

# **ROYAL SENSE LIMITED**

## **Policy for Determination of “Legitimate Purposes”**

**[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

**Approved by the Audit Committee and Board of Directors Meeting held on 9<sup>th</sup> May, 2023  
(w.e.f from 9<sup>th</sup> May, 2023)**

### **CONNOTATION**

#### **“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Shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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 professional or other advisors or consultants, which sharing carried out to evade or circumvent the prohibitions of these regulations.

#### **“Unpublished price sensitive information” - UPSI**

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 include but not restricted to, information relating the following:

- Financial results;
- Dividends;
- Change in capital structure;
- Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- Changes in key managerial personnel.

#### **“Insider”**

Means any person who is:

- a connected person; of
- in possession of or having access to unpublished price sensitive information

### **COMMUNICATION OR PROCUREMENT OF UPSI**

- ✓ Notice shall be given to all such persons to maintain the confidentiality of such UPSI;
- ✓ UPSI may be communicated, where the board of directors is of opinion that sharing of such information is in the best interest of the company, in connection with a transaction that would entail an obligation to make an open officer under the takeover regulation;
- ✓ The board of directors and parties execute an agreement to contract confidentiality shall not trade in securities of the company when in possession of UPSI;
- ✓ Board of Directors shall ensure a structured digital database is maintained with time stamping along with a Permanent Account number or any other identification authorized by law where PAN is not available;

### **CODE OF FAIR DISCLOSURE AND CONDUCT**

- ✓ Shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of UPSI;
- ✓ Every amendment shall be promptly intimated to Stock Exchange;
- ✓ Shall ensure uniform and universal dissemination of UPSI;
- ✓ Company Secretary and compliance officer of the company duly authorised to deal with dissemination of information and disclosure of UPSI;
- ✓ Appropriate and fair response to queries;
- ✓ Information shared with analysts and research personnel shall not be UPSI;
- ✓ Summaries of proceedings of meetings with analysts and other investor conferences be disseminated on official website.
- ✓ Handling of all unpublished price sensitive information on a need-to know basis.