

CELEBRITY FASHIONS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

**[Pursuant to Regulation 8(1) of the SEBI (Prevention of Insider Trading) Regulations,
2015]**

The following is the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code”) adopted by Celebrity Fashions Limited. This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the terms used therein shall have the same meaning as given in the said Regulations:

I. PRINCIPLES OF FAIR DISCLOSURE

The following are the principles of Fair Disclosure adopted by Celebrity Fashions Limited:

- 1) The Company shall ensure prompt public disclosure of unpublished price sensitive information (UPSI) that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- 2) The Company shall ensure uniform and universal dissemination of Unpublished Price Sensitive information to avoid selective disclosure.
- 3) The Company Secretary/ Compliance Officer of the Company shall act as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of unpublished price sensitive information.
- 4) The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available
- 5) The Company shall provide prompt and appropriate response to queries on news reports and verification of market rumours by regulatory authorities
- 6) The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information
- 7) The Company shall 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.

- 8) The Company shall handle of all unpublished price sensitive information on a need-to-know basis.
- 9) The Company shall not allow any unpublished price sensitive information to be communicated to any person except in furtherance of legitimate purposes:

II. DETERMINATION OF LEGITIMATE PURPOSE:

For the purpose of clause 9, the term “legitimate purpose” shall include

- a) sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, fiduciaries, merchant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.
- b) Any other purpose as may be determined by the Company from time to time.

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

III. PROCESS OF INQUIRY IN CASE OF LEAK OF UPSI OR SUSPECTED LEAK OF UPSI

- 1) The Company shall initiate inquiry based on the written complaint received in accordance with this policy from its employees, designated persons, stakeholders, auditors, regulatory authorities and other known and unknown persons.
- 2) The complainant shall provide a detailed complaint along with supporting evidences available to substantiate the claims which shall be addressed to the Chairman/ Managing Director/ Board of Directors or Audit Committee of the Company.
- 3) The inquiry may be conducted by a committee as decided by the Managing Director, Chief Financial Officer and/or Company Secretary and/or any such other officer(s) of the Company. The Committee shall complete inquiry and submit report to the Board and Audit Committee.
- 4) The Chairman of the Audit Committee on receipt of inquiry report shall proceed to convene a meeting of the Audit Committee to examine the report and make its recommendations to the Board of Directors for further actions in addition to the penal provisions as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and any other statutory enactments, as applicable.

- 5) The Company *suo-moto* reserves the right of initiating an inquiry under this policy against any designated person if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
- 6) The Disciplinary Action(s) shall include but not limited to wage freeze, suspension, recovery, clawback, etc., as may be decided Audit Committee, in addition to the action to be initiated by SEBI, if any.
- 7) The Compliance Officer shall ensure to promptly inform SEBI of such leaks, inquiries and results of such inquiries.

IV. MAINTENANCE OF STRUCTURED DIGITAL DATABASE

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 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 and checks, such as time stamping, audit trails, etc. will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for said legitimate purposes.

This amended code shall come into effect from 01st April, 2019.

The Board of Directors may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information.

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.

The Board of Directors or any of its authorized Committees shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board or its Committee in this respect shall be final and binding. The subsequent modification(s)/ amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015 and other applicable laws in this regard shall automatically apply to this code.