



CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

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

*[Approved by the Board of Directors by way of resolution by circulation dated December 27, 2022
(effective from January 01, 2023)]*

1. **PREAMBLE**

Regulation 8(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as '**SEBI PIT Regulations**') stipulates that the Board of Directors of every company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in the SEBI PIT Regulations, without diluting the provisions of thereof in any manner.

In an endeavor to preserve the confidentiality of Unpublished Price Sensitive Information ("UPSI") and to prevent its misuse in the day-to-day business affairs along with an aim to promote the culture of fair disclosure of information in due compliance with the Principles of Fair Disclosures as set out in the SEBI PIT Regulations, the Board of Directors of Orosil Smiths India Limited ("the Company") has formulated a Code of Conduct to be known as "**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**" (hereinafter referred as "Code for Fair Disclosure of UPSI" or "Code")

The Board of Directors (the "**Board**") of Orosil Smith India Limited (the "**Company**"), through resolution passed by way of circulation dated December 27, 2022, has adopted the following revised Code, as required under Regulation 8(1) of the SEBI PIT Regulations and subsequently amended from time to time. This revised Code is effective from January 01, 2023. The Code is subject to review by the Board of Directors, as and when deemed necessary.

This Code ensures timely and adequate disclosure of UPSI which would impact the price of its securities and to maintain uniformity, transparency and fairness in dealing with all its stakeholders.

2. **OBJECTIVE OF THE CODE**

This Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

The Code aims at:

- Preventing the misuse of UPSI within the Organization and practice of selective disclosures to the public;
- Acknowledging the necessity of communicating, providing or allowing access to information and promoting the principle of equality of access to information.

3. **APPLICABILITY**

The Code shall be applicable on the Company, its Designated Persons, immediate relatives of designated persons and Insiders as described in the Code or as may be specified by the Board of Directors.

4. **DEFINITIONS:**

"**Board**" means Board of Directors as defined under the Companies Act, 2013 and as constituted from time to time;

"**Code**" shall mean this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;

"**Company**" shall mean Orosil Smiths India Limited;

“Generally Available Information” means information that is accessible to the public on a non-discriminatory basis, such as information published on the website of the stock exchanges. **“Generally Available”** with respect to information shall be construed accordingly;

“Insider” means any person who is,

- a. a connected person; or
- b. in possession of or having access to unpublished price sensitive information including in receipt of UPSI;

“SEBI PIT Regulations” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force;

“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 of the Company and shall, ordinarily include but not restricted to, information relating to the following:

- (a) Financial results;
- (b) Dividends including interim dividend;
- (c) Change in capital structure;
- (d) Public Issue/Buy Back of Securities
- (e) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (f) Changes in key managerial personnel;
- (g) any such other information which may affect the price/volume of scrip of the Company.

Other terms not specifically defined here shall have the same meaning as assigned under the SEBI PIT Regulations.

Provisions of this Code would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

5. CHIEF INVESTOR RELATIONS OFFICER

- The Company Secretary or Chief Financial Officer or any other senior officer duly authorized by the Board of Directors of the Company, shall act as the Chief Investor Relations Officer (**“CIRO”**), who would be responsible for satisfactory discharge of the duties and responsibilities laid down under this Code. The CIRO may be contacted by email at: info@orosil.com [CFO of the Company].
- The Company through its CIRO is committed to ensure timely and accurate disclosures based on applicable legal and regulatory requirements.
- The CIRO shall be responsible for dissemination of information and disclosure of UPSI and also responding to the queries on news reports and requests for verification of market rumors by regulatory authorities.

- In the temporary absence of the CIRO for any reason whatsoever, the Managing Director of the Company shall nominate any other official of the Company to be responsible for dissemination of information and disclosure of UPSI.

6. PROCEDURAL ASPECTS INVOLVED IN COMPLYING WITH THE PRINCIPLES OF FAIR DISCLOSURE OF INFORMATION:

S. No.	Principle	Procedure
1.	Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.	<p>In this regard, to ensure fair and timely disclosure of information that would have direct impact on the market price of the securities, the Company generally follows the below-mentioned procedure:</p> <ul style="list-style-type: none"> (i) Intimates the Stock Exchange(s) well in advance about the Board Meeting in which any such proposal is to be considered; (ii) Intimates the outcome of the said Board Meeting within, stipulated time periods; (iii) Updates the Stock Exchange(s) about the current happenings in respect of the events that have direct bearing on the market sentiments for onward dissemination to the public at large.
2.	Uniform and universal dissemination of UPSI to avoid selective disclosure.	<p>To ensure that the UPSI is evenly and properly disseminated, the Company generally, in compliance with the provisions of applicable statutes, follows the following procedure & practices:</p> <ul style="list-style-type: none"> (i) Intimates the said information to the Stock Exchange(s) where its securities are listed, within the stipulated time period; (ii) Publicize the said information in the Newspapers, wherever mandated under various Statutes; (iii) Uploading the said information on the Official Website under “Investors” Section as early as possible or as is stipulated under various Statutes; (iv) Disclose press releases issued by it from time to time which are considered to be important for the general public besides putting the same on Company’s website; (v) Put on Company’s website quarterly and annual financial results for reference of the general public.

3.	Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.	<p>(a) To ensure authentication of the information to be disclosed to the stakeholders, the said information is generally cross verified by the CIRO.</p> <p>(b) However, if any information gets disclosed selectively, inadvertently or otherwise, the Company shall:</p> <ul style="list-style-type: none"> i. Intimate the facts and rectified information to the Stock Exchange(s), where the securities of the Company are listed, for onward dissemination to the shareholders; ii. Publicize the facts and rectified information, if required, in the Newspapers.
4.	Appropriate and fair response to queries on news reports and requests for verification of market rumors by Regulatory Authorities.	<p>(a) The CIRO is responsible for giving appropriate and fair response to queries on news reports and requests for verification of market rumors by Regulatory Authorities and whether a public announcement is necessary for verifying or denying rumors and then making the disclosure, if required.</p> <p>(b) Employees of the Company shall not respond under any circumstances to enquiries from the Stock Exchanges, the media or others unless authorized to do so by the CIRO of the Company.</p> <p>(c) He / She may consult the Managing Director of the Company pursuant to the Listing Agreement/Regulations in this regard and thereafter, make appropriate disclosures.</p>
5.	Ensuring that information shared with analysts and research personnel is not UPSI	<p>All the Directors and employees of the Company shall ensure that they do not share any unpublished price sensitive information with analysts and research personnel. In case, such information is shared inadvertently, the concerned Director or employee shall immediately inform the CIRO and the CIRO shall take immediate steps to publically disseminate such information.</p> <p>The CIRO shall be invited to all the meetings or conferences with analysts and research personnel organized by the Company. The CIRO shall exercise extreme care and caution while dealing with analysts' questions that raise concerns outside the intended scope of discussion. Unanticipated questions should be taken note of and an expedient response shall be furnished later.</p>
6.	Developing 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	<p>The Company may, from time to time, authorize any concerned persons, depending upon the domain of conferences and meetings, to make transcripts or record of proceedings of meetings with analysts.</p> <p>Further, the said proceedings are disclosed on the</p>

	disclosures made.	Official website of the Company as well as on the websites of the stock exchanges where the securities of the Company are listed.
7.	Handling of all UPSI on a need – to – know basis.	The Company has in place various suitable safeguards, to avoid UPSI becoming available to any person who is not required to have access to such information. UPSI, may however be disclosed, to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.
8.	Policy for Determination of Legitimate Purpose for sharing of UPSI.	The Company has in place a policy for determination of legitimate purpose for sharing of UPSI. The same is attached as Annexure-A to this Code.

7. MEDIUM OF DISCLOSURE/DISSEMINATION

- i. The Company shall ensure that disclosure to Stock Exchange(s) where Securities of the Company are listed is made promptly.
- ii. Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- iii. The Company may also facilitate disclosure through the use of its official website.
- iv. The information filed by the Company with exchanges under continuous disclosure requirement may be made available on the Company website.

8. POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSE”

The Policy for Determination of “**Legitimate Purposes**” is annexed as **Annexure-A** and forms part of this Code.

9. DISCLOSURES:

- ✓ A copy of the Code including amendments thereto shall be hosted on the website of the Company at <https://orosil.com/>
- ✓ The Company will also promptly intimate this Code and any amendment to this Code to the Stock Exchanges(s) where the Company’s securities are listed, as required under the SEBI PIT Regulations.

10. DISCLAIMER:

- ✓ In case there are any regulatory changes requiring modification to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and shall prevail even if the same is not incorporated in this Policy. The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of this Code.
- ✓ The responsibility for adherence to this Policy vests entirely with the person who is sharing the UPSI as well as the recipient of the UPSI.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE FOR SHARING OF UPSI

[Framed under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

1. INTRODUCTION:

- This Policy has been framed in compliance with the provisions of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 [**“SEBI PIT Regulations”**].
- This Policy shall come into force with effect from **January 01, 2023** and will be applicable to all “Insider(s)”.
- This Policy shall be strictly adhered to by every Insider of the Company.
- Words and expressions used and not defined in this Policy or in the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information shall have the same meanings assigned to them respectively in the SEBI PIT Regulations or 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 the rules and regulations made thereunder, as the case may be, including amendment(s)/modification(s) thereto.

This Policy forms part of **“Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information”**.

2. DEFINITION:

“Insider” means any person in receipt of UPSI of the Company shall be considered as an Insider for the purpose of this Policy and SEBI PIT Regulations.

“Legitimate Purpose” means sharing of UPSI by the Company for any purpose satisfying the following factors:

- Must be shared in the ordinary of course of business;
- Required to be done in furtherance of fiduciary duties or in fulfillment of any statutory obligation;
- Information shared is in the interest of other Stakeholders; and
- Information is not being shared for personal benefit but may result in personal gain consequently.

3. SHARING OF UPSI PURSUANT TO LEGITIMATE PURPOSE

“Legitimate Purpose” means sharing of UPSI in the **ordinary course of business**, on a **need-to-know basis**, by an Insider with:

- (i) Designated persons;
- (ii) Partners;
- (iii) Collaborators;
- (iv) Lenders;
- (v) Customers;
- (vi) Suppliers;
- (vii) Merchant bankers;
- (viii) Legal advisors;
- (ix) Auditors;
- (x) Insolvency professionals;

- (xi) Other advisors or consultants;
- (xii) Credit rating agencies;
- (xiii) Bankers;
- (xiv) Such other person as may be decided by the Compliance Officer from time to time;

Provided that such sharing has not been carried out to evade or circumvent the prohibition of the SEBI PIT Regulations.

Explanation: For the Company its "Ordinary course of business" includes regular and usual day to day transactions, general customs and practices of a business performed in the Company.

4. CONDITIONS FOR SHARING OF UPSI

Any person in receipt of UPSI pursuant to a "**Legitimate Purpose**" shall be considered an "**Insider**" for purposes of this Code and due notice shall be given to such persons which would inter alia include the following: -

- a. The information shared is in the nature of UPSI.
- b. To maintain confidentiality of such UPSI and not to disclose such UPSI except in compliance with Insider Trading Regulations.
- c. Not to trade in securities of the Company while in possession of UPSI.
- d. The recipient shall obtain the Company's prior written consent in case the information provided to such recipient is to be used by such recipient for a purpose other than the Legitimate Purpose for which the Company had provided the UPSI and such other purpose is also a Legitimate Purpose.

5. TRADING WHEN IN POSSESSION OF UPSI

When a person who has traded in securities has been in possession of UPSI, his/ her trade(s) would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

6. MAINTENANCE OF DIGITAL DATABASE

The Company shall maintain a structured digital database of the persons with whom UPSI is shared, as required under the Insider Trading Regulations. The database shall inter alia contain the names of the persons or entities with whom the information is shared under the Insider Trading Regulations along with the Permanent Account Number ("PAN") or any other identifier authorized by law where PAN is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

7. COMMUNICATION PURSUANT TO SHARING OF UPSI:

- Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered as an Insider and due notice shall be given to such Insider to maintain confidentiality of such UPSI in compliance with SEBI PIT Regulations.
- The Insider shall keep information so received confidential, and shall not trade in securities of the Company when in possession of UPSI.
- The Company shall take requisite information before communicating UPSI to such persons as per the internal policy of the Company, including but not limited to:

- i. Full name of the recipient of UPSI;
- ii. Name of the entity whom the recipient represents;
- iii. Complete residential address of recipient & registered office address of the recipient entity; and
- iv. Permanent Account Number or other identifier authorized by law in case Permanent Account Number is not available of the recipient and his entity.

8. STEPS TO BE TAKEN FOR ENQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

Any Directors and employees of the Company, upon becoming aware of an actual or suspected leak of UPSI, shall immediately inform the Chief Investor Relations Officer who in turn shall immediately inform the Chairman. If it is established that actual leakage of UPSI has taken place, the same shall promptly be informed to the Stock exchanges in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Chairman shall then constitute an Inquiry committee which shall initiate appropriate action. The Committee will have all such powers as may be considered necessary for investigating the leakage of information and taking necessary action. The Committee shall submit its report to the Chairman in the prescribed time.

Any sharing of UPSI, other than in compliance with the Policy and the SEBI PIT Regulations, would be construed as a violation. The onus lies on the Insider to prove to the contrary.