

CENTUM ELECTRONICS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES OF UNPUBLISHED PRICE SENSITIVE INFORMATION

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

I. PREAMBLE:

Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), as adopted by the Board of Directors of the Company.

SEBI has vide notification dated 31st December 2018, amended SEBI (Prohibition of Insider Trading) Regulations, 2015 which is effective from 1st April, 2019. As required under the said Regulations, a revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), (hereinafter referred to as the "Code") has been framed for adoption by the Board of Directors of the Company. The said Code shall supersede the earlier Code and shall be effective from 1st April, 2019.

II. OBJECTIVE:

The Code is required for the Company to prevent the misuse and ensure timely and adequate disclosure of Unpublished Price Sensitive Information ('UPSI') and to maintain the uniformity, transparency and fairness in dealing with the stakeholders.

III. DEFINITIONS:

- a) The term "legitimate purposes" 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 said Regulations.
- b) 'Unpublished Price Sensitive Information (UPSI)' means any information, relating to the company or its securities, directly or indirectly, that is not generally available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 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;
- (vi) Other terms not specifically defined here shall have the same meaning as assigned under the said Regulations.

IV. CODE:

- 1.** The Company shall ensure prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, in order to make such information 'generally available', i.e. accessible to the public on a non-discriminatory basis.
- 2.** The Company shall ensure a uniform and universal dissemination of UPSI to avoid selective disclosure.
- 3.** The Compliance Officer of the Company shall act as the Chief Investor Relations Officer (CIRO) for the purpose of dealing with dissemination of information and disclosure of UPSI as contained herein.
- 4.** The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information 'generally available'.
- 5.** The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- 6.** The Company shall ensure that information shared with analysts and research personnel is not UPSI. However, such restrictions shall not be applicable to disclosures made under a Non-Disclosure Agreement and on a need to know basis. Overall, the Company shall ensure that the disclosure of UPSI is in the furtherance of interest of the Company.
- 7.** The Company shall develop 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 ensure the handling of all UPSI on a need-to-know basis, which means that it shall be disclosed only to those persons who need the

information to discharge their duty or of legal obligations and under a Non-Disclosure Agreement, wherever required.

9. Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for the purposes of the Regulations and due notice shall be given to such person(s) to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations.
10. A structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared along with the Permanent Account Number or any other identifier authorised by law where Permanent Account Number is not available shall be maintained. Such databases shall be maintained with adequate internal controls and checks, as may be required from time to time.

V. PUBLICATION OF CODE:

This Code and any amendment thereof shall be published on the Company's website www.centumelectronics.com and shall be intimated to the Stock Exchanges where the securities of the Company are listed.

VI. AMENDMENT TO THE CODE:

The Board may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure in whole or in part. This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges where the securities of the Company are listed.
