

RETINA PAINTS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

In consonance with the principles of fair disclosure specified Regulation 8 of the SEBI (Prohibition of Insider Trading Regulations), 2015, the Company would adhere to following practice and procedure for fair disclosures in respect of unpublished price sensitive information (UPSI) relating to the Company and/ or its securities

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. to make the information 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 Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information 'generally available'.
4. The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
5. The Company shall ensure that information shared with analysts and research personnel is not UPSI.
6. The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investors

on the official website to ensure official confirmation and documentation of disclosures made.

7. The Company shall ensure the handling of all UPSI on a need-to-know basis.
8. 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.

This Code is subject to review from time to time.

Some examples of UPSI :

(As noted from general literature on UPSI)

- regularly recurring matters (such as financial results and dividends);
- exceptional matters (such as acquisitions, realisations transactions with connected persons);
- signing an important contract;
- entering into a significant joint venture;
- Fund-raising exercises;
- Comments on the prospects for future earnings or dividends;
- Release of any projected profits of the group by issuers or their directors;
- entering into an agreement for the issue of options convertible into securities;
- A large foreign exchange loss;
- Major market upheaval in the industries, countries or regions where the issuer has significant operations or transactions;
- premature removal of auditors before end of their term in office;
- cancellation of an agreement which was previously the subject of an announcement;

- resignation of chief executive;
- the issuer being aware that its auditors will issue a qualified report on its results;
- any change of accounting policy that may have a significant impact on the accounts; or
- events beyond the control of the issuer and is of material significance to the issuer's business, operations or financial performance.

Note: However, no definitive list can be given. What may be price-sensitive information to one party to a contract may be immaterial to the counterparty. A fund-raising that may be material to an issuer facing liquidity problems may be immaterial to the same company in better times.

It is important to note that “price-sensitive information” includes potentially price-sensitive information.

Deciding on what information is price-sensitive is a matter of judgement.

In considering whether the decision or information is price-sensitive, directors should make reference to all the factors attached to price sensitivity.

Code of Conduct to Regulate, Monitor and Report Trading by Insiders

In consonance with the principles of Code of Conduct specified in Regulation 9 of the SEBI (Prohibition of Insider Trading Regulations), 2015, the Company would adhere to following practice and procedure to Regulate, Monitor and Report Trading by Insiders relating to the Company and/ or its securities.

I. Important Definitions

(a) “Compliance Officer” means Company Secretary of the company.

(b) "Connected person" shall generally include – Directors, Key Managerial Personnel, Specified Employees and Promoters (referred to as "Designated Persons") who may have access to unpublished price sensitive information; and Immediate Relatives of the above;

(c) "generally available information" means information that is accessible to the public on a non-discriminatory basis;

(d) "insider" means any person who is:

i) a connected person; or

ii) in possession of or having access to unpublished price sensitive information;

(e) "immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

(f) "trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

(g) "trading day" means a day on which the recognized stock exchanges are open for trading;

(h) "unpublished price sensitive information" 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 not restricted to, information relating to the following: –

i. financial results;

ii. dividends;

iii. change in capital structure;

- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and
- vi. material events in accordance with the listing agreement.

(i) Other terms not specifically defined here shall have the same meaning as assigned under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

II. Code

1. Reporting

The Compliance Officer shall report to the Board of Directors (“Board”) and in particular, shall provide reports to the Chairman of the Board, on a monthly basis or at such frequency as may be stipulated by the Board.

2. Information on a need to know basis & Chinese Wall procedures

All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider’s legitimate purposes, performance of duties or discharge of his/her legal obligations. Norms for appropriate Chinese Walls procedures & processes will be as under –

- i. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered “inside areas” from those areas which deal with sale/marketing/investment advise or other departments providing support services, considered “public areas”.
- ii. The employees in the inside area shall not communicate any price sensitive information to any one in public area.

iii. The employees in inside area may be physically segregated from employees in public area.

iv. Demarcation of the various departments as inside area may be implemented by the Company.

v. In exceptional circumstances employees from the public areas may be brought “over the wall” and given confidential information on the basis of “need to know” criteria, under intimation to the Compliance Officer.

3. Designated Persons

The Chairman of the Board shall in consultation with the Compliance Officer specify the designated persons to be covered by such Code on the basis of their role and function in the organisation. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

4. Trading window

Designated persons may execute trades subject to compliance with these Regulations. Towards this end, a notional trading window shall be used as an instrument for monitoring trading by the designated persons. The trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.

5. The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the

unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

6. Pre-clearance & trades

When the trading window is open, trading by designated persons shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trade(s) is above a minimum threshold limit of Rs. 10,00,000/- (Rupees Ten Lakh) in value over any calendar quarter, or such other limits as the Board may stipulate. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

7. The Compliance Officer shall confidentially maintain a list as a "restricted list" as may be specified in the SEBI regulations which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

8. Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9. Order in respect of securities shall be executed within seven (7) trading days after approval is granted by the Compliance Officer, failing which fresh pre-clearance would be needed for the trades to be executed.

10. A designated person who is permitted to trade shall not execute a contra trade within a period of six (6) months following the prior transaction. Relaxation may be given from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these Regulations. In the event, any such contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

11. Disclosure Responsibilities & formats

A. Initial Disclosures of holdings

Every promoter, key managerial personnel and director of the Company shall disclose (as per **Form A**) his holding of securities of the Company as on the date of these Regulations taking effect, to the Company within thirty (30) days of these Regulations taking effect;

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose (as per **Form A**) his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven (7) days of such appointment or becoming a promoter.

B. Continual Disclosures of trades

Every promoter, employee and director of the Company shall disclose to the Company (as per **Form B**) the number of such securities acquired or disposed of within two (2) trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten lakh) or such other value as may be specified;

The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.

C. Other formats / disclosures, to monitor compliance with these Regulations would be as under –

Application-cum-undertaking for pre-clearance (as per **Form C**)

Reporting of holdings in securities by Designated Persons as on 31 March, on an annual basis by 10 April (as per **Form D**)

12. Penalty for contravention of Code of Conduct

Any Designated Person contravening the Code will be liable to penalty and appropriate disciplinary action including remuneration freeze, suspension, dismissal etc. as may be decided by the Chairman of the Board in consultation with the Compliance Officer.

13. Applicability of the Code to certain persons

The Regulations apply to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In case it is observed by such persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these Regulations, they shall inform SEBI promptly, with a copy to the Company.

This Code is subject to review from time to time.