

PAN ELECTRONICS (INDIA) LIMITED

CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

I. PREAMBLE

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the 'Regulations') mandates the board of directors of the listed Companies to frame a Code of Practices and Procedures for fair and timely dissemination of unpublished price sensitive information. Accordingly, Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") has been approved and implemented by the Board of Directors of PAN ELECTRONICS (INDIA) LIMITED (the "Company").

The terms used and not defined in this Code shall have the meaning given to such terms in the Regulations

II. APPLICABILITY

This Code shall be applicable with effect from May 15, 2015.

III. CODE

1.1 Prompt Disclosure of Price Sensitive Information

Unpublished Price Sensitive Information that would impact price discovery shall be disclosed to the Stock Exchanges and disseminated promptly on a continuous basis as soon as credible and concrete information comes into being in order to make such information Generally Available.

For this purpose Unpublished Price Sensitive Information or UPSI means any

information which relates directly or indirectly to the Company or its Securities, which is not Generally Available to public and which, if made Generally Available or is published on the stock-exchange is likely to affect the price discovery of Securities of the Company including but not limited to:

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. The Insider Trading Compliance Committee may determine any other event or information falling under the definition of "Unpublished Price Sensitive Information" ("UPSI")

1.2 Uniform and Universal dissemination of Unpublished Price Sensitive Information

The Unpublished Price Sensitive Information that would impact price discovery shall be disseminated uniformly and universally to all stakeholders through Stock Exchanges and/ or by posting the same on official website of the Company.. The Company shall use its best endeavors to avoid selective disclosure of Unpublished Price Sensitive Information. However, if any Information gets disclosed selectively or inadvertently or otherwise, endeavor shall be made to make Generally Available the above information through dissemination of the same to Stock Exchanges and/or by posting the same on the official website of the Company as soon as practicable.

1.3 Procedures for responding to any Queries on news reports and/or requests for verification of market rumors by regulatory authorities.

- i. Appropriate, fair & prompt response shall be submitted to all queries on news reports or requests for verification of market rumors received from regulatory authorities.
- ii. Such replies shall be signed by the Compliance Officer(s)/ Managing Director. In their absence, such replies shall be signed by such other officer/ person as

may have been authorized.

- iii. The Compliance Officer(s) shall oversee corporate disclosure. He/ She shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and then making the disclosure.

1.4 Procedure for Disclosure/ dissemination of Unpublished Price Sensitive Information with special reference to Analysts, Institutional Investors etc.

- i. Only published price sensitive information will be provided to Analyst/Research persons and Institutional Investors.
- ii. If any presentation is made during the meeting with Analysts and Institutional, the same be disseminated on the official website of the Company to ensure confirmation and documentation of disclosures made.
- iii. Unanticipated questions may be taken on notice and a considered response given later. The answer should not include any Unpublished Price Sensitive Information.

1.5 Need to Know

Unpublished Price Sensitive Information shall be handled in accordance with applicable laws and in any event strictly on a "need to know" basis to those within the Company who need the information to discharge their official duties or discharge of legal obligations.

1.6 Legitimate Purpose

"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 of these Regulations.

Legitimate Purpose shall mean sharing of UPSI in the ordinary course of business or on a need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

In following cases which are illustrative in nature, sharing of UPSI would be considered as legitimate purpose:

- For the purpose of inquiry or investigation or request for information by governmental or statutory authorities or any other administrative or regulatory body recognized by law.
- Pursuant to any court /tribunal order or as part of its proceedings
- For the purpose of compliance with applicable laws, regulations, rules and its requirements
- Sharing the relevant UPSI for the purpose of seeking consultation, advice or transaction support on projects relating to enterprise strategy, transformation, change management, analytics, re- organization, improvement in operations, technology, automation and similar domains, process of evaluation of new products, business opportunities and new lines of business
- Sharing the relevant UPSI with business partners, associates for the purpose of fulfillment of essential terms and conditions of a business contract with a client, vendor, collaborator or lender.
- Sharing of UPSI for the purpose of applying for tender floated by any Company or Government authorities.

The insider sharing UPSI shall satisfy that information is UPSI and sharing is for legitimate purpose and obtain Name and company with whom the UPSI is shared and intimate the Compliance Officer/ Insider Trading Compliance Committee promptly.

Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "Insider" and due notice shall be given to such person to maintain confidentiality of UPSI OR the Company personnel 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.

1.7 Monitoring and Co-ordinating dissemination of disclosures

The Company Secretary being the Compliance Officer shall act as Chief Investor Relations Officer and will be responsible for ensuring that the Company complies with the continuous disclosure requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and this Code. He shall also be responsible for overseeing, monitor & co-ordinating dissemination of disclosure of Unpublished Price Sensitive Information to Stock Exchanges and stakeholders.

IV. DISCLOSURES

This Code and any amendment thereof will be published on the Company's official website and shall be promptly intimated to the Stock Exchange(s) where the securities of the Company are listed.