

PATEL RETAIL LIMITED

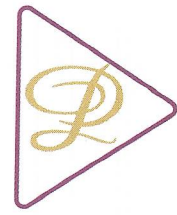
(FORMERLY KNOWN AS PATEL RETAIL PRIVATE LIMITED)

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PATEL RETAIL LIMITED

TRUST & TOGETHERNESS

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3(2A) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

Patel Retail Limited (“**Company**”) shares data or information with various stakeholders like organisations, institutions, agencies, persons etc. in the ordinary course of its business. Such unpublished data / price sensitive information, if made publicly available, is likely to materially affect the price of securities of the Company. Regulation 3(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**SEBI PIT Regulations**”) prohibits an insider from communicating, providing or allowing access to any unpublished price sensitive information relating to a company or securities proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

This “Policy for Determination of Legitimate Purposes” (“**Policy**”) is being framed by the Board of Directors of the Company, in accordance with Regulation 3(2A) of the SEBI PIT Regulations.

1. DEFINITIONS

- (a) “**Connected person**” means the definition as prescribed under regulation 2(1)(d) of the SEBI PIT Regulations;
- (b) “**Insider**” means any person who is:
 - (i) a connected person;
 - (ii) in possession of or having access to unpublished price sensitive information.
- (c) “**Unpublished Price Sensitive Information**” (“**UPSI**”) means any information, relating to a company or its securities, directly or indirectly, that is not generally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 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.

- (d) **“Legitimate Purposes”** shall include sharing of UPSI 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 of these regulations.

2. OBJECTIVE

The objective of this Policy is to identify ‘Legitimate Purposes’ for performance of duties or discharge of legal obligations, which will be considered as exception for procuring UPSI relating to the Company. The assessment of whether sharing of UPSI for a particular instance would tantamount to ‘legitimate purpose’ would depend on the specific facts and circumstances of each case. Accordingly, this Policy only sets out the principles that should be considered while assessing if the purpose for which UPSI is proposed to be shared is “legitimate”. Primarily, the following factors should be considered to determine the legitimate purpose:

- (i) whether sharing of such UPSI is in the ordinary course of business of the Company;
- (ii) whether such sharing of such UPSI has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations;
- (iii) whether sharing the information is in the best interests of the Company or in furtherance of a genuine commercial purpose;
- (iv) whether the information is required to be shared for enabling the Company to discharge its legal and/or contractual obligations;

It is clarified that in the event there exist multiple purposes for sharing UPSI, each purpose will be evaluated on its own merits, in line with the aforementioned principles.

3. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

- 3.1 Regulation 3(2B) of the SEBI PIT Regulations states that any person in receipt of UPSI pursuant to a Legitimate Purpose shall be considered as an insider for the purpose of the SEBI PIT Regulations and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with the regulations.
- 3.2 In line with the aforesaid, the Company shall inform the recipient of UPSI, by way of written intimation and/or contractual agreement, such as confidentiality agreement, that (i) the information being shared is UPSI and that the Company is the exclusive owner of such UPSI; (ii) upon receipt of UPSI, the recipient would be deemed to be an Insider and subject to the provisions of the SEBI PIT Regulations; (iii) the recipient must maintain confidentiality of the UPSI at all times; (iv) the recipient may use the UPSI only for the approved purposes for which it was disclosed; (v) the recipient should provide a written undertaking that he/she/it shall not undertake trades in the securities of the Company while in possession of the UPSI; and (vi) the recipient must extend all co-operation to the Company, as may be required in this regard.

4. STRUCTURED DIGITAL DATABASE

A structured digital database shall be maintained containing the nature of UPSI and the names of such persons or entities with whom such information is shared or who has shared such information along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained internally, with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This digital database should be preserved for a period of not less than eight (8) years after completion of the relevant transactions. In the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

5. POLICY REVIEW AND AMENDMENT

This Policy may be reviewed by the Board and necessary amendments may be incorporated therein. All the provisions mentioned under this Policy are subject to any amendments or modifications that maybe made in the applicable rules and regulations from time to time. In the event of any conflict between the provisions of this Policy and the SEBI PIT Regulations, the SEBI PIT Regulations shall prevail over this Policy.
