

**CODE OF FAIR DISCLOSURE UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

Pursuant to Regulation 8(1), Chapter – IV of the amended (PIT) Regulations read with the principles of fair disclosure enumerated under Schedule A to the said Regulations, the Board of Directors of V-Mart Retail Ltd. has formulated following practice and procedure for fair disclosure of unpublished price sensitive information:

**Chief Investor Relations Officer**

Chief Financial Officer of the Company shall act as the chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

**Principles of fair disclosures**

- i. Any material event/ unpublished price sensitive information that would impact the price discovery of the shares/ securities of the Company shall be publicly disclosed no sooner than credible and concrete information comes into being in order to make such information generally available.
- ii. UPSI shall not be disseminated selectively but it should be disseminated uniformly and universally.
- iii. In the unlikely event of any unpublished price sensitive information getting disclosed selectively, inadvertently or otherwise, the same shall be made generally available.
- iv. The Company shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- v. The following practice shall be complied while meeting with analysts, institutional investors and other investor relations conferences:
  - No UPSI shall be shared with them and only information available in public domain shall be shared.
  - Any of the designated company official shall remain present during meeting with them.
  - Transcripts or records of proceedings of meeting with them shall be placed on website of the Company within 30 days from meeting.
- vi. It should be ensured that information shared with analysts and research personnel is not unpublished price sensitive information.
- vii. It should be ensured that the transcripts or records of proceedings of meetings with analysts and other investor relations conferences should be uploaded on the official website of the Company viz.

www.vmart.co.in promptly after such meeting/conferences to ensure official confirmation and documentation of disclosures made.

viii. All unpublished price sensitive information shall be handled on a need-to-know basis. Employees of the Company handling/possessing unpublished price sensitive information will not share such information to other employees of the Company/outsider except on a need to know basis. No unpublished price sensitive information shall be communicated by such employee to any person except in furtherance of his/her legitimate purpose, performance of his/her legal obligations.

ix. The Company will make a policy for determination of legitimate purposes.

x. Determination of legitimate purpose annexed herewith as **annexure – A**

xi. Procedure of inquiry in case of leak of UPSI or suspected leak of UPSI annexed herewith as **annexure – B**

### **Communication of this Code**

A copy of this Code and every amendment thereto shall be promptly intimated to the Stock Exchanges. A copy of this Code shall be handed over to the Directors of the Company within one month from the date of approval by the Board. This Policy shall also be posted on the website of the Company.

### **Amendment in code of fair disclosure**

Any change in this Code shall be approved by the Board of Directors or committee of Directors of the Company. The BOD shall have the right to withdraw and / or amend any part of this Code or the entire Code, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

## Annexure – A

### **Determination of legitimate purposes.**

Legitimate purposes for which UPSI can be disclosed/ shared on a need to know basis can be categorised as follows:

- i. Sharing of relevant UPSI with employees, consultants, advisors, vendor in the course of business.
- ii. Sharing of relevant UPSI with employees, consultants, advisors, vendor engaged by the company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
- iii. Sharing of relevant UPSI with intermediaries/ fiduciaries viz. legal advisors, auditors, bankers in order to avail professional services from them in relation to the subject matter of UPSI;
- iv. Sharing of relevant UPSI with persons for legitimate business purposes (such as attorneys, investment bankers or accountants);
- v. Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential suppliers, other developers, joint venture partners, customers etc. and not to transact in the company's securities on the basis of such information;
- vi. Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.

#### **Note 1:**

*Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" as pursuant to amended PIT regulations and such person shall be made aware of maintaining confidentiality of such UPSI in compliance with the code and the PIT regulations.*

## Annexure – B

### **Procedure of inquiry in case of leak of UPSI or suspected leak of UPSI**

- Inquiry in case of leak or suspected leak of UPSI shall be based on a written complaint received from any employee, department of the Company, STA, designated person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory / statutory authority or any other department of Central or State Government
- The complaint shall inter alia state particulars of the complainer and details of the complaint annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
- The Complaint shall be addressed to the Company or Board of directors or Audit Committee or Managing Director (MD) or Chief Financial Officer, by whatever name called.

The CFO/ MD of the Company shall follow the following process in order to enquire/ investigate the matter.

- I. Within 5 (five) working days of receipt of the complaint, the Company shall write to the complainer intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter.

***Note:** If the Company feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company then the same shall be discarded with reasons recorded in writing.*

- II. Within 7 (seven) working days of receipt of representation, the Company shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, the Company may call for such additional documents, representations, etc. as he may deem fit.
- III. If no representation is received within the aforesaid stipulated time, the Company shall issue notice to the complainer asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against the complainer.
- IV. On completion of the preliminary investigation as stated in point (v), receipt of reply to the show cause notice issued as stated in point (vi) or on non-receipt thereof, the MD/CFO shall refer the matter to the Chairman of the Audit Committee, along with his opinion, for his consideration.
- V. Every listed company shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the company within 45 days of initiating UPSI and inform the Chairman and Audit Committee promptly of such leaks, inquiries and results of such inquiries.

- VI. VI. The Company Suo moto reserves the right of initiating an inquiry under this policy against any designated person if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
- VII. VII. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.
- VIII. VIII. Employees shall report the instances of leak of unpublished price sensitive information under whistle blower mechanisms. All Protected Disclosures should be addressed to the Chairman of the Audit Committee or Vigilance & Ethics Officer of the Company for investigation. (*refer whistle blower policy for more details*)