



TITAGARH RAIL SYSTEMS LIMITED
(Formerly TITAGARH WAGONS LIMITED)

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

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

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code for Disclosure) shall come into force from 14th May 2015.

¹[**Important Definitions:**

- (i) **Legitimate purpose:** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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.
- (ii) **"unpublished price sensitive information":** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which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 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:-
- (i) financial results;
 - (ii) dividends;
 - (iii) change in capital structure;
 - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - (v) changes in key managerial personnel

NOTE: It is intended that information relating to the company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

- (iii) **"insider":** means any person who is:
- (i) a connected person; or
 - (ii) in possession of or having access to unpublished price sensitive information;

NOTE: Since "generally available information" is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an "insider" regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive

¹ Inserted w.e.f. 01/04/2019

information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.

Communication or procurement of unpublished price sensitive information

1. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
2. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” or purposes of SEBI (Prohibition of Insider Trading) Regulations, 2015 and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations
3. An unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - (i) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the company is of informed opinion that sharing of such information is in the best interests of the company.
 - (ii) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the company is of informed opinion that sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine to be adequate and fair to cover all relevant and material facts.
4. For purposes of point (3) above, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of point (3) above, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information
5. The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number 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.]

Corporate Disclosure Policy

The Company shall ensure:

1. Prompt public disclosure including to the Stock Exchanges of Unpublished Price Sensitive Information that it believes might impact price discovery, no sooner than the time credible and tangible information comes into being, in order to make such information generally available.
2. Uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosure.
3. Prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
4. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
5. Ensuring that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
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 disclosures made.
7. Handling of all Unpublished Price Sensitive Information on a need-to-know basis.

Dissemination of information

The Company shall designate a senior officer as chief investor relations officer (“Chief Investor Relations Officer”) who, in consultation with the Compliance Officer, shall deal with the dissemination of information and disclosure of Unpublished Price Sensitive Information.