all compliances in terms of the PIT Regulations will be duly observed.

6. CHINESE-WALLS

Personnel working in concerned departments of the Company which are handling UPSI should not share such UPSI with personnel of other departments of the Company or with outsiders except on a need-to-know basis. No UPSI shall be communicated by such personnel to any person except in furtherance of his/her legitimate purposes, performance of duties or discharge of his/her legal obligations. For sharing UPSI with personnel of other departments of the Company or with outsiders, appropriate wall-crossing procedures as decided by the CFO are to be followed.

To prevent exchange or leakage of UPSI, a group of persons who may be dealing with any UPSI, will be identified, and separated from the rest of the Company by way of creating information barriers or Chinese walls, etc. by the CFO. This will be for a particular purpose and/or for a specified period in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.

Those persons with such restrictions will be subject to confidentiality obligations.

- Such persons shall be considered as Insiders and shall be required to give an undertaking for maintaining confidentiality and non-disclosure of UPSI obtained.
- UPSI shall be exchanged only in accordance with the Regulations and this Code
- Any breaches or suspected breaches must be referred to the CFO immediately.

7. POLICY FOR DETERMINATION OF 'LEGITIMATE PURPOSE'

- 7.1.** The PIT Regulations recognise that UPSI may be required to be shared or

communicated for certain genuine purposes, i.e., legitimate purposes, performance of duties or discharge of legal obligations. The PIT Regulations clarify that 'Legitimate purpose' shall include sharing of UPSI in the ordinary course of business by an Insider with any person including but not limited to partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing of information is not done to evade or circumvent the prohibitions of the PIT Regulations.

7.2. The scope of 'legitimate purpose' under the PIT Regulations is an inclusive one, and accordingly, its determination would be a subjective assessment basis the facts and circumstance of each case. Thus, it is not possible or feasible to set out a list of events that will constitute 'legitimate purpose' at all times, for the purposes of sharing UPSI.

7.3. Thus, having regard to the fiduciary obligations cast on the Board, and with a view to ensuring that any sharing of UPSI takes place in a responsible manner, in line with the spirit of the PIT Regulations, the Board has set out the below policy to provide the guiding principles and the approach to be followed while considering if UPSI is to be shared in a given set of circumstances.

7.4. Assessment of the purpose for which UPSI is proposed to be shared

7.4.1. For this purpose, it will be critical to assess the circumstances requiring the sharing of UPSI, and whether the sharing of UPSI satisfies the below requirements:

- (a) Sharing of UPSI is in the best interest of the Company and is without any intention of making a profit/ avoiding a loss/ misusing the information in an illegal manner; and
- (b) Sharing of UPSI is in furtherance of a genuine corporate/ business purpose, or, for enabling the Company to discharge its legal obligations, including compliance with law, regulatory directions, judicial orders, etc.

7.4.2. Provided that any such sharing of UPSI should not be carried out to evade or circumvent the prohibition provided under the PIT Regulations.

7.4.3. Further, while deciding if sharing of UPSI is in furtherance of legitimate purpose, due regard shall be given to the matters affecting the Company at the relevant time, and the information that is generally available about the Company at the relevant time.

7.4.4. In case UPSI is proposed to be shared for several purposes, each such purpose should be evaluated on its merits, in line with the above principles.

7.5. Analysing the nature of UPSI proposed to be shared in the context of a legitimate purpose

The nature and extent of UPSI proposed to be shared should be subject to

appropriate evaluation, and assessment as to whether such sharing is commensurate with the objective sought to be achieved

7.6. Identifying the persons with whom UPSI is proposed to be shared

In line with regulatory obligations, the Company should obtain the necessary details in relation to the persons (legal or natural) with whom UPSI is proposed to be shared, including, name, address, email, Permanent Account Number (“PAN”), or any other identifier authorised by law, where PAN is not available; and such other documents as may be deemed fit. While dealing with legal entities, appropriate details of the individual representatives of such legal entities are to be obtained and maintained.

7.7. Issue of Notice to the recipient of UPSI

Prior to sharing of UPSI, the proposed recipient of UPSI will be apprised of the following critical aspects, by way of confidentiality agreements or non-disclosure agreements / written notices that:

- 7.7.1.**the information being shared is UPSI and that the Company is the exclusive owner of such UPSI;
- 7.7.2.**upon receipt of UPSI, the recipient would be deemed to be an Insider and subject will be subject to the provisions of the PIT Regulations;
- 7.7.3.**the recipient may use the UPSI solely for the approved purposes for which it was disclosed;
- 7.7.4.**the recipient must maintain confidentiality of the UPSI at all times;
- 7.7.5.**the recipient will provide a written undertaking that he / she / it shall not undertake trades in the securities of the Company while in possession of / having access to the UPSI;
- 7.7.6.**the recipient must extend all cooperation to the Company in this regard, including for the purpose of maintenance of the structured digital database; and
- 7.7.7.**the recipient being an intermediary or a fiduciary must also adopt a code of conduct in terms of Regulation 9 of the PIT Regulations, so as to inter alia ensure that it accords adequate protection to the UPSI, as prescribed.

7.8. Structured Digital Database

The Company will maintain a structured digital database in due compliance with the regulatory mandate.

7.9. Illustrative list of instances considered as legitimate purpose

In following cases which are illustrative in nature, sharing of UPSI would be considered as for Legitimate Purpose:

- 7.9.1.**For investigation, inquiry or request for information by statutory or governmental authorities.
- 7.9.2.**Authorities or any other administrative body recognized by law; Example:

Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India (“SEBI”), stock exchanges, Reserve Bank of India, Sectoral Regulatory Body, etc.

7.9.3. Under any proceedings or pursuant to any order of courts or tribunals; Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.

7.9.4. As part of compliance with applicable laws, regulations, rules and requirements Example: company law, securities law, income tax law, banking law, etc.

7.9.5. Assessing strategic alliances and opportunities, including through merger, amalgamation or restructuring of the Company.

7.9.6. where information is required to be shared for *bona fide* business/ commercial/ operational/ management/ strategic advisory purposes pertaining to the Company, such as, when information is required to be shared with the promoters of the Company to leverage on their experience and expertise for strategic advice in improving the Company’s business, in order to create and maximise value for the shareholders of the Company.

7.9.7. It is clarified that information may be shared by the Company, from time to time, in the ordinary course of its business activities with persons/entities including, the fiduciaries, intermediaries, the advisers and service providers, viz., auditors, merchant bankers and legal advisers/ consultants of the Company, etc. in line with the aforementioned principles.

8. VIOLATIONS OF THE CODE

Any violations of this Code will be treated seriously and may result in disciplinary action, including termination, suspension, or legal action. The Company will take appropriate steps to enforce compliance with the principles outlined in this Code.

9. POLICY REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this Code from time to time. All provisions of this Code would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

10. DISCLOSURE

The code, as amended from time to time, is disclosed on Company’s website i.e. <https://baangangagold.in>

