



BHARAT ROAD NETWORK LIMITED

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UNPUBLISHED PRICE SENSITIVE INFORMATION***

(BRNL FAIR DISCLOSURE CODE)

**[Framed under Regulation 8 of Securities and Exchange Board of India (Prohibition of
Insider Trading) Regulations, 2015]**

PREAMBLE:

The Securities and Exchange Board of India has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "Regulations") on January 15, 2015. As per Regulation 8 read with Schedule A of the Regulations, every listed Company has to frame a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the "**Code**"). The Regulation intends to require companies to disseminate "**Unpublished Price Sensitive Information**" (hereinafter referred to as "**UPSI**") universally and not selectively. The Policy is intended to lay down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI.

The Company intends to follow best practices, duly compliant with Applicable Laws, in the matter of disclose of UPSI. Accordingly, the following Code was adopted by the Board of Directors (hereinafter referred to as "Board"), at its meeting held 17th October, 2016.

In compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 (notified by SEBI on December 31, 2018 and which will be applicable from April 1, 2019), the Board of Directors of Bharat Road Network Limited has approved the amendments to BRNL Fair Disclosure Code via Circular Resolution dated 26th March, 2019.

I. APPLICABILITY

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

II. DEFINITIONS:

"Applicable Law" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

"Connected Person" shall mean such persons as defined under the Regulations.

"Chief Investor Relations Officer" means Chief Financial Officer (CFO) of the Company. In case the Company does not have CFO, the Financial Controller of the Company shall be responsible to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner.

"Generally available information" means information that is accessible to the public on a non-discriminatory basis.

"Insider" means any person who is a connected person or in possession of or having access to UPSI.

"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.

“Selected Group of Persons” means securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person with whom the Company has a fiduciary or contractual relationship or business or professional relationship.

“Trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, pledge or deal in any securities, and "trade" shall be construed accordingly.

“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 including but not restricted to, information relating to the following:

- a) Periodical Financial Results of the Company;
- b) Intended declaration of dividends (Interim and Final);
- c) Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company’s shares;
- d) Mergers, De-mergers, Amalgamation, Acquisitions, Divestment, De-listing of Securities, Scheme of Arrangement or Takeover, Disposals, Spin Off or Selling Division of Whole or Substantially Whole of the Undertaking and Expansion of Business and such other transactions;
- e) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- f) Changes in Key Managerial Personnel;
- g) Material events in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- h) Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

III. FUNCTIONS OF CHIEF INVESTOR RELATIONS OFFICER:

- (i) Dealing with uniform and universal dissemination and disclosure of UPSI to avoid selective disclosure.
- (ii) Determination of questions as to whether any particular information amounts to UPSI.
- (iii) Determination of response, if any, of the Company to any market rumour in accordance with this Code.
- (iv) Dealing with any query received by any Insider about any UPSI
- (v) Providing advice to any Insider as to whether any particular information may be treated as UPSI.
- (viii) Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.

IV. DISCLOSURE POLICY

The Company shall ensure:

- 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.
- Uniform and universal dissemination of UPSI to avoid selective disclosure.
- All disclosure/ dissemination of any UPSI on behalf of the Company under this Code shall be first marked to the Chief Investor Relations Officer for approval. Any such information shall be made public or published on behalf of the Company only if the same is approved by the Chief Investor Relations Officer in consultation with the Managing Director (MD) of the Company.

If any dissemination of information on behalf of the Company takes place without prior approval as referred above out of accidental omission, selectively, inadvertently or otherwise by any Employee / Director of the Company, then such Employee / Director of the Company shall immediately inform the Chief Investor Relations Officer or MD of the Company.

The Chief Investor Relations Officer will then promptly take appropriate measures to rectify such inadvertent disclosures or omissions including dissemination of the information so as to make such information generally available.

- If an Insider ‘selectively’ discloses any UPSI to any person including the Selected Group of Persons, then prompt disclosure of such information shall have to be made by the Chief Investor Relations Officer to the public. Such disclosure must be made not later than 48 hours after the Chief Investor Relations Officer learns that communication of such UPSI has taken place.

UPSI about the Company may be disclosed to:

- persons for legitimate business purposes for performance of duties or to discharge legal obligations (e.g., attorneys, investment bankers or accountants).
- persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the Company’s securities on the basis of such information.
- broad-based electronic, print, television and other media.

Subject to Applicable Law, methods of public disclosure of information to ensure uniform distribution shall include either of the following:

- Distributing through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- Uploading the information on the website of the Company.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.

V. THIRD PARTY DEALINGS

The Chief Investor Relations Officer shall ensure the following practices:

- Making 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.
- uploading the following information on the website of the Company -
 - Any Power Point Presentation or similar material used by the analyst in such meeting on the website of the Company.
 - Any earnings guidance or any other similar material distributed during press conference.
 - Publication of policies which have an impact on investors or securities markets like dividend policy etc.
 - Any material information about business plans of the Company provided in response to analyst queries or during discussions in a meeting or any other information which may lead to price discovery has been shared.

VI. VERIFICATION OF MARKET RUMOURS AND RESPONSE TO QUERIES

The Employees / Directors of the Company shall not respond under any circumstances, to enquiries from the Stock Exchanges, the media or others, and shall promptly direct any enquiry/ queries on news reports or requests for verification of market rumors received from any regulatory authority, to the Chief Investor Relations Officer, or to the Managing Director of the Company.

The Chief Investor Relations Officer shall on receipt of requests as aforesaid, consult the Managing Director and then shall provide appropriate and fair responses to queries in relation to UPSI including any news reports.

The Chief Investor Relations Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer shall not comment on market rumours except when requested by regulatory authorities to verify such rumours.

VII. SHARING OF INFORMATION WITH ANALYSTS AND RESEARCH PERSONNEL

The Company shall provide only public information to analysts/investors. In case any UPSI is proposed to be provided, the person proposing to do so shall consult the Chief Investor Relations Officer in advance.

The Chief Investor Relations Officer shall ensure that the information provided to the analyst/investor as above is made public simultaneously with such disclosure.

The Company will take extreme care and caution when dealing with analysts'/investors' questions that raise issues outside the intended scope of discussion.

Unanticipated questions would be tackled carefully. They would be noted and a considered response will be given later by the Company in consultation with the MD. If the answer to any question requires dissemination of UPSI, the Chief Investor Relations Officer shall report the same to the MD and obtain necessary approval for its dissemination to the Stock

Exchanges/public announcement through press. The Chief Investor Relations Officer shall, after dissemination of such UPSI, respond to such unanticipated questions.

Whenever the Company proposes to organise analyst/investor meet, the Company shall make necessary disclosure to the stock exchanges which may be followed by a press release.

VIII. NEED TO KNOW HANDLING OF UPSI

Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

IX. POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSE”

PREAMBLE

This policy is formulated in Compliance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations 2015, which states that the board of directors of a listed company shall make a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct” formulated under regulation 8.

The said policy shall be effective from 1st April, 2019.

OBJECTIVE

The objective of this policy is identification of Legitimate Purposes for sharing of Unpublished Price Sensitive Information by Company’s Insiders for performance of duties or discharge of legal obligations, which will be considered as exceptions to Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations 2015 for procuring or communicating unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any by an Insider.

DEFINITION

"Legitimate Purpose" shall include sharing of Unpublished price Sensitive Information 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.

DETERMINATION OF “LEGITIMATE PURPOSE”

What shall constitute “legitimate purpose” and what shall not constitute “legitimate purpose” will be based on the business requirements of the Company and shall be finalized in consultation with the Chief Financial Officer and / or Managing Director of the Company.

In general, legitimate purpose shall, inter-alia, include the following purposes:

- a. Audit Purpose;
- b. Contractual Obligation;
- c. Legal Obligation;
- d. Due Diligence purposes; and
- e. Other strategic purposes as decided by the Management from time to time

In addition to the above, the sharing of UPSI shall be deemed to be for “Legitimate Purpose” if it satisfied the following criteria:

(i) The information is shared with any person on ‘need to know’ basis only.

(ii) The UPSI is shared with the external agencies in the best interest of the Company and/or in compliance with the requirements of the law.

DUTY OF PERSONS IN RECEIPT OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI) PURSUANT TO A "LEGITIMATE PURPOSE"

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

Sharing of information may be construed as insider trading even while it is in pursuit of compliances required or in the business interests of the Company in appropriate circumstances. Therefore, the person who has received the UPSI pursuant to a "legitimate purpose" should ideally recuse himself from further sharing of such UPSI with third parties in adverse or doubtful cases in order to avoid any adverse inferences in this regard.

NON DISCLOSURE AGREEMENTS

The Company shall require the parties who have received the UPSI pursuant to a "legitimate purpose" 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 to safeguard the disclosure of UPSI and shall not otherwise trade in securities of the company when in possession of UPSI.

X. AMENDMENTS TO THE CODE

Any amendment to this Code shall be done with the approval of the Board of Directors (including any Committee authorized in this regard) of the Company.

XI. INTIMATION TO STOCK EXCHANGE

This code including every amendment thereto shall be promptly intimated to the Stock Exchanges where the securities of the Company are listed.

XII. POSTING OF THE CODE

This Code shall be posted on the website of the Company.

Place: Kolkata

By order of the Board

Date: 26th March, 2019

**sd/-
Company Secretary**

This Code has been reviewed and approved by the Board through Circular Resolution passed on 26.03.2019.