



PAUL MERCHANTS LTD.[®]
(An ISO 9001:2008 Certified Co.) (CIN: L74900DL1984PLC018679)

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PAUL MERCHANTS LTD: CODE OF PRACTICES & PROCEDURES
FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Under Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

(Originally Effective from 15th May 2015 and amended on 7th February, 2019, to be effective from 1st April, 2019)

A. Preface:

In an endeavor to prevent the misuse of unpublished price sensitive information in the day-to-day business affairs and to promote the culture of fair disclosure of information in due compliance with the Principles of Fair Disclosures as set out in the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred as “Regulations”), the Board of Directors of the Company, M/s Paul Merchants Limited have formulated a Code of Conduct to be known as “Paul Merchants Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information”(hereinafter referred as “Code for fair disclosure of UPSI” or “Code”). The Code is subject to review by the Board of Directors and can be amended as and when deemed necessary. Any amendment in the said Regulations at any point of time in future shall be automatically deemed to be incorporated herein.

B. Objects of the Code:

The Code aims at:

- Preventing the misuse of unpublished price sensitive information within the Organization and practice of selective disclosures to the public;
- Acknowledging the necessity of communicating, providing or allowing access to information and promoting the principle of equality of access to information.

C. Chief Investor Relations Officer:

The Company Secretary of the Company shall act as the Chief Investor Relations Officer (“CIRO”), who would be responsible for satisfactory discharge of the duties and responsibilities laid down under this Code. In case of absence of CIRO, the Chief Financial Officer (“CFO”) of the Company shall discharge the duties and responsibilities of CIRO under this code. The CIRO and CFO may be contacted by email at: cs@paulmerchants.net and bhupinder.kaur@paulmerchants.net respectively.

D. Procedural Aspects involved in complying with the principles of fair disclosure of information:

S. No.	Principle	Procedure
1.	Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.	In this regard, to ensure fair and timely disclosure of information that would have direct impact on the market price of the securities, the Company generally follows the below-mentioned procedure: (a) Intimates the Stock Exchange(s) well in advance about the Board Meeting in which any such proposal is to be considered; (b) Intimates the outcome of the said Board Meeting within, stipulated time periods; (c) Updates the Stock Exchange(s) about the current happenings in respect of the events that have direct bearing on the market sentiments for onward dissemination to the public at large.
2.	Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure	To ensure that the unpublished price sensitive information is evenly and properly disseminated, the Company generally, in compliance with the provisions of applicable statutes, follows the following procedure & practices:

		<p>(a) Intimates the said information to the Stock Exchange(s) where its securities are listed, within the stipulated time period;</p> <p>(b) Publicize the said information in the Newspapers;</p> <p>(c) Uploading the said information on the Official Website along with quarterly and annual financial results and all investor presentations pertaining to such financial results for reference of the general public, under Investors' Section as early as possible or as is stipulated under various Statutes.</p> <p>(d) Disclose press releases issued by it, if any, from time to time which are considered to be important for the general public besides putting the same on Company's website;</p>
3.	Prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.	<p>To ensure authentication of the information to be disclosed to the stakeholders, the said information is generally cross verified by the CIRO.</p> <p>However, if any information gets disclosed selectively, inadvertently or otherwise, the Company</p> <p>(a) intimates the facts and rectified information, if required to the Stock Exchange(s), where the securities of the Company are listed, for onward dissemination to the shareholders;</p> <p>(b) publicize the facts and rectified information, if required, in the Newspapers.</p>
4.	Appropriate and fair response to queries on news reports and requests for verification of market rumors by Regulatory Authorities	<p>(a) The CIRO shall be responsible for giving appropriate and fair response to queries on news reports and requests for verification of market rumors by Regulatory Authorities.</p>

		(b) Employees of the Company shall not respond under any circumstances to enquiries from the Stock Exchanges, the media or others unless authorised to do so by the CIRO of the Company.
5.	Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information	The CIRO/ respective Departmental Heads shall take all necessary measures to ensure that no unpublished price sensitive information is being disclosed to any analyst and research personnel.
6.	Developing best practices to make transcripts or record of proceedings of meetings with analysts make transcripts or record of proceedings of meetings with analysts on the official website to ensure official confirmation and documentation of Disclosures made	<p>(a) The Company may, from time to time, authorize any concerned persons, depending upon the domain of conferences and meetings, to make transcripts or record of proceedings of meetings with analysts.</p> <p>(b) Further, the said proceedings shall be disclosed on the Official Website of the Company.</p>
7.	Handling of all unpublished price sensitive information on a need-to-know basis.	<p>(a) The Company has in place various suitable safeguards, including “Code of Conduct for regulating, monitoring and reporting trading by Designated persons” to avoid UPSI becoming available to any person who is not required to have access to such information.</p> <p>(b) UPSI, may however be disclosed, to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.</p>
8.	Determination of Legitimate Purpose for sharing of UPSI	<p>(a) The Company, in its ordinary course of business, share UPSI, for legitimate purpose, with:</p> <ul style="list-style-type: none"> ➤ partners, ➤ collaborators, ➤ lenders, ➤ customers,

		<ul style="list-style-type: none"> ➤ suppliers, ➤ merchant bankers, ➤ legal advisors, ➤ auditors, ➤ insolvency professionals or ➤ other advisors or consultants, <p>provided that such sharing is not been carried out to evade or circumvent the prohibitions of this code and SEBI (PIT) Regulations.</p> <p>Explanation: For the Company its “Ordinary course of business” includes regular and usual day to day transactions, general customs and practices of a business performed in the Company.</p> <p>(b) The Company satisfies following factors to ensure that UPSI is shared for legitimate purpose:</p> <ul style="list-style-type: none"> (i) Must be shared in the ordinary of course of business; (ii) Required to be done in furtherance of fiduciary duties or in fulfillment of any statutory obligation; (iii) Information shared is in the interest of other Stakeholders and (iv) Information is not being shared for personal benefit but may result in personal gain consequently
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E. Declaration:

The Company hereby declares that all requisite measures shall be taken to ensure adherence with the principles of fair disclosure of Unpublished Price Sensitive Information.

(Sd/-)

Sat Paul Bansal

Chairman of the Board

As amended on 07-02-2019.