

◉ INFO EDGE ◉
INFO EDGE (INDIA) LTD.

May 10, 2019

1. **The Manager- Listing**
National Stock Exchange of India Limited
(Scrip Code: NAUKRI)
2. **The Manager- Listing**
BSE Limited
(Scrip Code: 532777)

Sub: Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information encompassing, inter-alia, the Policy for determination of legitimate purpose.

Dear Sir/ Madam,

Pursuant to Regulation 8(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, please note that the Board of Directors approved the reconstituted Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information encompassing, inter-alia, the Policy for determination of legitimate purpose.

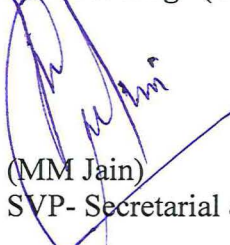
Please find enclosed herewith a copy of the Policy for determination of legitimate purpose. This is effective from April 1, 2019.

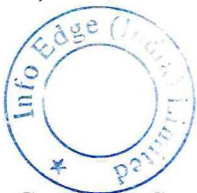
Further, the said Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information is also available on the website of the Company.

Please take the same on your record.

Thanking you

Yours truly
For **Info Edge (India) Ltd,**


(MM Jain)
SVP- Secretarial & Company Secretary



Encl: A/a

Info Edge Policy for Determination of Legitimate Purposes

Effective Date: April 1, 2019

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1. Introduction

In terms of regulation 3(2A) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**Regulations**”), all listed companies are required to have a policy for determination of “legitimate purposes” with effect from April 1, 2019. The Company has framed this Info Edge Policy for Determination of Legitimate Purposes (“**Policy**”) as required under the regulatory mandate. The Policy is being adopted as part of the Codes of Fair Disclosure and Conduct by the Board of Directors with effect from April 1, 2019 in accordance with aforesaid, as amended.

2. Objective

The Company is committed to maintaining the highest standards of compliance. Equal access to information and information symmetry is the cornerstone of efficient functioning of any securities market. The objective of this Policy is to ensure responsible treatment of unpublished price sensitive information with Persons outside the Company. The law does, however, facilitate asymmetric access to UPSI for legitimate purposes, performance of duties and discharge of legal obligations.

The Company recognizes that once UPSI is shared for legitimate purposes, the Company loses control over further use of that information by those who come into its possession. As noted by the Committee on Fair Market Conduct constituted by SEBI, it is difficult to unequivocally define the term “legitimate purpose” and accordingly, this Policy is aimed at laying down broad guidelines for determining legitimacy.

3. Applicability

This Policy is applicable to all Insiders.

4. Definitions

- a. “Authorized Persons” means the Persons mentioned below:
 - i. Directors of the Company, including Managing Director(s)/Whole time Director(s);
 - ii. Key Managerial Personnel of the Company; and
 - iii. Compliance Officer.
- b. “Code” means the Info Edge Code of Conduct to Regulate, Monitor & Report Trading by Insiders for Prevention of Insider Trading;
- c. “Connected Person” means:
 - i. any Person who is or has, during the six months prior to the concerned act, been associated with a company, directly or indirectly, in any capacity including:
 - a) by reason of frequent communication with its officers; or



- b) by being in any contractual, fiduciary or employment relationship with the company; or
- c) by being a director, officer or an employee of the Company; or
- d) holding any position including a professional or business relationship between himself and the Company whether temporary or permanent;

that allows such Person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

- ii. Without prejudice to the generality of the foregoing, the Persons falling within the following categories shall be deemed to be Connected Persons, *unless the contrary is established*:

- a) an immediate relative of Connected Persons specified in clause (i); or
- b) a holding company or associate company or subsidiary company; or
- c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
- d) an investment company, trustee company, asset management company or an employee or director thereof; or
- e) an official of a stock exchange or of clearing house or corporation; or
- f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- g) a member of the Board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- i) a banker of the Company; or
- j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

d. “Designated Persons” means, collectively,

- i. Promoters of the Company;
- ii. Directors of the Company, including Managing Director(s)/Whole time Director(s);
- iii. Key Managerial Personnel of the Company;



- iv. Employees of the Company two levels below the Managing Director;
 - v. Every employee of the Company in the functional areas such as Finance, Accounts, Taxation, Corporate Communication, Information and Technology & Secretarial at the level of WL-10 and above;
 - vi. Executive Assistants of Managing Directors/Whole-time Directors;
 - vii. Chief Executive Officer of Material Subsidiaries and employees of Material Subsidiaries up to two levels below the Chief Executive Officer;
 - viii. Directors and Key Managerial Personnel of Material Subsidiaries;
 - ix. Any other employee as may be designated by the Compliance Officer in consultation with the Managing Director/Whole-time Director considering the objectives of the Regulations and the Code; and
 - x. Immediate Relatives of the Persons mentioned from (i) to (ix).
- e. **“Insider”** means any Person who is:
- i. a Connected Person; or
 - ii. in possession of or having access to Unpublished Price Sensitive Information;
- f. **“Legitimate Purpose”** shall include sharing of UPSI in the ordinary course of business by an Authorized Person, on a need to know basis 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 the Regulations.
- For the purposes of this clause, “ordinary course of business” shall mean and include the activities undertaken by the Company, which are necessary, normal and incidental to the business of the Company. It shall include also include those activities that occur frequently, and where the quantum of transactions is consistent with past history.*
- g. **“Person”** “Person” includes—
- (i) an individual (i.e., a natural person),
 - (ii) a Hindu undivided family,
 - (iii) a company,
 - (iv) a firm,
 - (v) an association of persons or a body of individuals, whether incorporated or not,
 - (vi) a local authority, and
 - (vii) every artificial juridical person, not falling within any of the preceding sub-clauses;
- h. **“Recipient”** means any Person who receives UPSI from any Authorized Person under this Policy.
- i. **“Unpublished Price Sensitive Information” or “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 securities and shall, ordinarily including but not restricted to, information relating to the following:-

- (i). Financial results;
- (ii). Dividends;
- (iii). Changes in capital structure;
- (iv). Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v). Changes in Key Managerial Personnel.

Words and expressions used and not defined herein but defined in the Code shall have the meanings respectively assigned to them in the Code and/or Regulations.

5. Restrictions on Communication by Insiders

In terms of the Regulations and the Code, no Insider shall communicate, provide or allow access to any Unpublished Price Sensitive Information, relating to the Company or Securities listed or 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.

6. General Principles

- 6.1. Under this Policy, only Authorized Persons are allowed to share UPSI for Legitimate Purposes.

Provided that it is hereby clarified that UPSI may be shared with any Person in the circumstances mentioned in clause 13 below.

- 6.2. The Authorized Person sharing UPSI for Legitimate Purposes will be required to intimate the Recipient that he shall be considered as an "Insider" for the purpose of the Regulations and the Code.

Provided further that this clause shall not apply if UPSI is shared in furtherance of discharge of legal obligations. For the purposes of this clause, "legal obligation" shall mean the obligation or duty enforced by law or that is enforced by a court of law, tribunal, statutory or governmental authority or any other administrative body recognized by law.

- 6.3. Before UPSI is shared with a Recipient, the Company shall enter into a confidentiality agreement with such Recipient. The confidentiality agreement shall contain clauses restricting the Recipients from discussing confidential information with other Persons who are not authorised, defining policies of document management, meeting protocols, securities trading restrictions, imposing obligation on the Recipient to cooperate with any investigation of leak of UPSI and other confidentiality issues.



Provided that if it is not practical to sign a confidentiality agreement, then a notice may be given to the Recipient receiving UPSI containing necessary safeguards to be adopted by such person.

Provided further that this clause shall not apply if UPSI is shared in furtherance of discharge of legal obligations.

For the purposes of this clause, "legal obligation" shall mean the obligation or duty enforced by law or that is enforced by a court of law, tribunal, statutory or governmental authority or any other administrative body recognized by law.

6.4. The Compliance Officer shall maintain a physical and/or digital trail of information flows of UPSI shared with Recipients for Legitimate Purposes.

6.5. Authorized Persons shall report to the Compliance Officer when they share UPSI with a Recipient for Legitimate Purposes.

6.5 Notwithstanding anything mentioned above, the Company shall maintain the following information with respect to UPSI relating to financial results:

- i. Persons / members of committees involved in generation of the original data for the purpose of determination of key figures pertaining to financial figures.
- ii. Persons involved in the consolidation of figures for the financial results.
- iii. Persons involved in the preparation of Board notes and presentations.
- iv. Persons involved in dissemination of information relating to financial results in the public domain.
- v. Any other persons who had access to the information

7. Sharing of UPSI in connection with Mergers and Acquisitions

The sharing of UPSI in connection with a transaction may be communicated, provided, allowed access to or procured, if;

- a. It entails an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the company; or
- b. It does not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine.

The Board of Directors shall require such parties to execute agreements related to confidentiality and non-disclosure obligations for the above mentioned transactions.



8. Sharing of UPSI with Partners and Collaborators

8.1. Sharing of UPSI with partners and collaborators will be deemed to be for Legitimate Purposes if:

- 8.1.1. it is reasonable in the ordinary course of business; or
- 8.1.2. is for the purpose of facilitating a commercial transaction where Company is a Party; or
- 8.1.3. is necessary for fulfilling the Company's obligations under the agreement entered into with such partner or collaborator.

8.2. The sharing of the following UPSI with partners and collaborators will ordinarily be deemed to be for Legitimate Purposes:

- 8.2.1. Information related to financial statements, quarterly, half-yearly or yearly results;
- 8.2.2. Information related to material contracts, tenders and quotations;

9. Sharing of UPSI with Lenders

9.1. Sharing of UPSI with Lenders will be deemed to be for Legitimate Purposes if it is pursuant to a legal obligation under the agreement entered into with such lender, or mandated by the policies of the lender or the directions of the Reserve Bank of India.

9.2. The sharing of the following UPSI with lenders will ordinarily be deemed to be for Legitimate Purposes:

- 9.2.1. Information related to Debts of the Company whether secured or unsecured;
- 9.2.2. Financial Statements, growth statistics, cash flow projections;

10. Sharing of UPSI with Customers

Sharing of UPSI with customers will be deemed to be for Legitimate Purposes if:

- 10.1.1. it is reasonable in the Ordinary Course of Business; or
- 10.1.2. it is necessary for the purpose of promoting the business of the Company.

11. Sharing of UPSI with Advisors and Consultants

11.1. Sharing of UPSI with advisors and consultants will be deemed to be for Legitimate Purposes if:

- 11.1.1. it is reasonable in the ordinary course of business; or
- 11.1.2. it is necessary for the purpose of obtaining advice, consultation, fund raising, valuation or any other professional services.



11.2. The sharing of the following UPSI with advisors and consultants will ordinarily be deemed to be for Legitimate Purposes:

11.2.1. Information for the purpose of audit with Statutory, Secretarial & Internal Auditors;

11.2.2. Information regarding a proposed deal;

11.2.3. Due Diligence for any kind of restructuring namely mergers & acquisitions, share purchase agreements etc.

12. Sharing of UPSI with Directors and Employees

12.1. It is hereby clarified that this policy has been framed for sharing of UPSI with the Recipients.

12.2. The UPSI may be shared with the Directors and Employees for performance of duties as prescribed under the Code and/or the Regulations.

13. Sharing of UPSI in Other Circumstances

13.1. Notwithstanding anything contained above, sharing of UPSI with any Person will be deemed to be for Legitimate Purposes if it is disclosed:

13.1.1. For investigation, inquiry or request for information by statutory or governmental authority or any other administrative body recognized by law;

13.1.2. Under any proceedings or pursuant to any order of courts or tribunals;

13.1.3. As part of compliance with applicable laws, regulations, rules and requirements; or

13.1.4. If it is determined by the Compliance Officer that sharing of such UPSI is in the best interests of the Company and necessary for promoting the business of the Company.

