



## **AVI ANSH TEXTILE LIMITED**

### **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

#### **SCOPE**

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code') is adopted by Avi Ansh Textile Limited (the 'Company'). This Code is in compliance with Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('Regulations') read with Schedule A of the Regulations. The Code also includes Policy for determination of 'legitimate purpose' in compliance with Regulation 3(2A) of the Regulations.

#### **DEFINITIONS**

1. "Unpublished Price Sensitive Information" (UPSI) means any information, relating to a company or its securities, directly or indirectly, that is not generally available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 following:
  - financial results, dividends;
  - change in capital structure;
  - merger, de-mergers, acquisition, delisting's, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
  - change in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor
  - change in rating(s), other than ESG rating(s)
  - fund raising proposed to be undertaken;
  - agreements, by whatever name called, which may impact the management or control of the company;
  - 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;

- resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
- 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;
- 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;
- 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;
- outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- 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;
- 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.]

2. "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis. Information relating to the Company published on the website of stock exchanges or the Company's website shall ordinarily be considered as Generally Available Information.

## CODE

1. The Company will make prompt public disclosure of unpublished price sensitive information ('UPSI') in relation to the Company that would impact price discovery of the securities of the Company no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company will ensure uniform and universal dissemination of UPSI in relation to the Company via stock exchanges where the securities of the Company are listed and in order avoid selective disclosure.
3. The Company Secretary and/or Chief Financial Officer of the Company shall act as the Chief Investor Relations officer to deal with dissemination of information and disclosure of UPSI in relation to the Company.
4. The Company will promptly disseminate any UPSI in relation to the Company that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.
5. The Company will endeavor to provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company will ensure that information shared with analysts and research personnel is not UPSI in relation to the Company.
7. The Company will develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website [www.avianshgroup.com](http://www.avianshgroup.com) to ensure official confirmation and documentation of disclosures made. Details of quarterly concall and concall transcript with analysts and relating to investor relation conferences, if any, will be made available on the Company's website.
8. UPSI in relation to the Company shall be handled on a need-to-know basis.
9. The UPSI can be shared as an exception by an insider for legitimate purposes, in the ordinary course of business of the Company. Policy for determination of Legitimate Purposes for which UPSI can be shared, has been formulated and mentioned below.
10. The board of directors shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

Provided that entry of UPSI, not emanating from within the organisation, in structured digital database may be done not later than 2 calendar days from the receipt of such information.

11. The Board of Directors of the Company, in sync with applicable laws, rules and regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Code with a new code. Any amendment to the Code, upon approval of the Board of the Company shall be intimated to the Stock Exchanges and shall also be updated on the Company's website.

## **POLICY FOR DETERMINATION OF 'LEGITIMATE PURPOSES'**

UPSI may be communicated or provided or allowed access to, any person(s) authorized by the Board of Directors or Chief Investor Relations Officer (CIO) of the Company only where such communication is in furtherance of legitimate purpose, performance of duties or discharge of legal obligations.

The term 'legitimate purposes' shall include sharing of UPSI in the ordinary course of business with the Company's partners, collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors, credit rating agencies, potential investors, insolvency professionals and other advisors, service providers or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

Whether sharing of UPSI for a particular instance is pursuant to 'legitimate purpose' or not would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

1. Whether sharing of such UPSI is in the ordinary course of business of the Company or for discharge of legal obligations;
2. Whether sharing of UPSI is in the interest of the Company or in furtherance of a genuine commercial purpose;
3. Whether the nature of UPSI being shared is commensurate to the purpose for which access is sought to be provided to the recipient.
4. Whether sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIO of the Company.
5. Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Any person in receipt of UPSI pursuant to a 'legitimate purpose' shall be considered 'Insider' for the purposes of these Regulations and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with the Regulations.

## **RESTRICTION ON COMMUNICATION AND TRADING BY INSIDERS**

For the sharing of UPSI for a legitimate purpose, the Company shall ensure that, before sharing the information, the parties shall sign the agreement that enforce confidentiality and non-disclosure obligations. These parties must keep the received information confidential and must not trade in the Company's securities while in possession of UPSI.

Provided that, for unpublished price sensitive information not emanating from within the Listed Company, trading window may not be closed.

## **LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

If it is found/suspected that the unpublished price sensitive information has been leaked by any insider or becoming aware of leak/suspected leak or actual content of unpublished price sensitive information through any source, the Company shall set up an inquiry in the matter.

The Compliance Officer shall promptly bring it to the notice of Chairman of the Audit Committee and to the Chairman of the Board of Directors of the Company about the leakage//suspected leakage/becoming aware of unpublished price sensitive information.

The Company may seek assistance of external consultant/investigator to enquire into the matter. Upon the outcome of the enquiry, the Compliance Officer shall inform the Board of Directors promptly the results of such inquiries and the Company may take appropriate action as directed by the Audit Committee/Board of Directors.

Simultaneously, the Compliance Officer shall inform all the stock exchanges where its securities are listed of such leaks, relevant inquiries and results of such inquiries.

## **REVIEW/AMENDMENT**

The Board of Directors of the Company may amend, abrogate, modify or revise any or all clauses of this Code in accordance with the applicable provisions of the Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and guidance note issued by such stock exchanges, from time to time. Amendments in the applicable laws shall be binding even if not incorporated in this Code.

In the event of any inconsistency between the provisions of the SEBI Regulations, and this policy, the applicable provisions of the SEBI Regulations shall prevail.

This revised code will be effective from June 10, 2025

*Revised by Board of Directors at its Board Meeting on May 28, 2025*

*Revised by Board of Directors at its Board Meeting on February 27, 2025*

*Revised by Board of Directors at its Board Meeting on July 27, 2024*

*Date of Approval by Board of Directors at its Board Meeting on: March 14, 2024*