

August 14, 2023

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Scrip Code: 543266	National Stock Exchange of India Limited Exchange Plaza, 5 th Floor Plot no. C/I, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. Symbol: HERANBA
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Dear Sir/Madam,

Sub: Amendment to the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPS) pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015

We wish to inform you that the Board of Directors of the company at its meeting held on August 14, 2023 approved the amendment to the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (the 'Code') of the company.

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, we are enclosing herewith the amended Code for your record and the same will be available on the website of the Company www.heranba.co.in.

Please take the same on record.

Thanking you,

Yours sincerely,

For Heranba Industries Limited

Abdul Latif
Company Secretary and Compliance Officer
Membership No.: A17009

Encl: As above

HERANBA INDUSTRIES LIMITED
CIN: L24231GJ1992PLC017315

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FAIR DISCLOSURE OF UNPUBLISHED PRICE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

(Framed under Regulation 8(1) read with Schedule A of SEBI (Prohibition of Insider Trading), Regulations, 2015 and amended as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2022).

Approved on: September 26, 2018
Revised on: August 14, 2023

PREAMBLE

This Code is called Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) (the “**Code**”) and is framed based on the principles of fair disclosure outlined in the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 (the “**PIT Regulations**”) read with Schedule A and is effective from October, 2018 which is revised on August 14, 2023. Words not defined herein shall have the meaning as per the PIT Regulations.

The Code is required for the Company to ensure timely and adequate disclosure of Unpublished Price Sensitive Information (UPSI) which would impact the price of the Company’s securities and to maintain the uniformity, transparency and fairness in dealing with all stakeholders and in ensuring adherence to applicable laws and regulations.

The Code of Fair Disclosure shall be applicable to all the Designated Persons of the Company.

Further, the Company endeavours to preserve the confidentiality of un-published price sensitive information, to prevent misuse of such information and to disseminate accurate, timely and consistent non-proprietary information about its products, services and activities to all its stakeholders including its members.

At the same time, care will be taken in ensuring that all communication is responsible, ensuring protection of the Company’s proprietary information and brand.

This Policy is in line with the Company’s Policy for Determining Materiality for Disclosures, which has been adopted pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”). The said Policy defines material events/information, and the criteria to determine the same. When a material event or information triggers disclosure, the Company shall promptly make disclosures to the stock exchanges as per law. The said Policy is available here: <https://www.heranba.co.in/policies/>

MEANING OF THE TERMS USED

“Chief Investor Relations Officer” or “CIRO” shall mean the Company Secretary and Compliance Officer of the Company who will act as such for the purpose of this Code. In the temporary absence of the CIRO for any reason whatsoever, the Managing Director and the Chief Executive Officer shall nominate any other official of the Company who will act as such.

“Connected person” shall have the meaning as defined in Regulation 2(d) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

"Designated Person" shall consist of, Connected Persons who are:

- a. Promoters of the Company;
- b. Directors of the Company and its material subsidiaries;
- c. Key Managerial Personnel (as defined in accordance with the Companies Act, 2013) of the Company
- d. Executive Officers of the Company;
- e. All employees one level below Key Managerial Personnel (as defined in accordance with the Companies Act, 2013);
- f. All employees of the ‘Finance’, ‘Accounts’, ‘Audit’, ‘Taxation’, ‘Legal and Secretarial’, ‘Corporate Communication’, and IT Department irrespective of their grade;
- g. Executive Secretaries of Managing and Executive Directors;
- h. Personal Assistants, if any, of persons referred in (b) and (c);
- i. Any other Connected Person designated by the Company on the basis of their functional role; and;
- j. Any other employees as may be designated/ notified by the Compliance Officer in consultation with the Board from time to time, who may be considered to be in possession of Unpublished Price Sensitive Information.
- k. Chief Executive Officer and employees two levels below Chief Executive Officer of the company and its material subsidiaries company irrespective of their functional role in the company or ability to have access to UPSI
- l. Immediate Relatives of a to k above.

“Fiduciary / Fiduciaries” shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company at any point in time, for the purpose of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

"Generally available information" means information that is accessible to the public on a non-discriminatory basis;

"insider" means any person who is: i) a connected person; or ii) in possession of or having access to unpublished price sensitive information;

“Stock Exchange” means exchange on which the securities of the Company are listed i.e. BSE Limited and the National Stock Exchange Limited.

“Specified Persons” means all Directors, Employees and Connected Persons of the Company (including all Designated Persons).

“Structured Digital Database” shall be a database maintained by the Compliance Officer of the Company containing the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Numbers (“PANs”) or any other identifier authorized by law where such PAN is not available, disclosures and other details of Designated Persons, Fiduciaries and Insiders who have possession of or are likely to have access to Unpublished Price Sensitive Information in accordance with the Code.

“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 including but not restricted to, information relating to the following: –

- (i) Financial results;
- (ii) Dividends (both interim and final);
- (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; and
- (vi) Material events in accordance with listing agreement and SEBI (LODR) Regulations, 2015.

Words, terms and expressions used and not defined in this Code or SEBI (Prohibition of Insider Trading) Regulations, 2015 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 but defined in the Companies Act, 2013 shall have the same meaning respectively assigned to them in the Companies Act, 2013.

HANDLING OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

All employees, directors and insiders of the Company are required to ensure that handling of all UPSI, including onward communication, is done on a need- to-know basis and in line with the any other applicable codes, policies and procedures of the Company including specifically this Code and the PIT Regulations.

Specified Persons shall maintain the confidentiality of all UPSI coming into their possession or control.

To comply with this confidentiality obligation, the Specified Persons shall not:

- (i) communicate, provide or allow access of UPSI to any person directly or indirectly, including by way of making a recommendation for the purchase or sale of Securities of the Company unless such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; or
- (ii) discuss UPSI in public places, or
- (iii) disclose UPSI to any Employee who does not need to know the information for discharging his or her duties, or
- (iv) recommend to anyone that they may undertake Trading in Securities of the Company while being in possession, control or knowledge of UPSI, or
- (v) Be seen or perceived to be Trading in Securities of the Company while in possession of UPSI.

Need to know basis:

The Specified Persons who are privy to UPSI, shall handle the same strictly on a “Need to Know” basis. This means the UPSI shall be disclosed only to those persons who need to know the same in furtherance of a legitimate purpose, the course of performance or discharge of their duty and whose possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of the information.

DESIGNATION AND ROLE OF CHIEF INVESTOR RELATIONS OFFICER:

The Company Secretary and Compliance Officer shall be the Chief Investor Relations Officer (“**CIRO**”) for the purpose of the Code. The CIRO shall be responsible for dissemination of information and disclosure of unpublished price sensitive information (“**UPSI**”).

In the temporary absence of the CIRO for any reason whatsoever, the Managing Director and/or the Chief Executive Officer shall nominate any other official of the Company to be responsible for dissemination of information and disclosure of UPSI.

DISCLOSURES UNDER THE CODE:

The CIRO shall ensure:

- (a) Prompt public disclosure of 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) Uniform and universal dissemination of UPSI to avoid selective disclosure and
- (c) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or

otherwise to ensure that this information is made generally available.

It is clarified that information to be termed UPSI should be specific and intended to be generally made available at a point of time to ensure it does not lead to creation of a false market in securities. For the purpose of disclosure, the CIRO may consult such officials within the Company to ensure the correctness and credibility of the UPSI.

The CIRO shall authorize disclosure or dissemination of UPSI

- i. By way of intimation to the stock exchanges, such that further disclosure can be made from the stock exchange websites;
- ii. On the official website to ensure official confirmation and documentation and;
- iii. In any other manner as may be decided by the CIRO to facilitate uniform and universal dissemination of UPSI.

All communications of UPSI with the stock exchange shall be approved by the CIRO and communicated through appropriate personnel under his direction.

The CIRO shall also be responsible for overseeing the contents of UPSI to be posted on the website of the Company for the purposes of this Code and shall give appropriate directions for the publication of the same. No other person shall be authorised to post any UPSI in the absence of any directions from the CIRO.

To facilitate timely disclosure of UPSI, all employees, designated persons or insiders will be required to communicate any UPSI to the CIRO as soon as credible and concrete information comes into being.

INFORMATION SHARED WITH SPECIFIC PERSONS:

Employees, directors and insiders shall ensure that any information shared with analysts and research personnel is not UPSI and is generally available.

The CIRO shall also 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.

SIMULTANEOUS RELEASE OF INFORMATION:

Whenever the Company proposes to organize meetings with investment analysts/research person, the Company shall make a press release or post relevant information on its website after every such meeting. The Company may also consider live webcasting of analyst meets. The Chief Investor Relations Officer, shall be responsible for drafting of the press release or the text of the information to be posted on the Company's web-site, in consultation with the Managing Director.

MARKET RUMOURS:

The CIRO shall ensure that appropriate and fair responses are provided to queries on news reports and requests for verification of market rumors by regulatory authorities.

The Chief Investor Relations Officer, shall on receipt of requests as aforesaid, consult the Managing Director as the case may be and send an appropriate and fair response to the same.

The Chief Investor Relations Officer shall be responsible for deciding in consultation with the Managing Director of the Company as to the necessity of a public announcement for verifying or denying rumors and thereafter making appropriate disclosures.

All requests/queries received shall be documented and as far as practicable, the Chief Investor Relations Officer, shall request for such queries/requests in writing. No disclosure in response to the queries/request shall be made by the Chief Investor Relations Officer, unless the Managing Director approves the same.

DETERMINING LEGITIMATE PURPOSE:

Legitimate purpose:

Legitimate means anything that is conforming to the laws or rule. Hence, a behavior, which is in conformance to the laws, is a legitimate act. Any act done with acceptable principles of reasoning or is sensible and valid and can said to be a legitimate act.

The term “legitimate purpose” shall include sharing of unpublished price sensitive information 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 under SEBI PIT Regulations and provided that such persons have entered in to a Non-Disclosure Agreement with the Company or are otherwise subject to a confidentiality obligation, so that the recipient maintains the confidentiality of (and not inappropriately use) the material non-public information / UPSI.

The Insider shall share the UPSI with the external agencies only in the interest of the Company and/or in compliance with the requirements of the law.

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of PIT Regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with SEBI Regulations.

The Insider sharing UPSI shall ensure that such third party is also bound by non-disclosure or confidentiality agreements and the duties and responsibilities of such person with respect to such UPSI and the liabilities involved if such person misuses or uses such UPSI in breach of this Code.

Illustrative List of Legitimate Purpose:

In following cases but not restricted to the following, the sharing of UPSI would be considered as having been shared for a Legitimate Purpose:

- a) Under any proceedings or pursuant to any order of courts or tribunals;
- b) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;
- c) In compliance with applicable laws, regulations, rules and requirements;
- d) Arising out of any contractual obligations entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking,
- e) Sharing the information with intermediaries and fiduciaries such as Auditors, Merchant Bankers, Management Consultants, Partners, Collaborators or Other Advisors or Consultants,
- f) Sharing information with Statutory Auditors, Secretarial Auditors, Internal Auditors or Cost Auditors while obtaining any certificate required for placing any transaction for approval before the Board;
- g) Sharing the relevant UPSI by Company or Promoters with business partners essential to fulfill the terms and conditions of a business contract with a client, vendor.
- h) 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 these regulations.

Process for Sharing UPSI: The Insider should conduct the following steps while sharing UPSI:

- a) Satisfy that information is UPSI and that sharing of UPSI is for legitimate purposes only;
- b) Identify the persons and organizations with whom the information is to be shared and establish the narrowest possible group of recipients;
- c) Notify the recipients that the information that is being shared is UPSI and they should maintain confidentiality of the same in compliance with these regulations and enter into a confidentiality/non-disclosure agreement with them for the same.
- d) Mode of sharing UPSI shall be either by an email or hard copy or any other electronic mode or device with acknowledgement.

- e) Ensure that such details including but not limited to name of such person or entities, as the case may be, with whom UPSI is shared along with the PAN (or any other identifier authorized by law where PAN is not available), is maintained in a structured digital database. This database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database and non-leakage of UPSI.

Structured Digital Database:

The Compliance Officer (“The Company Secretary of the Company”) under the supervision of Board of the Directors shall maintain, the nature of UPSI, names of the persons who have shared the information, and also the names of such persons with whom information is shared, along with their PAN (or any other identifier where PAN is not available) in a structured digital database. A structured digital database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database and non-leakage of UPSI. This database shall be kept confidential and shall not be outsourced.

The Board of Directors shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

Discharge of legal obligations:

Discharge of legal obligations includes situations where a person communicates any unpublished information of a company to an outsider as he is bound by the law. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations and due notice shall be given to such person through the online software called structured digital database maintained by the Company in order to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

VIOLATION OF THIS POLICY

Any violation of this policy by an employee, director or designated person of the Company or any of its subsidiaries shall be brought to the attention of the CISO and/or Managing Director and may constitute grounds for disciplinary action including and up to termination of services This policy shall be periodically reviewed and updated.

AMENDMENT:

The Company reserves all right to modify and/or amend this Code at any time. The Company will promptly intimate any amendment to this Code to the Stock Exchanges, as required under the PIT Regulations.

DISCLAIMER:

The provisions of this Code have to be read along with the PIT Regulations and if there is any inconsistency / contradiction between the two, the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall prevail.

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