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CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015] This Policy shall come into effect from April 1, 2019

INTRODUCTION:

In terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, **CG-VAK SOFTWARE AND EXPORTS LIMITED** (“the Company”) had formulated and published on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosure”).

The said Code of Fair Disclosure is required to be amended pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (“the Regulations”). Accordingly, the Board of Directors of the Company, has formulated a specific Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosure”) in accordance with the requirements of the said amended Regulations.

OBJECTIVE

This Code intends to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s securities. So as to ensure fair disclosure of events and occurrences that could impact price discovery in the market, the Board of Directors of the Company shall adhere to the following Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information envisaged in Schedule-A of SEBI (Prohibition of Insider Trading) Regulation, 2015

SCOPE

The Company endeavors to preserve the confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

APPLICABILITY

This Code shall be applicable with effect from April 1, 2019.

CODE OF FAIR DISCLOSURE

- i. The Code of Fair Disclosure is consistent with the said SEBI Regulations.
- ii. The Principles of Fair Disclosure adopted by the Company are as follows:

- iii. To make 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.
- iv. To make disclosures of uniform and universal dissemination of UPSI to avoid selective disclosure.
- v. The Company Secretary / Compliance Officer of the Company shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.
- vi. To make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- vii. To provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- viii. To ensure that information shared with analysts and research personnel, if any, is not UPSI.
- ix. To develop and follow 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.
- x. To handle all UPSI on a need -to- know basis.

POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES”

- a) Legitimate Purposes shall mean sharing of UPSI in the ordinary course of business by an Insider with collaborators, merchant bankers, legal advisors, auditors, professionals, or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- b) Unpublished Price Sensitive Information (UPSI) means 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 of the Company and shall, ordinarily include but not restricted to, information relating to the following:
 - i. Periodical Financial Results (quarterly, half-yearly and annual)
 - ii. Proposals for declaration of dividends (interim or final)
 - iii. Proposals for change in capital structure
 - iv. Proposals for mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
 - v. Changes in Key Managerial Personnel
 - vi. Generally available information means information that is accessible to the public on a non-discriminatory basis.

c) UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to the conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

d) Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered as “Insider” for purposes of the Regulations and such persons are also required to ensure the confidentiality of UPSI shared with them, in compliance with the Regulations.

e) A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared under the regulations along with the Permanent Account Number (PAN) or any other identifier authorised by law where PAN is not available. Such database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

f) The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information and may delegate to any Director(s)/Company Secretary, the authority to amend or modify this Code, in whole or in part, subject to approval of the Board.

This Code shall be published on the official website of the Company.

AMENDMENT

Subsequent modification(s)/amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015 and any amendment thereto shall automatically apply to this Code and shall be promptly intimated to the Stock Exchanges.