

# WABCO INDIA LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

## 1. INTRODUCTION:

The Securities and Exchange Board of India (“**SEBI**”) has, in order to protect the interests of investors in general and to put in place a framework for prohibition of insider trading in securities of the Company and to strengthen the legal framework thereof, has issued the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**the Regulations**”) pursuant to the powers conferred on it under section 30 of the Securities and Exchange Board of India Act, 1992. The Regulations came into force with effect from 15th May 2015 and the same are applicable to all companies whose shares are listed on any recognised stock exchange.

Accordingly, the Board of Directors of WABCO INDIA LIMITED (“**WABCO**” or the “**Company**”) has formulated this Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information (“**Code**”) which came into effect from May 15, 2015 and has been amended from time to time.

The Objective of the Code is to ensure timely and adequate disclosure of Unpublished Price Sensitive information and to determine “legitimate purpose” for which UPSI may be shared with insiders as well as with persons outside the Company (example partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants).

## 2. DEFINITIONS

In this Code, unless the context otherwise requires, the following words, expression and derivations therefrom shall have the meanings assigned to them, as under:

- (a) “**Act**” means the Securities and Exchange Board of India Act, 1992 and includes any statutory modifications or amendments thereto from time to time in force.
- (b) “**Board**” means the Board of Directors of the Company.
- (c) “**CEO**” means the Chief Executive officer of the Company as defined under section 2(18) of the Companies Act, 2013;
- (d) “**CFO**” means the Chief Financial Officer of the Company as defined as defined under section 2(19) of the Companies Act, 2013;
- (e) “**Compliance Officer**” means the Company Secretary or such other senior officer of the Company as designated by the Board from time to time, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trading and the implementation of the codes specified under the Regulations under the overall supervision of the Board and reporting to the Board.

- (f) **“Connected Persons”** means Connected Person as defined under the Regulations and shall also include Promoters, Promoter Group and their directors and key managerial personnel.
- (g) **“Chief Investor Relation Officer” (“CIRO”)** means the CFO or such other senior officer of the Company as designated by the Board from time to time, for dealing with dissemination of information and disclosure of UPSI in a fair and unbiased manner. If the CIRO and the Compliance Officer are two different persons, then the CIRO will act in consultation with the Compliance Officer.
- (h) **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.
- (i) **“Insider”** means any person who is:  
i. a Connected Person; or  
ii. in possession of or having access to UPSI.
- (j) **“Need to Know”** means that UPSI should be disclosed by an Insider to only those person and other Insiders who need the information to discharge their duty or legal obligations or whose possession of such information will not give rise to any conflict of interest or appearance of misuse of information.
- (k) **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- (l) **“Promoter Group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- (m) **“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 including but not restricted to, information relating to the following:  
a. financial results;  
b. dividends;  
c. issue of securities or buy-back of securities  
d. change in capital structure;  
e. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and  
f. changes in key managerial personnel.

### **3. OVERSEEING AND CO-ORDINATING DISCLOSURE:**

Functions of the Chief Investor Relation officer (CIRO)

- a) To determine whether any particular information, other than those specified in this Code, be UPSI;
- b) To deal with and dissemination of UPSI timely and adequately;
- c) Timely disclosures of shareholdings/ownership of major shareholders and disclosure of changes in ownership; and
- d) To decide the Company response, if any, to any market news or rumour in accordance with this Code.

In addition to CIRO, the Chairman, Managing Director and CFO are also authorised to communicate with Investors and / or news agencies / media in co-ordination with CIRO.

Compliance Officer in co-ordination with CIRO, shall ensure the dissemination of UPSI to BSE Limited and National Stock Exchange Limited, where the securities of the Company are listed.

All disclosure/dissemination of any UPSI (save and except disclosure required to be made under any law or under this Code) on behalf of the Company shall be first marked to the CIRO, for approval. Any such information shall be made public or published on behalf of the Company only if the same is approved by the CIRO. In case of doubt, the CIRO, shall consult and seek approval of the Managing Director/ Chief Executive Officer / Compliance Officer / Company Secretary before dissemination of such information.

Should any dissemination of information on behalf of the Company take place without prior approval referred above, out of accidental omission, selectively, inadvertently or otherwise by any Employee / Director of the Company, then such Employee / Director of the Company shall forthwith inform the Compliance Officer and Company Secretary, about such disclosure. The Compliance Officer in co-ordination with the Company Secretary will then promptly disseminate the information so as to make such information generally available.

### **4. PRINCIPLES OF FAIR DISCLOSURE**

1. The Company shall ensure:

- a) 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.
- b) uniform and universal dissemination of UPSI to avoid selective disclosure.
- c) prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to ensure that this information is made generally available.

- d) provision of appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- e) that the information shared with analysts and research personnel is not UPSI;
- f) that all Insiders or designated persons will be required to immediately communicate any UPSI, which comes into their possession /knowledge, to the CISO to facilitate timely, credible and adequate disclosure of such UPSI.
- g) handling of all UPSI on a need-to-know basis only.
- h) that no person, except those authorised by the CISO, Compliance Officer, CFO or the Managing Director, shall disclose any information relating to the business activities of the Company to analysts and institutional investors.
- i) The Directors, officers and employees of the Company, shall provide only public information to analysts and institutional investors. In case non-public information is proposed to be provided, the person proposing to provide such information shall consult the CISO in advance. The CISO shall, in such cases, ensure that that the information provided to the analyst or institutional investor as above is made public simultaneously with such disclosure.
- j) developing 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.
- k) The Company shall take extreme care and caution when dealing with analysts' questions that raise issues outside the intended scope of discussion.
- l) Unanticipated questions may be noted and a considered response given later. If the answer to any question requires dissemination of UPSI, a public announcement should be made before responding to the same.

**Note:** Making available the audio/video recordings and transcripts etc., on the official website of the Company would be done as required under the regulations.

2. UPSI, subject to applicable laws and statutory requirements, may be disclosed uniformly, by either of the following ways:
  - a) Promptly filing with the Stock Exchanges;
  - b) Uploading the information on the website of the Company;
  - c) Distributing through Press Releases in newspapers or media including electronic media.
  - d) Any other method that ensures wide and uniform dissemination of UPSI.

## **5. POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

### **INTRODUCTION**

The Policy for determination of legitimate purposes forms part of the Code and has been formulated pursuant to Regulation 3(2A) of the Regulations.

### **LEGITIMATE PURPOSE**

As per the Regulations, no insider shall communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

All information should be handled on a need-to-know basis.

Legitimate purpose means and includes sharing of UPSI in the ordinary course of business on a need-to-know basis. The Company may share UPSI if required in the interest of the Company. Legitimate Purpose shall inter alia include sharing of UPSI on a need to know basis by an Insider with:

- (i) any other Insider,
- (ii) holding company, ultimate holding company, Promoters or any entity forming part of the Promoter Group, or any person/entity/accounting or audit firm authorized by them,
- (iii) subsidiaries, associates, joint ventures,
- (iv) any governmental and other statutory authority, Courts of law, Tribunals,
- (v) intermediaries and fiduciaries engaged by the Company,
- (vi) partners,
- (vii) collaborators,
- (viii) lenders,
- (ix) customers,
- (x) suppliers,
- (xi) merchant bankers,
- (xii) rating agencies,
- (xiii) legal advisors, income tax advisors, auditors, insolvency professionals or other advisors or consultants,
- (xiv) Such other person as may be decided by the audit committee.

provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

Sharing of UPSI would be considered as legitimate purpose, in various circumstances including:

- (a) Sharing of UPSI in business situations like acquisitions, mergers, amalgamations, divestments, possible investment/disinvestment in a new venture/existing undertaking, or any other transaction(s)/ corporate action(s) where an insider (s) needs to share information for the transaction(s) to be successful;

- (b) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CISO in the best interest of the Company.

In the event of any doubt, the concerned Insider shall seek the approval of the Managing Director, CEO, CFO, CISO or the Compliance Officer along with the full and complete details of the background, purpose, and effect on the Company in the event of non-disclosure, to enable the concerned person to make an informed judgment that the reason for disclosure constitutes legitimate purpose.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” for the purpose of the Regulations and shall comply with the Code.

### **PROCESS FOR SHARING UPSI**

The Insider is advised to conduct the following steps whilst sharing UPSI:

1. Satisfy that the information proposed to be shared is UPSI and sharing of UPSI is in furtherance of a legitimate purpose;
2. Identify the persons with whom UPSI is to be shared;
3. Notify the recipient that UPSI is being shared with them and confidentiality / non-disclosure agreements shall be signed or due notice shall be given to maintain confidentiality to all such persons.
4. Mode of sharing UPSI shall be either by an email (addressed directly to the insider without marking any copies) or any other electronic mode or device or provide access to the information, data, server with acknowledgement or verbal exchange.
5. Use of passwords or utilisation of all appropriate data encryption controls for accessing documents containing UPSI.
6. Maintain in the digital database of the Company, the names of persons with whom UPSI is shared, along with their PAN or any other identifier authorized by the law, where PAN is not available. The said database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This database shall be kept confidential.

### **AMENDMENT**

The Board of Directors of the Company may amend or replace this Policy with a new Policy or amend the Code.

In any circumstance where the terms of this Policy or the Code differ from any law, rule or regulation for the time being in force, such law, rule, regulation shall prevail over this Policy and the Code.

### **Disclosure of the Code**

The Code shall be posted on the website of the Company.