INFRONICS SYSTEMS LIMITED

Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Preface

In an endeavour to preserve the confidentiality of Unpublished Price Sensitive Information ("UPSI") and to prevent its misuse in the day–to–day business affairs along with an aim to promote the culture of fair disclosure of information in due compliance with the Principles of Fair Disclosures as set out in the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time, (hereinafter referred as "SEBI (PIT) Regulations"), the Board of Directors of Infronics Systems Limited (the "Company") has formulated a Code of Conduct to be known as "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" (hereinafter referred as "Code for Fair Disclosure of UPSI" or "Code").

The Code is subject to review by the Board of Directors (the "Board") of the Company on any occasion where the SEBI (PIT) Regulations or applicable listing regulations are amended, or as and when otherwise deemed necessary.

Objects of the Code

The Code aims at:

- Preventing the misuse of UPSI within the Organization and practice of selective disclosures to the public;
- Acknowledging the necessity of communicating, providing or allowing access to information and promoting the principle of equality of access to information;
- Restriction on communication and trading by Insiders, and disclosure of trades by Insiders from time to time.
- Ensuring prompt, uniform and universal dissemination of UPSI in line with the timelines prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

Chief Investor Relations Officer

- The Company Secretary (CS) shall act as the Chief Investor Relations Officer ("CIRO"), and would be responsible for satisfactory discharge of the duties and responsibilities laid down under this Code. The CIRO may be contacted by email at: cs@infronics.in
- The Company through its CIRO is committed to ensure timely and accurate disclosures based on applicable legal and regulatory requirements.
- In the temporary absence of CIRO for any reason whatsoever, the Board shall nominate any other official to be responsible for discharge of duties and responsibilities under this Code.
- Employees of the Company shall not respond under any circumstances to enquiries from the stock exchanges, the media or others unless authorised to do so by the CIRO/Chief Financial Officer ("**CFO**")/ Whole-Time Director /Board of the Company.
- Other than the CIRO, only such officials as are specifically authorised by the Board / CFO from time to time (typically the Whole-Time Director, CFO and CIRO) may act as spokespersons of the Company for interactions with analysts, institutional investors and the media. A current list of authorised spokespersons shall be maintained by the CIRO.

- At least two authorised representatives of the Company shall be present at all analyst/institutional investor meetings, calls and conference presentations, and a summary or transcript of the same shall be retained and, where required under the LODR Regulations, hosted on the Company's website.

Procedural aspects involved in complying with the Principles of Fair Disclosure of information

In order to adhere to the principles as mentioned in Schedule A to the SEBI (PIT) Regulations, read with the material events specified under Regulation 30 and Schedule III of the LODR Regulations, the Company shall ensure the following:

S. No.	Principles	Procedure
1	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.	In this regard, to ensure fair and timely disclosure of information that would have direct impact on the market price of the securities, the Company generally follows the below-mentioned procedure: A. Intimates the Stock Exchange(s) in advance about the Board Meeting in which any such proposal is to be considered; B. Intimates the outcome of the said Board Meeting within the timeline prescribed under Regulation 30 of the LODR Regulations from time to time; C. For events not emanating from a Board Meeting, intimates the Stock Exchange(s) within the timelines prescribed under Regulation 30 of the LODR Regulations from time to time, as applicable; D. Updates the Stock Exchange(s) about the current happenings in respect of the events that have direct bearing on the market sentiments for onward dissemination to the public at large.
2	Uniform and universal dissemination of UPSI to avoid selective disclosure.	To ensure that the UPSI is evenly and properly disseminated, the Company generally, in compliance with the provisions of applicable statutes, follows the following procedure & practices: A. Intimates the said information to the Stock Exchange(s) where its securities are listed, within the stipulated time period; B. Publicise the said information in the Newspapers, wherever mandated under various Statutes; C. Uploading the said information on the Official Website under Investors' Relations Section as early as possible or as is stipulated under various Statutes; D. Put on the Company's website quarterly and annual financial results and all investor presentations pertaining to such financial

		results for reference of the general public, and retains such disclosures on the website for the minimum archival period prescribed under Regulation 46 of the LODR Regulations.
3	Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.	To ensure authentication of the information to be disclosed to the stakeholders, the said information is generally cross verified by the CIRO. However, if any information gets disclosed selectively, inadvertently or otherwise, the Company: A. Intimates the facts and rectified information to the Stock Exchange(s), where the securities of the Company are listed, for onward dissemination to the shareholders; B. Publicise the facts and rectified information, if required, in the Newspapers.
4	Appropriate and fair response to queries on news reports and requests for verification of market rumours by Regulatory Authorities.	A. The CIRO is responsible for giving appropriate and fair response to queries on news reports and requests for verification of market rumours by Regulatory Authorities such as Stock Exchanges, etc. B. Employees of the Company shall not respond under any circumstances to enquiries from the Stock Exchanges, the media or others unless authorised to do so by the CIRO of the Company. C. Employees and Designated Persons shall not discuss, confirm, deny or comment on any UPSI or unverified market rumour concerning the Company on social media, instant messaging platforms or any other public or semi-public forum, whether in an official or personal capacity. (Note: The Company shall not comment on every market rumour. If the Stock Exchange requests, the Company shall submit its response to the market rumour, within the timeline prescribed under the LODR Regulations.)
5	Handling of all UPSI on a need-to-know basis.	The Company has in place various suitable safeguards, including "Code of Conduct for regulating, monitoring and reporting of trading in securities by Designated Persons" to avoid UPSI becoming available to any person who is not required to have access to such information. UPSI may, however, be disclosed to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.

6	Policy for Determination of Legitimate Purpose for sharing of UPSI.	The Company has in place a policy for determination of legitimate purpose for sharing of UPSI. The same is attached as Annexure A to this Code.

7. Maintenance of Structured Digital Database (SDD) and Trading Window

- The Company shall maintain a Structured Digital Database internally, capturing the names of persons with whom UPSI is shared for a legitimate purpose along with the Permanent Account Number or other identifier, in a manner that is non-tamperable, with time stamping and audit trails, in compliance with Regulation 3(5) of the SEBI (PIT) Regulations.
- Where UPSI relates to information or an event emanating from outside the Company, the details thereof shall be entered into the Structured Digital Database within two calendar days of receipt of such information, in accordance with the SEBI (PIT) Regulations.
- The trading window for Designated Persons and their immediate relatives shall not be required to be closed solely on account of UPSI that originates from outside the Company, subject to the conditions prescribed under the SEBI (PIT) Regulations; the trading window shall, however, continue to apply to all UPSI that emanates from within the Company in the ordinary course, including the Company's financial results. This Structured Digital Database is maintained as part of, and shall be read together with, the institutional mechanism for prevention of insider trading maintained by the Company under Clause 10 (Institutional mechanism for prevention of Insider Trading) of the Company's Code of Conduct for Prohibition of Insider Trading, adopted pursuant to Regulation 9A of the SEBI (PIT) Regulations.

8. Quiet Period

- A “Quiet Period” shall be observed from the end of each financial quarter/year until the announcement of financial results to the Stock Exchange(s), during which no officer, employee or Designated Person shall provide any guidance, projection or forward-looking commentary on the Company’s financial performance to analysts, institutional investors, media or any third party.
- Any scheduled investor meetings, conferences or roadshows falling within the Quiet Period shall be conducted strictly without reference to unpublished financial information for the relevant period.

9. Reporting of Breach

- Any suspected breach of this Code, including any instance of selective or inadvertent disclosure of UPSI, shall be reported promptly to the CIRO, who shall place the matter before the Audit Committee/Board as appropriate.
- Violation of this Code shall be dealt with in accordance with the Company’s Code of Conduct for Designated Persons, applicable disciplinary policy, and the SEBI (PIT) Regulations, and may attract action under applicable law.

Annexure A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE FOR SHARING OF UPSI

[Framed under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Introduction

This Policy has been framed in compliance with the provisions of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI (PIT) Regulations").

This Policy shall be applicable to all "Insider(s)".

Words and expressions used and not defined in this Policy or in the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information shall have the same meanings assigned to them respectively in the SEBI (PIT) Regulations or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be, including amendment(s)/modification(s) thereto.

DETERMINING LEGITIMATE PURPOSE:

"**Legitimate Purpose**"

Legitimate means anything that is conforming to the laws or rule. Hence, a behavior, which is in conformance to the laws, is a legitimate act. Any act done with acceptable principles of reasoning or is sensible and valid and can said to be a legitimate act.

The term "legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, 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 under SEBI PIT Regulations, and provided that such persons have entered in to a Non-Disclosure Agreement with the Company or are otherwise subject to a confidentiality obligation, so that the recipient maintains the confidentiality of (and not inappropriately use) the material non-public information / UPSI.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of SEBI PIT Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with SEBI PIT Regulations.

"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, and shall ordinarily include, but not be restricted to, information relating to the following:

i. Financial results and guidance;

ii. Dividends;

iii. Change in capital structure;

iv. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;

v. Changes in Key Managerial Personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;

vi. Change in rating(s), other than ESG rating(s);

vii. Fund raising proposed to be undertaken;

viii. Agreements, by whatever name called, which may impact the management or control of the Company;

ix. 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;

x. Resolution plan / restructuring / one-time settlement in relation to loans/borrowings from banks/financial institutions;

xi. Admission of a winding-up petition filed by any party/creditors, and admission of an application by the Tribunal filed by the corporate applicant or financial creditors for initiation of the corporate insolvency resolution process against the Company as a corporate debtor, approval of a resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;

xii. 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 the final forensic audit report;

xiii. 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, senior management, promoter or subsidiary, in relation to the Company;

xiv. Outcome of any litigation(s) or dispute(s) which may have an impact on the Company;

xv. Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party, by the Company not in the normal course of business;

xvi. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals; and

xvii. Such other matters as may be specified under the SEBI Regulations or decided by the Company from time to time.

Sharing of UPSI

The Company, in its ordinary course of business, may share UPSI, for Legitimate Purpose, with:

- partners;
- collaborators;
- lenders;
- customers;
- suppliers;
- 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 this Code and SEBI (PIT) Regulations.

Explanation: For the Company its "Ordinary course of business" includes regular and usual day to day transactions, general customs and practices of a business performed in the Company.

Communication pursuant to sharing of UPSI

- The Insider in possession of UPSI, shall be given due notice to maintain confidentiality of UPSI in compliance with SEBI (PIT) Regulations;
- The Insider shall keep information so received confidential and shall not trade in securities of the Company when in possession of UPSI;
- The Company shall take requisite information before communicating UPSI to such persons, including but not limited to:
    - Full name of the recipient of UPSI;
    - Name of the entity whom the recipient represents;
    - Complete Registered office address of the recipient entity; and
    - Permanent Account Number or other identifier authorised by law in case Permanent Account Number is not available of the recipient and his entity.
- The above particulars, together with the nature of UPSI shared and the date of sharing, shall be recorded by the Company in the Structured Digital Database referred to in Clause 15 of the Code 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 or such other longer timelines prescribed under the SEBI (PIT) Regulations from time to time.

Amendment

In case there are any regulatory changes requiring amendment/modification to this policy, the same shall be reviewed and amended with the approval of the Board. However, the amendment in the regulatory requirements shall be binding on the Company and shall prevail even if the same is not incorporated in this Policy.

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