

HIT KIT GLOBAL SOLUTIONS LIMITED

COD E OF PRACTICE & PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED

PRICE SENSITIVE INFORMATION

[Pursuant to Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015)

I. INTRODUCTION

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of The Hit Kit Global Solutions Limited (the Company) has formulated the Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information ('Code of Fair Disclosures or Code') which were approved by the Board of Directors ("Board") of the Company at it was effective from May 15, 2015.

In compliance of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 (notified by SEBI on December 31, 2018), and subsequent amendment to PIT Regulations notified on January 21, 2019, the Board of Directors has adopted this new Code. This revised Code will be applicable from April 1, 2019.

II. PURPOSE

The Code aims to provide a framework of practices and procedures for fair disclosure of events and occurrences which may impact the price discovery in the market for the securities of the Company listed on the stock exchanges.

III. DEFINITIONS

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

“Legitimate Purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), legal adviser(s), auditors, insolvency professional(s) or other advisor(s) or consultant(s), provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

“Unpublished Price Sensitive Information” or **“UPSI”** means any information, relating to the Company or its securities, directly or indirectly, that is not generally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 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 and such other transactions;
- v) Changes in key managerial personnel; and

The capitalized terms used but not defined herein shall have the meanings as ascribed to such terms in the Regulations.

IV. DISCLOSURE AND HANDLING OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. The Company shall adhere to the following practices and procedures to ensure timely and adequate disclosure of Unpublished Price Sensitive Information:
 - a. The Company shall promptly disclose UPSI to the stock exchanges where the securities of the Company are listed no sooner than the concrete and credible information comes into being in order to make such information Generally Available Information. The Company shall also upload such UPSI on its official website i.e. www.hitkitglobal.com after the disclosure is made to the stock exchanges.
 - b. The Company shall make uniform and universal dissemination of UPSI in the manner mentioned above and shall not disclose UPSI on selective basis.
 - c. The Board of Directors of the Company has designated the Company Secretary as Chief Investor Relations Officer who shall deal with dissemination and disclosure of UPSI.
 - d. In the event of any UPSI getting disclosed selectively, inadvertently or otherwise, the Company shall promptly disseminate such UPSI to the stock exchanges and on its official website, to make it generally available information.
2. In the event of any query or request for verification about news reports or market rumors by regulatory authorities, the Chief Investor Relations Officer shall fairly and appropriately respond to such queries and requests.
3. The Company shall ensure that the information shared with analysts and research personnel is not UPSI.
4. 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.
5. There shall be limited access to UPSI. UPSI will be disclosed on need to know basis only to those persons who need the information for legitimate purposes to discharge their duty or legal obligations.

V. POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

This policy is a part of the 'Code of Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

UPSI in connection with the Company or its Securities may be communicated or provided/ allowed access to, only where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The term “legitimate purpose” includes sharing of UPSI in the ordinary course of business with Company’s collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors, credit rating agencies, insolvency professionals or other advisors, service providers or consultants; provided that such sharing of UPSI has not been carried out to evade or circumvent the prohibitions of the Regulations.

Whether sharing of UPSI for a particular instance tantamount to ‘legitimate purpose’ would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

- i) whether sharing of such UPSI is in the ordinary course of business of the Company;
- ii) whether sharing of the information is in the interests of the Company or in furtherance of a genuine commercial purpose; and
- iii) whether the nature of UPSI being shared is commensurate to the purpose for which access is sought to be provided to the recipient.

Any person who is in receipt of UPSI pursuant to a “legitimate purpose” shall be considered as Insider for the purpose of Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

Additionally, structured digital database of recipients of UPSI shall be maintained by the Company in compliance with the requirements under the Regulations in this regard.

VI. Amendment of Fair Disclosure Code

The Board of Directors of the Company reserves the right to amend or modify this Fair Disclosure Code in whole or in part, as it may deem appropriate.
