

COVANCE SOFTSOL LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

A. Introduction

Pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulations"), **Covance Softsol Limited** ("Company") is required to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") in adherence to the principles set-out in Schedule A to the Regulations. Accordingly, the Board of Directors of the Company, has formulated the Code.

B. Objective

The Code is required for the Company to prevent the misuse and ensure timely and adequate disclosure of Unpublished Price Sensitive Information and to maintain the uniformity, transparency and fairness in dealing with its stakeholders.

C. Definitions

1. "Board" means the Board of Directors of the Company.
2. "Chief Investor Relations Officer" means the Compliance Officer of the Company.
3. "Code" or "this Code" shall mean this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;
4. "Company" means '**Covance Softsol Limited**'.
5. "Compliance Officer" for the purpose of these regulations means the Company Secretary of the Company. In absence of the Company Secretary the Board of Directors may authorize such other officer of the Company to discharge the duties of Compliance Officer under the regulations.

"Unpublished Price Sensitive Information" or "UPSI" any information, relating to the Company or its securities, directly or indirectly, that is not generally available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, delistings, disposals and expansion of business, award or termination of order / contracts not in the normal course of business and such other transactions;
- (v) changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
- (vi) change in rating(s), other than ESG rating(s);
- (vii) fund raising proposed to be undertaken;
- (viii) agreements, by whatever name called, which may impact the management or control of the company;
- (ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

- (x) resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
- (xi) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- (xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- (xiii) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- (xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- (xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- (xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1- For the purpose of sub-clause (ix):

a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2- For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

Words not defined in this Code shall have the meaning ascribed to them in the Regulations.

D. Principles for Fair Disclosure:

The Company shall adhere to the following guidelines involving the compliance of Regulations with respect to principles of fair disclosure of unpublished price sensitive information in letter and spirit.

1. The Company shall ensure prompt public disclosure of Unpublished Price Sensitive Information to stock exchanges and on the website of the Company, that would impact price discovery, as soon as it has credible and concrete information, in order to make such information 'generally available' i.e., to make the information accessible to the public on a non-discriminatory basis.
2. The Company shall ensure a uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosure.

3. The Compliance Officer of the Company shall act as the Chief Investor Relations Officer (“CIRO”) for the purpose of dealing with dissemination of information and disclosure of Unpublished Price Sensitive Information as contained herein.
4. The Compliance Officer shall ensure prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.
5. The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. The Compliance Officer shall ensure that information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
7. The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. The Company shall handle all unpublished price sensitive information on a need-to-know basis in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

E. Policy for determination of “Legitimate Purposes”:

In line with sub-regulation (2A) of Regulation 3 of the SEBI (Prohibition of Insider Trading) Regulations 2015, as since amended, the Policy for determination of legitimate purposes is as under:

1. “Legitimate purpose” shall mean 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, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
2. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an “insider” for purposes of the Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations. Such person is also required to ensure the confidentiality of unpublished price sensitive information shared with him/her, in compliance with the Regulations.
3. Any Unpublished Price Sensitive Information, such as Financial Results, declaration of dividends, change in capital structure, proposal of Corporate Restructuring (viz. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions), changes in key managerial personnel etc., shall be handled within the Company on a need-to-know basis, and the same should be disclosed only to those who need such information to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information.

4. A structured digital data base shall be maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to secure such database. Documents containing confidential information shall be kept secured. Computer files must have adequate security login and password etc.

F. Amendment

The Board of Directors is authorised to amend or modify this Code in whole or in part as and when deemed necessary, to stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information.

G. Scope and Limitation

In case there are any regulatory changes requiring modifications to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this Code even if not incorporated in this Code.

H. Disclosure of the Code on Public Domain

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed and also published on the official website of the Company.
