



# TANFAC INDUSTRIES LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This Code is formulated by the Board of Directors of TANFAC Industries Limited ('the Company') and published on website of the Company pursuant to Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, (SED) (PIT) Regulations). The Company will adhere to the principles affair disclosures set out in Schedule A of SEBI (PIT) Regulations.

### 1. Definitions:

**"Unpublished price sensitive information (UPSI)"** means any information relating to the Company or its securities, directly or indirectly, that is not generally available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 of the Company and shall, ordinarily including but not restricted to, information relating to the

- a. Periodical financial results of the Company;
- b. Intended declaration of dividends (both interim and final);
- c. Change in capital structure;
- d. Issue of securities, buy – back of securities or any forfeiture of shares or change in market lot of the Company's shares;
- e. Acquisition, Merger, De-merger, Amalgamation, Restructuring, Scheme of arrangement or takeovers;
- f. Disposal, spin off or selling division of whole or substantially whole of the undertaking;
- g. Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- h. Changes in Key Managerial Personnel; and
- i. change in rating(s), other than ESG rating(s);
- j. fund raising proposed to be undertaken;
- k. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
- l. resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
- m. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;

- n. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- o. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- p. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- q. agreements, by whatever name called, which may impact the management or control of the company;
- r. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- s. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company
- t. Other matters as may be prescribed by SEBI/considered by the Compliance Officer to be price sensitive from time to time

## **2. Prompt public disclosure of UPSI.**

The Company shall make prompt public disclosure of UPSI of concrete and credible nature to make it generally available information. However, no such public disclosure of information on needs to be made by the Company under the SEBI(PIT) Regulations with regard to the ideas or proposals or potential transactions at preliminary or nascent stage pertaining to the following matters:

- i. Mergers, demergers, amalgamation, re-organization of companies or any other schemes of arrangements and restructuring among shareholders, debenture holders, security holders or creditors of the Company
- ii. Acquisitions, sale, disposal of securities or undertaking(s)
- iii. Sale, disposal or hiving off of units, undertakings, divisions or subsidiary
- iv. Increase in capital by issue of bonus shares, further issue of securities on rights, preferential basis to shareholders or strategic investors or QIBs unless a credible and concrete information has emerged.

## **3. Sharing of UPSI for 'legitimate purposes'**

Any person authorized by the Board of Directors may communicate, provide or allow access to any information including UPSI (hereinafter referred to as 'sharing of any information') in the ordinary course of business of the Company in furtherance of the following legitimate purposes:

- (i) preparation of financial statements/results,
- (ii) Board of Directors' meetings and meetings of the committees, senior management
- (iii) legal matters
- (iv) facilitating conduct of due diligence carried for undertaking any transactions.,
- (v) sharing of information on need- to-know basis or in performance of duties or discharge of legal obligations or for any other genuine purpose as may be deemed necessary in the interest of the Company.

The designated persons or the authorized persons may share the UPSI in furtherance of the legal purpose with partners, collaborators, lenders, customers, suppliers, merchant bankers, lead managers, legal advisors, valuers, auditors, insolvency professionals or other advisors and consultants provided that such sharing of information is not earned out to evade or circumvent the

SESI (PIT) Regulations. The sharing of any information including UPSI for the purposes mentioned above (which are of illustrative nature and not exhaustive) by, with or amongst the persons mentioned above by the designated person or any authorized person in good faith and in the best interest of the Company shall be considered to be in furtherance of the legitimate purposes provided that such sharing of information is not carried out to evade or circumvent the SEBI (PIT) Regulations. The Company will give due notice to any person in receipt of UPSI pursuant to legitimate purposes to maintain confidentiality of such UPSI.

#### **4. Uniform and universal dissemination of UPSI**

Uniform and universal dissemination of UPSI would be ensured by the Company by adopting a common platform i.e. Stock Exchanges for public disclosure. Once the UPSI is communicated to Stock Exchanges as aforesaid, then other medium of dissemination may also be used to ensure such information is made accessible to the public on a non-discriminatory basis.

#### **5. Designation of a senior officer as a chief investor relations officer**

The Company has designated Company Secretary as a Compliance Officer to deal with dissemination of information and disclosure of UPSI to the stock exchanges. The Company will not be required to make disclosures in cases where the proposal is still in progress, or there are impending negotiations or incomplete proposals, the disclosure of which will not be appropriate and could prejudice the Company's legitimate interests.

#### **6. Prompt dissemination of UPSI**

During interactions with the investor community, the Company will ensure that no UPSI is disclosed selectively to anyone or group of research analysts or investors to the disadvantage of other stakeholders. In the unlikely event of any UPSI being disclosed selectively, inadvertently or otherwise, at a meeting with analysts or at any investor relations conference or otherwise, such UPSI would be promptly communicated to the stock exchanges where the Company's securities are listed.

#### **7. Appropriate and fair response to queries**

The Compliance Officer and in his absence the Chief Financial Officer of the Company is authorized to give an appropriate or fair response to any queries on news reports and request for verification of market rumours relating to the Company received from stock exchanges, any regulatory authorities, press or investors of the Company.

#### **8. Transcripts or records of proceedings of meetings**

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. This Code is subject to review from time to time. In the event of any amendment in SEBI (PIT) Regulations, the same shall be deemed to be forming part of this Code and the same will prevail in case any provision of this Code inconsistent with the said amendment