

PURAVANKARA LIMITED

CIN: L45200KA1986PLC051571

**POLICY ON DETERMINATION OF LEGITIMATE PURPOSES
FOR SHARING UNPUBLISHED PRICE SENSITIVE
INFORMATION AND ON DEALING WITH LEAKAGE OR
SUSPECTED LEAKAGE OF UNPUBLISHED PRICE SENSITIVE
INFORMATION**

(Approved by Board of Directors on 14.11.2023)

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1. Objective of the Policy

The Company shares information and data (including UPSI) on a regular basis with various stakeholders such as lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants. If UPSI is made available to any persons other than in specific circumstances and subject to specific restrictions, before it is made generally available to the public, it could result in trading activity that may materially impact the market price of the securities that are listed or proposed to be listed on stock exchanges. To ensure that such instances do not occur, Puravankara has formulated this Policy to determine the Legitimate Purposes for which an Insider or any other person having access to the UPSI may share the UPSI with any other authorized person. This Policy also covers the principles to deal with situations of leakage or suspected leakage of UPSI.

This Policy is divided into two parts. Part A deals with Policy on determination of Legitimate Purposes for sharing UPSI and Part B is the Policy on dealing with leakage or suspected leakage of UPSI.

2. Legal framework

Regulation 3 of SEBI Insider Trading Regulations, 2015 mandates that the Board of Directors of a listed entity should formulate a policy for determination of Legitimate Purposes as a part of the Code of Fair Disclosure and Conduct. Further, Regulation 9A of SEBI Insider Trading Regulations mandates that listed entities should formulate written policies and procedures for inquiry in case of leakage or suspected leakage of UPSI. Based on the aforementioned, Puravankara has formulated this Policy.

3. Scope and Applicability of the Policy

This Policy is applicable to all the Insiders of the Company.

4. Review and Amendments

The Board may at any time amend this Policy either pursuant to any changes in applicable regulations or otherwise. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions of this Policy.

5. Definitions

5.1 **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.2 **“Board”** means the Board of Directors of the Company.

5.3 **“President- Finance”** means President- Finance as may designated by the Company.

5.4 **“Compliance Officer”** means the Company Secretary of the Company or such other senior officer of the Company as designated by the Board from time to time, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the SEBI Insider Trading Regulations, 2015 and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI,

monitoring of Trading and the implementation of the codes specified under the SEBI Insider Trading Regulations, 2015 under the overall supervision of the Board and reporting to the Board.

5.5 **“Company”** or **“Puravankara”** means Puravankara Limited.

5.6 **“Connected Person”** means -

- i. Any person who is or has during the six months prior to the concerned act been associated with a 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 SEBI Regulations 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 recognized 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;

5.7 **“Insider”** means any person who is -

- i. a Connected Person; or
- ii. in possession of or having access to Unpublished Price Sensitive Information.

5.8 **“Legitimate Purpose(s)”** means sharing of the UPSI by an Insider in the ordinary course of business or on a ‘need to know’ basis.

Legitimate Purpose shall *inter-alia* include sharing of UPSI on a need to know basis by an Insider with but not limited to partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, statutory auditors, secretarial auditors, cost auditors, internal auditors, insolvency professionals or other advisors or consultants, IT tool providers/facilitators, such other persons by whatever name called who may be required to be engaged by the Company from time to time for conduct of its operations, for facilitating corporate actions including conduct of due diligence for undertaking any transaction, preparation of financial statements etc. provided that such

sharing has not been carried out to evade or circumvent the provisions of the SEBI Insider Trading Regulations.

5.9 **“Leakage of UPSI”** means communication of information which is/deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly or covertly or in any manner whatsoever, except for Legitimate Purposes, in furtherance of the Legitimate Purposes, performance of duties or discharge of legal obligations.

5.10 **“Need to Know Basis”** means that UPSI should be disclosed by an Insider to only those persons and other Insiders who need the information to discharge their duty or legal obligations or whose possession of such information will not give rise to any conflict of interest or appearance of misuse of information.

5.11 **“Policy”** means the Policy for Determination of Legitimate Purposes or Policy on dealing with leakage or suspected leakage of UPSI as amended and approved by the Board from time to time.

5.12 **“SEBI Insider Trading Regulations, 2015”** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

5.13 **“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 include but is 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;
- vi. Joint Development Agreement with the landowners.

PART A - POLICY ON DETERMINATION OF LEGITIMATE PURPOSES FOR SHARING UPSI

6. Determination of Legitimate Purposes

Any person classified as an Insider of the Company shall not communicate, provide or allow access to any UPSI relating to the Company or the securities either listed or proposed to be listed to any person including other Insiders except for Legitimate Purposes or in furtherance of Legitimate Purposes thereof or for discharge of legal obligations or for discharge of the duties of the Insider.

Further, this Policy prohibits any person to procure from, or cause the communication by, an Insider, of UPSI relating to the Company or the securities either listed or proposed to be listed to any person including other Insiders except for Legitimate Purposes or in furtherance of Legitimate Purposes thereof or in discharge of the legal obligations.

Under the following circumstances, sharing of UPSI by an Insider shall be considered as Legitimate Purpose:

- i. for inquiry, investigation or request for sharing information by any statutory authority including judicial and quasi-judicial authorities or administrative body recognized by law;
- ii. pursuant to the order of any Court or Tribunal;
- iii. in compliance with statutes applicable to the Company;
- iv. in compliance with any contractual obligations or arrangements entered into by the Company;
- v. in furtherance of a genuine commercial purpose or for performance of a duty or undertaken pursuant to a legal/regulatory obligation of the Company;
- vi. arising out of business requirements including requirements for the purposes of promoting the business or business strategies;
- vii. the purpose is otherwise genuine or reasonable as may be jointly determined by the President- Finance and Compliance Officer or as prescribed under the SEBI Insider Trading Regulations from time to time;
- viii. 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 services from them in relation to the subject matter of UPSI;
- ix. in the ordinary course of business;
- x. in discharge of legal obligations or performance of duties;
- xi. for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business.

The Insider sharing UPSI for a legitimate purpose should consider the following:

- i. Whether the sharing of UPSI is for a bona fide specific purpose in the Company's interest?
- ii. Whether the sharing is permitted as per the principles laid down herein?
- iii. Why the information is required by the recipient i.e., is there a need to know?
- iv. Whether he/she is authorized to share the UPSI?
- v. Whether the sharing would result in any market abuse or personal benefit of the recipient in conflict with the interests of the Company?
- vi. Whether non-disclosure agreements have been signed?
- vii. Whether notice to maintain confidentiality of the shared UPSI during the engagement as well as six months thereafter has been given to the recipient?

For the purpose of this Policy, ordinary course of business means activities that are necessary and regular with respect to the main business of the Company including those that represent common practices and customs with respect to the business of the Company.

PART B - POLICY ON DEALING WITH LEAKAGE OR SUSPECTED LEAKAGE OF UPSI

7 Leakage or suspected leakage of UPSI

7.1 Duties and responsibilities of Insiders/ Connected Persons/ Designated Persons

It shall be the duty of every Insider/ Connected Person/ Designated Person and any other person with whom the UPSI is shared or who has shared the UPSI, to ensure that such information is not leaked or shared with any unauthorized personnel either within or outside the Company. To prevent leakage of UPSI, Insiders/ Connected Persons/ Designated Persons shall:

- i. not discuss UPSI in public places where such UPSI may be overheard, or participate in, host or link to any internet chat rooms, online social networking sites, newsgroups, discussions or bulletin boards which discuss matters pertaining to Company's activities or its securities;
- ii. not carry, read or discard UPSI in an exposed manner in public places;
- iii. not discuss or share UPSI with any other persons, except as required for Legitimate Purposes, in furtherance of Legitimate Purposes or performance of duties or legal obligations;
- iv. advise, at the commencement of any meeting where UPSI is likely to be discussed or shared, the other attendees of such meeting, that they must not divulge the UPSI;
- v. ensure that the sharing of UPSI, wherever required, is done by way of the Company's email system or on a secured information sharing platform within the Company's internal network. The passwords of protected files may be sent via a separate official email or SMS to safeguard the confidentiality of information; and
- vi. ensure that subsequent queries/clarifications are responded to, only by way of official email, meetings or over the phone (including SMS) but are addressed only to concerned persons. Communication which entails UPSI shall not be shared via WhatsApp or other social networking applications.

7.2 Establishment of Inquiry Committee

The Company shall constitute a Committee called the "Inquiry Committee" to look into and handle allegations of actual or suspected leak of UPSI. The Inquiry Committee shall consist of at least 3 (three) Members including CEO, President- Finance and the Compliance Officer and amongst the three members, one of them shall be designated as the Chairman of the Inquiry Committee.

In case of any allegation against any of the members of the Inquiry Committee, the matter shall be referred to the Audit Committee for investigation.

7.3 Procedure for inquiry in case of leakage or suspected leakage of UPSI

The Inquiry Committee shall either on becoming aware suo moto or on receipt of written intimation on any actual or suspected leakage of UPSI, follow the below mentioned process for inquiry / investigation into the actual or suspected leakage of UPSI:

a. Preliminary inquiry

The purpose of conducting a preliminary inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter, to decide whether there is justification to embark on any actions as may be warranted. If the President- Finance finds the allegation to be frivolous or not maintainable, then he/she must dismiss the same or if the President- Finance finds

that the matter requires further investigation, then he/she must refer the matter to the Inquiry Committee for undertaking further investigation / inquiry thereon.

b. Investigation by Inquiry Committee

In order to initiate/conduct an inquiry, to collect the relevant facts, information on actual or suspected leakage of UPSI, the Inquiry Committee may within 5 (five) working days of becoming aware of the incident or allegation and based on the merits of the case, write to the suspect / accused intimating the details of the complaint and request him/her to give a written representation within 4 (four) working days of the receipt of the letter.

On receipt of the written representation, the Inquiry Committee shall proceed to investigate the matter and for such purpose, may consult such persons, whether internal or otherwise, as they may feel expedient in this regard.

During the course of the investigation, the Committee may call for additional information as they may deem fit.

If no representation is received from the suspected / accused within the stipulated time, the Inquiry Committee shall pass an ex-parte decision and issue its final report / conclusion on the actual or suspected leak UPSI.

c. Action

Based on the investigation report, the Inquiry Committee shall decide on appropriate disciplinary action against the persons(s) found to be guilty in the matter. The action of the Committee may include but may not be limited to warning, wage freeze, suspension, ineligibility for future participation in ESOP, recovery or termination.

The Inquiry Committee's investigation report shall be submitted to the Audit Committee and the summary report shall be submitted to the Board immediately, and such report shall also be submitted to SEBI simultaneously.

7.4 Powers of Inquiry Committee

For the purpose of conducting an inquiry, the Inquiry Committee may:

- i. call upon such employees/individuals to seek clarification or information pertaining to the leakage or any market intermediaries, fiduciaries and other persons/ entities who have access to UPSI, for an inquiry conducted on leakage of such UPSI;
- ii. at its discretion, invite external investigators/experts;
- iii. take necessary actions including sending the accused on unpaid leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings;
- iv. keep the identity of the suspect / accused confidential till the completion of the inquiry unless it is required to be disclosed to any person for the purpose of investigation
- v. notify the suspect / accused of the allegations at the outset of the internal investigation and provide him opportunity to represent his case and submit evidence;
- vi. do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.

7.5 Duties of the President- Finance

The President- Finance shall be responsible to:

- i. oversee the compliance of the Policy relating to dealing with actual or suspected leakage of UPSI;
- ii. report any incidents of actual or suspected leakage of UPSI to the Inquiry Committee;
- iii. instruct and enable the Compliance Officer to report incidents of actual or suspected leakage of UPSI to SEBI;
- iv. instruct and enable the Compliance Officer to communicate incidents of actual or suspected leakage of UPSI to the Stock Exchanges; and
- v. perform such other responsibilities and actions as the Board may require him/ her to do, from time to time, under this Policy or the Code of Practices for Fair Disclosure of the Company.

7.6 Duties of Compliance Officer

The Compliance Officer shall be responsible to:

- i. assist the President- Finance in ensuring compliance with the Policy relating to dealing with actual or suspected leakage of UPSI;
- ii. report and communicate the incidents of actual or suspected leakage of UPSI to SEBI;
- iii. coordinate with the President- Finance in facilitating disclosure of the relevant facts of the incidents of actual or suspected leakage of UPSI to the Inquiry Committee;
- iv. perform such other responsibilities and actions as the Board may require him to do, from time to time, under this Policy or the Code of Practices for Fair Disclosure of the Company.