

CODE OF FAIR DISCLOSURE

[Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018]

In adherence to the principles of fair disclosure amended by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 ROSE MERC LIMITED (the Company) will adhere to the following so as to ensure fair disclosure of events and occurrence that could impact price of its securities in the market.

I. OBJECTIVE

The objective of this Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities. The code also covers the practices and procedures for fair disclosure of Unpublished Price Sensitive Information.

II. APPLICABILITY

This Code shall apply in relation to disclosure by the Company of UPSI. The scope, exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

III. DEFINITIONS

“Applicable Law” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

“Connected Person” shall mean such person as defined under the Regulations.

“Chief Investor Relations Officer” means such senior officer of the Company appointed by the Board of directors to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. The name and designation of such officer shall be published on the website of the Company.

“Generally available information” means information that is accessible to the public on a non-discriminatory basis.

“Insider” means any person who is a connected person or in possession of or having access to UPSI;

“Selected Group of Persons” includes securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisors and institutional managers, investment companies, hedge funds or any other person.

“Trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and **“Trade”** shall be construed accordingly.

“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 include but not restricted to, information relating to the following:

1. Fund raising proposed to be undertaken.
2. Change in capital structure;
3. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
4. Changes in key managerial personnel; other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor.
5. Disposal of the whole or a substantial part of the undertaking;
6. Any significant changes in policies, plans or operations of the Company;
7. Considering the nature of business of the Company, any other information, which in the opinion of the Chief Investor Relations Officer of the Company, is likely to materially affect the price of the Company.

All the other terms used in the Code shall have the same meaning as assigned to them under the Regulations.

IV. CORPORATE DISCLOSURE OF UPSI:

UPSI is in the nature of information relating to the Company, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.

The Employee and Director of the Company shall provide only public information to analysts/ research persons. In case any UPSI is proposed to be provided, the person proposing to so provide information shall consult the Chief Investor Relations Officer, in advance. The Chief Investor Relations Officer shall ensure that the information provided to the analyst/research person/investor as above is made public simultaneously with such disclosure.

The Company shall take extreme care and caution when dealing with analysts’ questions that raise issues outside the intended scope of discussion. The Chief Investor Relations Officer should tackle the unanticipated questions carefully. The unanticipated questions may be noted and a considered response be given later in consultation with the Managing Director/ Chief Executive Officer. If the answer to any question requires dissemination of UPSI, the Chief Investor Relations Officer shall report the same to the Managing Director/Chief Executive Officer and obtain necessary approval for its dissemination to the Stock Exchanges/public announcement through press. The Chief Investor Relations Officer shall, after dissemination of such UPSI, respond to such unanticipated questions.

The Chief Investor Relations Officer shall handle all the UPSI on a need-to-know basis only. In case of doubt Chief Investor Relations Officer, shall consult and seek approval of the Managing Director/ Chief Executive Officer before dissemination of such information.

The Company shall ensure that it will make immediate public disclosure of unpublished price sensitive information that would impact price discovery, as soon as credible and concrete information comes into being in order to make such information generally available viz. to make the information accessible to the public without any discrimination.

V. POLICY FOR DETERMINATION OF LEGIMINATE PURPOSE:

Till the UPSI becomes generally available information, UPSI can be shared only on a need-to-know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the prohibitions of the Regulations

1. Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
2. Sharing of relevant UPSI with intermediaries/ fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
3. Sharing of relevant UPSI with persons for legitimate business purposes (e.g., attorneys, investment bankers or accountants);
4. Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the company's securities on the basis of such information
5. Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.

Before sharing of the UPSI, the concerned person sharing such UPSI shall comply with the requirements in relation to circumstances and procedures for bringing people inside as provided in Code of Conduct for Prohibition of Insider Trading.

VI. MAINTENCE OF DIGITAL DATABASE OF RECEPINTS OF UPSI:

The Compliance Officer shall maintain record of the details of the recipients including their PAN, Address etc. of UPSI on legitimate purpose including the following:

- a) Whether the concerned UPSI is required to be shared?
- b) Why the information is required by the recipient?
- c) Who had shared the UPSI and whether he was authorized to do so?
- d) Whether the Compliance Officer was intimated before such sharing of UPSI?
- e) Whether non-disclosure agreements were signed?
- f) Whether notice to maintain confidentiality of the shared UPSI has been given?

VII. PRINCIPLES AND PROCEDURES FOR FAIR DISCLOSURE OF CODE OF PRACTICES:

- a) There shall be 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.

- b) The Company shall ensure uniform and universal dissemination of UPSI to avoid selective disclosure.
- c) Unless otherwise appointed by the board of Directors, the Company Secretary and Compliance Officer shall act as the chief Investor Relations officer to deal with the dissemination of information and disclosure of UPSI.
- d) There shall be prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e) Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- f) It shall be ensured that information shared with analysis and research personnel is not UPSI.
- g) The best practices will be developed 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.
- h) UPSI shall be handled on a need-to know basis.

VIII. FUNCTIONS OF THE CHIEF INVESTORS RELATIONS OFFICER:

- a) Dealing with universal dissemination and disclosure of UPSI.
- b) Determination of questions as to whether any particular information amounts to UPSI.
- c) Determination of response, if any, of the Company to any market rumor in accordance with this code.
- d) Dealing with any query received by any Insider about any UPSI.
- e) Providing advice to any Insider as to whether any particular information may be treated as UPSI.

IX. UNIFORMITY IN DISCLOSURE:

Subject to applicable law methods of public disclosure of information to ensure uniform distribution shall include either of the following-

- a) Distributing through Press Releases in newspapers or media including electronic media.
- b) Filing with the Stock Exchanges.
- c) Any other means of mode that ensures wide distribution of the news such as webcasts and webinars.
- d) Uploading the information on the website of the company.

X. RESPONSIBILITY OF THE RECEIPT OF UPSI:

1. To maintain and keep secret and confidential the information received.
2. To use the confidential information only for the legitimate purpose.
3. To disclose the confidential information to any other person strictly on a need to know basis; and
4. To safeguard the UPSI with the same degree of care to avoid unauthorized disclosure as the receiving party uses to protect its own confidential information, but in no case less than reasonable care.
5. To ensure compliance with applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

XI. RUMOURS: VERIFICATION OF MARKET RUMOURS AND RESPONSE TO QUERIES

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports. A 'No Comments' policy must be maintained by the Company and the Chief Investor Relations Officer on market rumors except when requested by regulatory authorities to verify such rumors.

XII. NEED TO KNOW HANDLING OF UPSI:

The Company shall handle UPSI only on a need to know basis. 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.

XIII. AMENDMENTS TO THIS CODE:

Any amendment to this Code shall be done through a resolution passed at the Board Meeting of the Company.

XIV. WEB DISCLOSURE:

This Code shall be hosted on the website of the Company www.rosemerc.in under the investors section in policies and codes.
