

GSB FINANCE LIMITED

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FAIR DISCLOSURE OF UNPUBLISHED PRICE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

1. PREFACE

This policy has been framed pursuant to Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code intends to formulate a framework and policy for fair disclosure of events and occurrences that would impact price discovery in the market for the securities of the Company. The Code also includes Policy for determination of 'legitimate purpose' in compliance with Regulation 3(2A) of the Regulation.

2. OBJECTIVE

This Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could probably have impact in the price discovery, in the market for securities of the Company. Principles such as equality of access to information, publication of policies such as those on dividend, inorganic growth pursuits, calls and meetings with analysts, publication of transcripts of such calls and meetings, and such other events. This Code and every amendment thereto shall be promptly intimated to the stock exchanges where the securities are listed to promote transparency amongst the investors.

3. APPLICABILITY

This Code shall be applicable to all the persons of the Company who could possess Unpublished Price Sensitive Information relating to the Company.

4. INSIDER

"Insider" means any person who is

- i) a 'Connected Person' as per Reg. 2(1)(d) of the SEBI (PIT) Regulations 2015 or
- ii) in possession of or having access to Unpublished Price Sensitive Information.

5. UNPUBLISHED PRICE SENSITIVE INFORMATION

"Unpublished price sensitive information" or "UPSI" means any information, relating to a company or its securities, directly or indirectly, that is not generally available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:

- (i) Financial results.
- (ii) Dividends.
- (iii) Change in capital structure.
- (iv) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions
- (v) Changes in key managerial personnel;

- (vi) Such other information as determined by the Board of Directors/Chief Executive Officer/Chief Operating Officer/Chief Financial Officer from time to time. [Regulation 2(1)(n)]

Note: For identification of events as unpublished price sensitive information, the Company shall refer to events specified in paragraph A of Part A of Schedule III of the SEBI (LODR) Regulations, 2015, and events specified in paragraph B of Part A of Schedule III, based upon the guidelines for materiality defined in Regulation 30(4) of the aforesaid Listing Regulations.

6. CODE OF PRACTICE & PROCEDURES

- I. The Company will make prompt public disclosure of unpublished price sensitive information (UPSI) that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- II. The Company will make, uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- III. The Chief Financial Officer shall act as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of unpublished price sensitive information.
- IV. The Company will make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- V. The Company will provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- VI. The Company will ensure that, information, if any, shared with analysts and research personnel is not unpublished price sensitive information.
- VII. The Company will develop best practices to make available transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made.
- VIII. The Company shall handle all the unpublished price sensitive information on a need-to-know basis. No unpublished price sensitive information shall be communicated by such personnel to any other person except in furtherance of legitimate purposes, or for his/her performance of duties or discharge of his/her legal obligations.

7. POLICY FOR DETERMINING LEGITIMATE PURPOSE

- **Background:** The Company shares data or information with various stakeholders like organizations, agencies, institutions, intermediaries, establishments, persons, etc., during the course of its business operations. Such unpublished data or information, if made publicly available may materially impact the market price of the listed securities of the Company. If

such persons trade on the basis of unpublished price sensitive information ('UPSI'), it could result in an undue advantage to such persons. The trading in the securities of the Company by an insider is governed by and subject to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Regulations') as amended from time to time and the Company's Policies / Code defined from time to time.

- **“Legitimate purpose”** shall include sharing of UPSI in the ordinary course of business on a need to know basis, with company's collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors, credit rating agencies, insolvency professionals, practicing company secretaries, registered valuers or other advisors, service providers or consultants, provided that such sharing has not been carried out with a view to evade or circumvent the prohibitions of the PIT Regulations.

Whether sharing of UPSI for a particular instance tantamount to 'legitimate purpose' would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

- i. whether sharing of such UPSI is in the ordinary course of business of the company;
- ii. whether sharing of such UPSI is in the interests of the company or in furtherance of a genuine commercial purpose;
- iii. whether the nature of UPSI being shared is commensurate with the purpose for which access is sought to be provided to the recipient.

Conditions for sharing of UPSI

Any person in receipt of UPSI pursuant to a “Legitimate Purpose” shall be considered an “Insider” for purposes of this policy and due notice shall be given to such persons which would inter alia include the following:

- (i) The information shared is in the nature of UPSI.
- (ii) To maintain confidentiality of such UPSI.
- (iii) Not to disclose such UPSI except in compliance with Insider Trading Regulations.
- (iv) Not to trade in securities of the Company while in possession of UPSI

Additionally, structured digital database of recipients of UPSI shall be maintained by the company in compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 subject to amendment thereof from time to time.

8. DISSEMINATION

This policy shall be disseminated in the website of the Company as per the applicable provisions of SEBI Regulations and other laws for the time being in force.

9. SCOPE & LIMITATION

The provisions of this Policy must be read along with the Regulations, as amended from time to time and in case of any inconsistency / contradiction between the two, the provisions of the Regulations shall prevail. In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy.

10. AMENDMENT

The Board of Directors may, subject to applicable laws, amend any provision(s) or substitute any of the provisions(s) with the new provisions(s) or replace this policy entirely with a new policy. However, no such amendment or modification shall be inconsistent with the provisions of any applicable law for the time being in force.
