

# Parsvnath Developers Limited

**Registered Office:** Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110032  
**CIN:** L45201DL1990PLC040945; **Phone No:** 011-43010500, 011-43050100; **Fax No:** 011-43050473  
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## **CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

### **INTRODUCTION**

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 under the powers conferred on it under the SEBI Act, 1992. These regulations were notified on January 15, 2015 and have come into force w.e.f. from May 15, 2015.

### **PRINCIPLES OF FAIR DISCLOSURE**

The Board of Directors of the Company has always thrived to conduct its business in a fair and transparent manner with a view to protect the interest of all the stakeholders in the Company. Towards achieving this objective, the Company and the members of the Board, Officers, all employees and connected persons shall adhere to the following principles of fair disclosure of unpublished price sensitive information in letter as well as in spirit as mentioned in Schedule A of SEBI (Prohibition of Insider Trading) Regulations, 2015:

1. The Company shall ensure prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being, in order to make such information generally available.
2. The Company shall ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. The Company Secretary of the Company shall act as the Chief Investor Relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. The Company will ensure that information shared with analysts and research personnel, if any, is not unpublished price sensitive information.
7. The Company shall develop and follow 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.
8. The Company shall handle all unpublished price sensitive information on a need-to-know basis.

This Code shall be published on the official website of the Company.

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.

Subsequent modification(s)/ amendment(s) in the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall automatically apply to this Code.

Annexure:

- POLICY FOR DETERMINATION OF "LEGITIMATE PURPOSES" UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

This Code had been adopted by the Board of Directors of Parsvnath Developers Limited at its meeting held on May 25, 2015 and was effective from May 15, 2015. Further, The Code has been modified to incorporate the Policy for determination of "Legitimate Purpose" as approved at the Board Meeting held on August 13, 2019.



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### **POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES” UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

#### **INTRODUCTION**

1.1 This Policy for Determination of “Legitimate Purposes” (“**Policy**”) has been formulated pursuant to Sub-Regulation 2A of Regulation 3 read with Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**Regulations**”) and has been approved by the Board of Directors of Parsvnath Developers Limited (“**Company**”) in its meeting held on August 13, 2019. The Policy shall be effective from August 13, 2019 and shall form part of “Code of practices and procedures for Fair disclosure of UPSI” adopted by the Company pursuant to Regulation 8 of the Regulations.

1.2 The Policy is applicable to all Designated Persons (defined below) and their immediate relatives, Insiders (defined below), Connected Persons (defined below), of the Company.

#### **2. DEFINITIONS AND INTERPRETATIONS**

2.1 **Act:** Act means the Securities and Exchange Board of India Act, 1992.

2.2 **Board or Board of Directors:** Board or Board of Directors means the Board of Directors of the Company.

2.3 **Company:** Company means Parsvnath Developers Limited.

2.4 **Compliance Officer:** Compliance Officer means the Company Secretary of the Company or any other senior officer, designated so and reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the 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 this Code as required under the Regulations under the overall supervision of the Board of Directors; “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

2.5 **Connected Person:** Connected Person means

- (i) any person who is or has during the six months prior to the concerned act been associated with the company, directly or indirectly, in any capacity including by



reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a Director, Officer or an Employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.

- (ii) without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:-
- (a) an Immediate Relative of Connected Persons specified in clause (i); or
  - (b) a holding company or associate company or subsidiary company; or
  - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) an official of a stock exchange or of clearing house or corporation; or
  - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - (i) a banker of the company; or
  - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

**2.6 Designated Person:** Designated Person shall mean the following:

- (i) Directors;
- (ii) Promoters and Promoter Group;
- (iii) Key Managerial Personnel;
- (iv) Functional heads;
- (v) Executive Secretaries / Assistants of Directors and Key Managerial Personnel;
- (vi) Employees in the grade of General Manager and above;
- (vii) Employees of material subsidiaries on the basis of their functional role and access to UPSI
- (viii) Auditors;
- (ix) Immediate Relatives of the persons specified in (i) to (vii) above; and
- (x) Such other persons who may be designated as such from time to time, by the



Board of Directors or by the Compliance Officer in consultation with the Chairman and/or Managing Director & CEO, for the purpose of this Code.

- 2.7 **Director:** Director means a member of the Board;
- 2.8 **Employee:** Employee means every employee of the Company including the Directors in the employment of the Company;
- 2.9 **Immediate Relative:** Immediate Relative means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in Securities;
- 2.10 **Insider:** Insider means any person who is:
- (i) a Connected Person; or
  - (ii) in possession of or having access to Unpublished Price Sensitive Information;
- 2.11 **Key Managerial Personnel:** Key Managerial Personnel means Chairman, Managing Director & CEO, Whole-time Director, Company Secretary, Group Chief Financial Officer and such other person who may be designated as Key Managerial Person under applicable laws, from time to time.
- 2.12 **Policy:** Policy means this Policy for Determination of “Legitimate Purposes” and shall include modifications made thereto from time to time.
- 2.13 **Promoter:** Promoter shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 2.14 **Promoter Group:** Promoter Group shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 2.15 **SEBI:** SEBI means Securities and Exchange Board of India.
- 2.16 **Regulations:** Regulations means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
- 2.17 **Securities:** Securities shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund;
- 2.18 **Trading:** Trading means and includes subscribing, buying, selling, dealing which includes pledging etc. or agreeing to subscribe, buy, sell, deal which includes pledge in any securities, and “Trade”, “Traded” shall be construed accordingly;
- 2.19 **Unpublished Price Sensitive Information or UPSI:** Unpublished Price Sensitive Information 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 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, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and

Words and expressions used and not defined in this Code, but defined in the Act, Regulations, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in such legislations.

### **3. LEGITIMATE PURPOSE**

- 3.1 “Legitimate Purpose” shall mean sharing of UPSI in the ordinary course of business or on a need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

The term “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 the Regulations.

- 3.2 “Legitimate Purpose” shall include sharing of UPSI *inter-alia* under the following:-

- (i) For investigation, inquiry or request for information by Statutory or Governmental Authorities or any other administrative body recognized by law;
- (ii) Under any proceedings or pursuant to any order of courts or tribunals;
- (iii) As part of compliance with applicable laws, regulations, rules and requirements;
- (iv) As a part of any contractual obligations or arrangement entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking.
- (v) Sharing the relevant UPSI for advice, consultation, valuation, fund raising or other intermediation and approvals in relation to the subject matter of a proposed deal/assignment/tie-up/venture/fund raising;
- (vi) Sharing of information with auditors viz. Internal Auditors, Statutory Auditors, Cost Auditors, Tax Auditors or Secretarial Auditors in relation to audit or for obtaining any certifications or any other services etc.;
- (vii) Sharing of information for the purposes of obtaining regulatory licenses and approvals etc.;



- (viii) Sharing of information in relation to obtaining various credit facilities or loans, giving guarantees or providing security from/to banks, financial institutions or other lenders;
- (ix) Sharing the relevant UPSI with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors, insolvency professionals, business support agents, transaction processing service providers in order to avail professional / advisory services from them;
- (x) Sharing the relevant UPSI with business partners essential to fulfill the terms and conditions of a business contract with a client, vendor, collaborator or lender;

3.3 Any person in receipt of UPSI pursuant to a “Legitimate Purpose” shall be considered an “Insider” for purposes of the Regulations and shall be required to maintain confidentiality of such UPSI in compliance with the Regulations.

#### **4. REVIEW OF POLICY**

4.1 The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes or any regulatory requirements from time to time.

In the events of inconsistency of this Policy with any legal provisions, the provisions of the Law shall override this Policy.

4.2 The Board of Directors may modify and also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

