

14th May, 2019

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Fax: 022-26598237/38

BSE Limited

Corporate Relationship Department
1st Floor, New Trading Ring,
PJ Towers, Dalal Street,
Fort, Mumbai - 400 001
Fax: 022-22723121/1278

Company Code: PVR / 532689

Dear Sir,

Pursuant to Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (inserted via the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018), the Board of Directors has approved in the meeting held on 10th May, 2019, a policy on determination of "legitimate purposes" as a part of its Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information.

A copy the Policy on Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is enclosed.

This is for your information and records.

Yours faithfully

For **PVR Limited**

 

Pankaj Dhawan

Company Secretary cum Compliance Officer



PVR LIMITED

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Preamble

SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “**Regulations**”) were notified on 15.01.2015 and came into force with effect from 15.05.2015.

Regulation 8 of the Regulations mandates the Board of Directors of every listed Company to formulate and publish on its website a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“**UPSI**”) that it would follow in order to adhere to each of the principles set out in Schedule A to the Regulations, without diluting the provisions of these Regulations in any manner.

Further, as per Regulation 3(2A) of the Regulations (inserted via the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 with effect from 01.04.2019), the Board of Directors of a listed company shall make a policy for determination of “legitimate purposes” as a part of its code of practices and procedures for fair disclosure of UPSI.

Accordingly, the Board of Directors of PVR Limited (the “**Company**”) has framed and adopted this revised Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the “**Code**”), based on the principles set out in Schedule A, Regulation 3(2A) and other relevant provisions of the Regulations.

The Code shall be effective from 01.04.2019.

A) Definitions

“**CEO (Exhibition)**” mean a senior officer of the Company designated as such.

“**Chief Investor Relations Officer**” or “**CIO**” shall mean a senior officer designated as such, to deal with the dissemination of information and disclosure of UPSI.

“**Chief Human Resource Officer**” or “**CHRO**” shall mean a senior officer in the human resource department/function designated as such.

“**Insider**” means any person who is:

- (i) A Connected Person; or
- (ii) In possession of or having access to UPSI.

“**Key Managerial Personnel**” means person as defined in Section 2(51) of the Companies Act, 2013.

“**Unpublished Price Sensitive Information**” or “**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 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, delistings, disposals and expansion of business and such other transactions;
- (v) changes in Key Managerial Personnel;

“Outsiders” shall refer to partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, rating agencies, investment bankers, due diligence service providers, and any other persons identified by the CIO with respect to the business and operation of the Company, with whom UPSI is shared.

“Policy” shall mean the policy on determination of “legitimate purposes”, as set out in Clause C of the Code.

“Securities” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.

“Senior V.P. - Corporate Communications” shall mean a senior officer of the Company designated as such.

“Stock Exchange(s)” shall mean the stock exchanges on which the Securities of the Company are listed;

“V.P. Finance” shall mean a senior officer in the finance department/function designated as such.

B) CODE OF PRACTICES & PROCEDURES

1. Person responsible to deal with dissemination of information & disclosure of Unpublished Price Sensitive Information (UPSI)

- 1.1. The Company has designated the Company Secretary as the Chief Investor Relations Officer (CIO), responsible for the dissemination of information and disclosure of UPSI to Stock Exchanges, overseeing and coordinating such disclosure, and educating staff on disclosure policies and procedures.
- 1.2. CHRO (or person occupying equivalent role in the Company) and senior officers in the Secretarial Department shall be responsible for assisting the CIO in discharging his responsibility under this Code.
- 1.3. The CIO shall work with V.P. Finance, Senior VP – Corporate Communication, CEO (Exhibition) for ensuring that the Company does not make disclosures of UPSI to Analysts (as defined in Clause 6 below) before disclosure of the same to the Stock Exchanges.
- 1.4. The CIO shall work with V.P. Corporate Communication (or the person occupying equivalent role in the Company) for ensuring that the Company does

not disclosure UPSI to media, etc. before disclosure of the same to the Stock Exchanges.

2. Prompt Public disclosure of UPSI

- 2.1. UPSI that would impact price discovery shall be promptly disclosed to the public no sooner than credible and concrete information comes into being in order to make such information generally available.
- 2.2. All the information disclosed to the Stock Exchanges under this Code shall also be disseminated simultaneously on the website of the Company "www.pvrcinemas.com".

3. Uniform and Universal Dissemination of UPSI -

CIO (working with other relevant officers like V.P. Finance and V.P. Corporate Communication) shall ensure that the UPSI is universally and uniformly disseminated to avoid selective disclosure, as follows-

- 3.1. Disclosure/ dissemination of UPSI are done through various media so as to achieve maximum reach and quick dissemination.
- 3.2. Disclosure/dissemination of UPSI made to various media is uniform and no selective disclosure is made.
- 3.3. Disclosure is made to Stock Exchanges prior to the said information being disclosed to the media.
- 3.4. Disclosure is made simultaneously through the website www.pvrcinemas.com.
- 3.5. Company's website provides investors information regarding meetings with Analysts.

4. Prompt disclosure of UPSI that gets disclosed selectively, inadvertently or otherwise to make it generally available

- 4.1. No UPSI shall be disseminated by anyone on behalf of the Company without the prior approval of the CIO in consultation with the Chief Financial Officer (CFO).
- 4.2. If, any UPSI is accidently/inadvertently or otherwise selectively disclosed by anyone without prior approval from CFO and CIO, the person responsible shall immediately inform the CFO and CIO, even if the information is not price sensitive.
- 4.3. The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively inadvertently or otherwise (which is not in accordance with the Company's policies or Clause 8 below) and to make such information generally available, must promptly disseminate the same either in the form of a notification to the Stock Exchange, press release and/or uploading of the information on the Company's website.

5. Responding to queries on news reports and market rumors

Any queries on news reports or requests for verification of market rumours by Stock Exchanges/regulatory authorities shall be immediately forwarded by the recipient to the CIO. The CIO in consultation with CFO shall decide the appropriate course of action and whether a public announcement is necessary for verifying or denying market rumours/ queries on news reports and then make the disclosure. Other employees of the Company are not authorized to and shall not respond to queries on news reports or requests for verification of market rumours from the Stock Exchange, the media or any other person, unless specifically authorized to do so by the CIO.

6. Disclosure/dissemination of UPSI with special reference to Analysts

CIO shall ensure that officials of the Company dealing with analysts and institutional investors, select shareholders, research personnel, media (hereinafter referred to as “**Analysts**”) etc. shall follow the guidelines given hereunder while dealing with them.

No UPSI shall be disclosed/ disseminated to Analysts. Only public information should be provided to the Analysts. Alternatively, any UPSI disclosed to the Analysts should be simultaneously made public by informing to Stock Exchanges (through CIO) in accordance with this Code.

For this purpose, UPSI must be sent to CIO before sharing the information with Analysts.

7. Transcripts and Recording of Proceedings -

7.1. In order to avoid misquoting or misrepresentation, at least two Company representatives shall be present at meetings with Analysts and discussion should be recorded in writing and countersigned by at least two of the relevant Company official(s) attending the meeting or transcripts be made.

7.2. The transcripts/records of proceedings/ meetings with Analysts and other investor relations conferences organized by the Company shall be displayed on the website of the Company to ensure official confirmation and documentation of disclosures made.

7.3. Handling of unanticipated questions

All those dealing with Analysts should be careful when dealing with their questions that raise issues outside the intended scope of discussion. Unanticipated questions should be taken on notice and a considered response be given later in consultation with the CIO. If the answer includes UPSI, a public announcement and disclosure to the Stock Exchanges should be made before responding.

8. Handling of all Unpublished Price Sensitive Information on a need-to-know basis

UPSI is to be handled on a “need-to-know” basis, i.e. UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. No UPSI shall be communicated to any person except in furtherance of “legitimate purposes” (in accordance with the Policy), performance of duties or discharge of legal obligations.

C) POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES” FOR WHICH UPSI MAY BE COMMUNICATED OR PROCURED

1. The term “**legitimate purpose**” shall generally include the following

- Sharing of UPSI in **the ordinary course of business** by an Insider
 - within the Company and/or its subsidiaries,
 - with Outsiders,

for the purposes of carrying out any assignment/ role/ function for or on behalf of and/ for the benefit of Company provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

UPSI must be handled with utmost care and the person shall deal and share the UPSI strictly on a need-to-know basis.

a) With respect to sharing of UPSI within the Company and/or its subsidiaries – “legitimate purpose” shall generally include:

- i) Sharing of UPSI required for the performance of duties based on the role and function of the person in the Company and/or its subsidiaries.
- ii) Sharing of UPSI pursuant to such other function as may be assigned to the person from time to time.

Some illustrative purposes for sharing UPSI, [for (a) i) & (a) ii) above] are-

- for preparing monthly/ quarterly / annual financial results.
- for preparing presentations at Management Committee meetings.
- for preparing Board and Committee meeting agenda.
- for preparing communications to Stock Exchanges.

- iii) Sharing of UPSI for discharging any legal, regulatory and statutory compliance/ obligation(for which there shall be an appropriate record in place), subject to the approval of the CIO,

Some illustrative purposes for sharing UPSI, [for (a) iii) above] are-

- Sharing information pursuant to some order/ notification/ circular of any government/ regulatory/ judicial/ semi judicial authorities.

b) With respect to sharing of UPSI with Outsiders – “legitimate purpose” shall generally include:

i. Sharing of UPSI required for the performance of duties based on the role and function of the Outsider vis-a-vis the Company and/or its subsidiaries as may be assigned from time to time by a duly authorized representative of the Company, which shall be appropriately documented to the extent practical and appropriate.

Some illustrative purposes for sharing UPSI (for (b) i. above) are -

- Sharing of quarterly/ annual financial results (including that of a material subsidiary) with statutory auditors for audit or limited review.
 - Sharing of information with legal advisors or auditors for seeking expert opinion/ advise.
 - Sharing of business plans with consultancy firms to facilitate them to prepare long term vision/ annual budget.
 - Sharing of UPSI with internal auditors for internal audit purposes.
 - Sharing of financials/estimated profit with income tax department for the purpose of advance tax estimations.
 - Access of files containing UPSI and accounting software (SAP) to information technology consultants.
 - Sharing of UPSI with consultants appointed for the due diligence for transactions.
 - Sharing of UPSI with consultants in the ordinary course of business for any advice sought (where sharing is required given the nature of advice sought).
 - Sharing of UPSI with Outsiders like merchant bankers and lenders, as required.
- ii. Sharing of UPSI for discharging any legal, regulatory and statutory compliance/ obligation, (for which there shall be an appropriate record in place), subject to the approval of the CIO.

Some illustrative purposes for sharing UPSI (for (b) ii. above) can be-

- Sharing information pursuant to some order/ notification/ circular of any government/ regulatory/ judicial/ semi judicial authorities.

2. Any recipient of UPSI shall be considered a s “Insider”

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” for purposes of these Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with these Regulations.

D) AMENDMENTS TO THE CODE

The Board of Directors can amend this Code without diluting the principles set out in Schedule A of the Regulations, as and when deemed fit. Any or all provisions of this Code would be subject to revision / amendment in accordance with the rules, regulations, notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case where any

amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with / are in addition to / are in derogation of the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions of this Code and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.