

# ARCHANA SOFTWARE LIMITED

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## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

*[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]* This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter called as the “Code”) has been framed and adopted by Archana Software Limited (“the Company”), pursuant to the Securities and Exchange of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the “Regulations”), to adhere to each of the principles, stated in Schedule A of the Regulations. The Code adopted by the Company is posted on the website of the Company and shall be effective from March 22, 2019.

### 1. Definitions

**“Unpublished Price Sensitive Information”** (UPSI) means any information relating to a company or its securities, directly or indirectly, that is not generally available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 including but not restricted to, information relating to the following: –

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delistings, disposals, expansion of business and such other transactions;
- e. Changes in key managerial personnel.

It is clarified that UPSI is not restricted to information regarding the events mentioned above and may include direct or indirect information relating to the Company or its securities.

**“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis. Information relating to the Company published on the website of stock exchanges or the Company’s website shall ordinarily be considered as Generally Available Information.

**“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 Regulations.

**“Compliance Officer”** means any senior officer, designated so and reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be.

Financially literate shall mean a person who has the ability to read and understand basic financial statements, i.e., balance sheets, profit and loss accounts, and statements of cash flows.

## **2. Fair Disclosure of Unpublished Price Sensitive Information**

a) The Company shall promptly disclose to the public UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

b) The Company shall follow uniform and universal dissemination of unpublished price-sensitive information to avoid selective disclosure.

c) The Chief Financial Officer/ Company Secretary/ Managing Director of the Company has been designated as the Chief Investor Relations Officer(s) of the Company to deal with the dissemination of information and disclosure of UPSI.

d) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

e) The Company shall ensure appropriate and fair responses to queries on news reports and requests for verification of market rumours by regulatory authorities.

f) The Company shall ensure that information shared with analysts and research personnel is not UPSI.

g) Meetings/calls with analysts, analysts or investor relations conferences shall be transcribed or recorded on the official website of the Company to ensure official confirmation and documentation of disclosures made.

h) The Company shall handle all UPSI on a need-to-know basis.

3. The UPSI can be shared as an exception by an insider for legitimate purposes in the ordinary course of business of the Company. Policy for determination of Legitimate Purposes for which UPSI can be shared has been formulated and attached with this Code and marked as "Annexure – A".

4. The Board of Directors of the Company, in sync with applicable laws, rules and regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Code with a new code. Any amendment to the Code, upon approval of the Board of the Company, shall be intimated to the Stock Exchanges and shall also be updated on the Company's website.

**POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**  
**[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading)**  
**Regulations, 2015]**

**This Policy shall come into effect from March 22, 2019**

**PREFACE**

This Policy, which is part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, is known as the "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

**OBJECTIVE**

The policy is formulated with the objective of identifying 'Legitimate Purposes' for which an insider is entitled to communicate, provide, or allow access to any unpublished price-sensitive information (UPSI) relating to the Company, its listed securities or securities which are proposed to be listed, to any person including other insiders, in the ordinary course of business.

**DEFINITION**

**"Insider"**- Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for the purpose of these regulations, and due notice shall be given to such persons (Insiders) to maintain the confidentiality of such unpublished price sensitive information in compliance with these regulations.

**"Legitimate" Purposes**" shall mean 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, any other person with whom UPSI is shared provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

**SHARING OF UPSI FOR LEGITIMATE PURPOSE**

The UPSI shall be shared by any person(s) authorized by the Board of Directors or Company Secretary or Chief Financial Officer of the Company, on this behalf, only in furtherance of legitimate purpose(s), which shall include the following;

- i. Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
- ii. Sharing of UPSI where such communication is in furtherance of performance of duty (ies).
- iii. Sharing of UPSI for discharge of legal obligation(s).

iv. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the Company Secretary or Chief Financial Officer of the Company of the Company.

v. Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, on this behalf, as may be amended from time to time.

#### **ISSUE OF NOTICE TO THE RECIPIENT OF UPSI**

Any person in receipt of unpublished price-sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of this Code, and due notice shall be given to such persons;

i. To make aware such person that the information shared is or would be UPSI.

ii. To make aware to such person the duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse of UPSI.

iii. To instruct such person to maintain the confidentiality of such unpublished price-sensitive information in compliance with these regulations.

#### **DIGITAL DATABASE**

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc., to ensure non-tampering of the database.

#### **RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS**

The Board of Directors shall require the parties 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 and shall not otherwise trade in securities of the Company when in possession of unpublished price-sensitive information.

#### **AMENDMENT**

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation, etc., for the time being in force, the law, rule, regulation, etc. shall take precedence over this Policy. This Policy and any subsequent amendment(s) thereto shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.

Approved and issued By the Board of Directors of Archana Software Limited	Applicable w.e.f 22 <sup>nd</sup> march 2019 Version.1.2
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