

WINSOME TEXTILE INDUSTRIES LIMITED

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (as last amended on 21st May, 2019)

Introduction

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended by SEBI (PIT) Amendment Regulations, 2018, the Board of Directors of Winsome Textile Industries Limited has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (*herein after referred as “Code”*) in pursuance to regulation 8(1) of aforesaid regulations.

Purpose

The Code aims to provide a framework of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (*herein after referred as “UPSI”*) which may impact the price discovery in the market for the securities of the Company listed on the stock exchange(s). The said code is available on the website of the Company i.e. www.winsometextile.com The Code shall become applicable w.e.f. 15th May, 2015.

Unpublished price sensitive information (UPSI) means any information, relating to a Company or its securities, directly or indirectly, that is not generally available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 followings :-

- (i) Financial Results;
- (ii) Dividends;
- (iii) Change in capital Structure;
- (iv) Mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transaction;
- (v) Changes in key managerial personnel.

The words, terms and expression used in the code shall have the same meaning as given in Regulation 2 of Chapter I of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

“Designated Person” means:

- (i) Directors;
- (ii) Chief Executive Officer and Employees upto two levels below Chief Executive Officer;

- (iii) All promoters;
- (iv) Employees equal to and above the designation of Manager in Finance & Accounts and Secretarial department and equal to and above Assistant General Manager in other departments of the Company;
- (v) such employees as identified by the Compliance Officer in consultation with Board in line with the objective of the Code.

“ **Immediate Relative**” means the spouse of the designated person and includes parent, sibling and child of such designated person or of the spouse who are either financially dependent on the Designated Person or consults the Designated Person in taking decisions relating to trading in securities.

“**Legitimate Purpose**” shall include 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 regulations.

Prompt public disclosure of Unpublished Price Sensitive Information

- (i) There shall be 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.
- (ii) There shall be uniform and universal dissemination of UPSI to avoid selective disclosure.
- (iii) There shall be prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

Chief Investor Relations Officer

- (i) The Company Secretary of the Company has been designated as Chief Investor Relations officer of the Company who shall deal with dissemination of information and disclosure of UPSI.

Responding to Market Rumors

- (i) The Company shall always endeavor to provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities

Sharing of information with Analysts and Research Personnel

- (i) The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- (ii) Whenever the Company proposes to organize meeting with analysts and other investor relations conferences, the Company shall post relevant information/record on its official website after every such meeting/conference

Sharing of Unpublished Price Sensitive Information on need-to-know basis

- (i) All unpublished price sensitive information shall be handled on a need-to-know basis only to those persons who need the information for legitimate purposes to discharge their duty or legal obligations.
- (ii) The Board of Directors may also establish further rules/regulations and procedures, if so required from time to time to give effect to the intent of this code and/or in compliance of these regulations.

Disclosure of Information for Legitimate Purpose

For legitimate purposes the designated person can disclose the information on need to know basis

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 regulations and he shall be bound by the Winsome Code of Conduct for prevention of Insider Trading and shall obtain clearances as per said code.
