

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE  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

## **INTRODUCTION**

The Securities and Exchange Board of India ("SEBI") notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulations") on January 15, 2015, which is effective from May 15, 2015.

Pursuant to Regulation 8 of the Regulations, Hawa Engineers Limited is required to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code").

Accordingly, the Board of Directors of the Company has formulated the Fair Disclosure Code.

## **DEFINITIONS**

1. "Board" means the Securities and Exchange Board of India.
2. "Company" means, Hawa Engineers Limited.
3. "Insider" means any person who:
  - i. a connected person; or
  - ii. in possession of or having access to unpublished price sensitive information.
4. "Regulations" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
5. "Unpublished Price Sensitive Information" or "UPSI" means any information, relating to a company or its securities, directly or indirectly, that is not generally available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 following:
  - i. financial results;
  - ii. dividends;
  - iii. change in capital structure;
  - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
  - v. changes in key managerial personnel.

## **CHIEF STRATEGY OFFICER AS THE CHIEF INVESTOR RELATIONS OFFICER**

The Chief Strategy Officer of the Company is designated as the Chief Investor Relations Officer of the Company.

#### **RESPONSIBILITY OF COMPLIANCE OFFICER**

The Compliance Officer shall be responsible for:

1. Dissemination of information and disclosure of unpublished price sensitive information.
2. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
3. Handling of all unpublished price sensitive information on a need-to-know basis. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. All the non-public information directly received by any employee should immediately be reported to the Compliance Officer. No unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.
4. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
5. 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.

#### **DISCLOSURE WITH REFERENCE TO ANALYSTS/MEDIA**

All unpublished price sensitive information shall be first communicated to the stock exchanges before the same is shared with analyst and research personnel.

#### **RESPONDING TO MARKET RUMORS**

Any Director of the Company and/or the Compliance Officer and/or any other spokesperson, duly authorised, shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

## **LEGITIMATE PURPOSES**

For determining legitimate purposes, the below mentioned policy shall be adhered to:

1. UPSI can be shared only on a need-to-know basis and for legitimate purposes and not to evade or circumvent the prohibitions of the regulations.
2. UPSI can be shared in the ordinary course of business only for a legitimate purpose, if the same is necessary to be shared in order to complete any task/activity/deal including any other assignment for furtherance of the business interests of the Company.
3. 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.
4. No Insider shall communicate, provide, or allow access to any UPSI, relating to the company, to any person including other insiders except where such communication is in furtherance of legitimate purposes. Further, no person shall procure from or cause the communication by any insider of UPSI, relating to the Company, except in furtherance of legitimate purposes.
5. If at any time, any person is in receipt of unpublished price sensitive information pursuant to a legitimate purpose, he shall be considered as an "Insider" for purposes of these regulations.
6. The Company shall give due notice to such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
7. The Company shall maintain a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database. The responsibility of maintaining such database shall be of the Compliance Officer of such other person as may be nominated by the Board of Directors.
8. The Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties

shall keep information so received confidential and shall not otherwise trade in securities of the Company when in possession of UPSI.

9. Upon failure of such person to maintain confidentiality of such unpublished price sensitive information, appropriate action may be taken by the Company, which may include wage freeze, suspension, recovery claw back, ineligibility for future participation in the Company's stock option plans or termination.

**LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

1. If it is found/suspected that the unpublished price sensitive information has been leaked by any insider, the Company shall set up an investigation in the matter.
2. The Compliance Officer shall promptly bring it to the notice of Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors of the Company about the leakage of unpublished price sensitive information.
3. The Company may seek assistance of external consultant/investigator to enquire into the matter.
4. Upon the outcome of the enquiry, the Company may take appropriate action as directed by the Audit Committee/Board of Directors.
5. Simultaneously, the Compliance Officer shall inform the Board of Directors promptly of such leaks, inquiries and results of such inquiries.

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