

United Bank of India- Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

[Framed under Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015]

(Last Reviewed on April 4, 2019)



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1. **PREAMBLE**

- 1.1. This Code of practices and procedures for fair disclosure of unpublished price sensitive information is being framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (‘the Regulations’) for ensuring comprehensive compliance with the said Regulations by the United Bank of India (“the Bank”) effective from May 15, 2015.

1.2 **OBJECTIVE**

The objective is to develop a framework and a policy for fair disclosure of events and occurrences that could impact the price discovery of the Bank’s securities in the market.

1.3 **NAME OF THE CODE**

This Code shall be known as “United Bank of India Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.”

1.4 **DEFINITIONS**

The following words or expressions unless the context otherwise requires, shall have the meanings ascribed to them as under:

Board	“Board” means Board of Directors of the Bank, as constituted from time to time.
Bank	“Bank” means United Bank of India.
Code	“Code” means ‘United Bank of India Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information’, as modified from time to time.
Compliance Officer	“Compliance Officer” means Company Secretary or any other senior officer, designated so and reporting to the Board of Directors of the Bank, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under SEBI (Prohibition of Insider Trading) Regulations, 2015 and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in said regulations under the overall supervision of the Board of Directors of the Bank.
Functional Head(s)	“Functional Head(s)” shall mean Head of the Departments / Functions who are responsible for relevant areas of the Bank’s operations.
Legitimate purpose	“Legitimate purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers,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 of these and Insider Trading Regulations.

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Official(s)	“Official(s)” of the Bank shall include the Board Members and Senior Management Personnel of the Bank including the Functional Head(s) or such other person who is deemed to have been in possession of Unpublished Price Sensitive Information (UPSI) by virtue of his position in the Bank or in connection with a particular event / activity necessitating handling of UPSI.
Unpublished Price Sensitive Information/UPSI	“Unpublished Price Sensitive Information/ UPSI” shall have the same meaning as defined in United Bank of India – Code of conduct for prohibition of Insider Trading.

All words / terms used and not defined in the Code shall have the same meaning as defined in United Bank of India – Code of conduct for prohibition of Insider Trading or assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 or under applicable SEBI Guidelines or Acts, Rules, Regulations governing the Bank (including any statutory modification / re-enactment thereof). Words importing the singular number shall include the plural number and words importing the masculine gender shall where the context admits, include the feminine and neutral gender.

2. UNPUBLISHED PRICE SENSITIVE INFORMATION

- 2.1. The Bank, upon receipt of credible and concrete information, shall promptly disclose unpublished price sensitive information that could impact price discovery of its securities in the market.
- 2.2. The Bank shall disseminate the unpublished price sensitive information on uniform and universal basis and take due care to avoid selective disclosure.
- 2.3. The Bank shall endeavour to disclose the information / release unpublished price sensitive information promptly to Stock Exchanges first before releasing it to the media / analyst to avoid selective information. However, in case the Bank selectively discloses any unpublished price sensitive information inadvertently or otherwise, the steps shall be taken to disseminate the same promptly to make such information generally and publicly available.
- 2.4. The Officials of the Bank and the connected persons shall have access to unpublished price sensitive information only on need to know basis wherein such communication is in furtherance of legitimate purpose and in accordance with the provisions of the Regulations.

3. DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- 3.1. The Compliance Officer, in his absence any Senior Officer designated as such, shall act as the Chief Investor Relations Officer in terms of the Regulations to deal with the dissemination of information and disclosure of information.
- 3.2. The Compliance Officer shall ensure that the Bank complies with continuous disclosure requirements, overseeing and coordinating disclosure of unpublished price sensitive information to stock Exchanges, shareholders and media and educating & sensitizing staff members on disclosure policies and procedures.

- 3.3. The Compliance Officer shall be assisted in his responsibilities for overseeing corporate disclosure practices by the Company Secretary who is designated as the nodal officer for co-ordination and communication with the Stock Exchanges and also for ensuring compliance with various terms and conditions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- 3.4. Information meant for disclosure / dissemination other than those which are routine and in the regular course of business should normally be approved in advance by the Managing Director & CEO and / or Executive Director(s).
- 3.5. If the information is accidentally disclosed without prior approval, the person responsible for such disclosure shall inform the Compliance Officer immediately, even if the information is not considered to be price sensitive and if required, the Compliance Officer shall take all reasonable steps to rectify and/or regularise the same.

4. RESPONDING TO MARKET RUMOURS

- 4.1. The following procedure shall be followed for responding to any queries or requests from Stock Exchanges or any other regulatory authority for verification of market rumours.
- 4.1.1. All queries or requests for verification of market rumours received from the Stock Exchanges or any other regulatory authority shall be handled by the Compliance Officer, who shall arrange to obtain the necessary information/ clarifications from the departments concerned under the approval of the respective Functional Head(s), General Manager/ Departmental Head.
- 4.1.2. Managing Director & CEO or in his absence, the Executive Director(s) shall be responsible for deciding whether a public announcement/disclosure is necessary for verifying or denying rumours and making such announcement/disclosure, if required.
- 4.1.3. Functional Head(s) of the Bank shall keep the Compliance Officer posted on all developments taking place in their respective functional areas that have a bearing on the Bank's working and profitability.

5. DISCLOSURE OF PRICE SENSITIVE INFORMATION TO ANALYSTS, BROKERS, INSTITUTIONAL INVESTORS

- 5.1. The Chief Financial Officer (CFO) shall be the designated official responsible for ensuring compliance with disclosure / dissemination of price sensitive information to analysts and institutional investors in the manner set out in clauses 5.2 to 5.5 below:
- 5.2. **Only public information to be provided:** The Bank shall ensure that information shared with analysts/ research personnel/ large investors/ financial institutions is not unpublished price sensitive information. The information shared shall be publicly available. By inadvertence or otherwise, if any unpublished price sensitive information is shared, the same shall simultaneously be made public.

- 5.3. **Recording of Discussion:** The Managing Director & CEO or the Executive Director(s) or the Chief Financial Officer shall be present at all meetings with Investment Analysts, Brokers and Institutional Investors and best practices should be developed to make transcripts or records of proceedings of meetings in order to avoid misreporting or misrepresentation.
- 5.4. **Publishing on website:** The Bank shall publish transcripts or records of proceedings of meetings with analysts and other investor relation conferences on its website to ensure official confirmation and documentation of disclosure made.
- 5.5. **Handling of unanticipated questions:** The Bank shall ensure due care in dealing with analysts' questions pertaining to areas outside the intended scope of discussion. Unanticipated questions shall be taken on notice and considered response shall be given later in consultation with the Managing Director & CEO or the Executive Director(s). If the answer to any question includes / requires dissemination / disclosure of any price sensitive information, the same should be strictly avoided or a public announcement shall be made immediately after responding.
- 5.6. **Simultaneous release of information:** After the Analyst/Investors Meets, the Bank shall issue a press release or post relevant information on its website and wherever feasible, make necessary arrangements for live webcasting of analyst meets.

6. DISCLOSURE / DISSEMINATION CHANNELS

- 6.1. Disclosure and dissemination of information shall be done through various media including disclosure to Stock Exchanges so as to achieve maximum reach and expeditious dissemination.
- 6.2. Disclosure and dissemination of information made through any one of the various media including disclosure to Stock Exchanges shall be treated as proper disclosure and dissemination of the information.
- 6.3. Functional Head(s) of the Bank shall inform the Compliance Officer regarding the press releases issued by the Bank covering inter alia product launch, opening of branches/regions, financial and/or business data etc. or any other event or incident in their respective functional areas which they feel and believe are material and/or has the potential to alter the share pricing of the Bank on the Stock Exchange(s) beyond a reasonable limit, for dissemination to the Stock Exchanges/ concerned authorities.
- 6.4. Wherever in the Press Release as mentioned in Clause 6.2. or 6.3., any forward looking statements, projected figures / data relating to Bank has been incorporated, the said Press Release shall mandatorily contain the standard disclaimer as mentioned hereinbelow or similar disclosure:

“Certain statements in in the communication are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be forward-looking statements,

including but not limited to the statements containing the words 'planned', 'expects', 'believes', 'strategy', 'opportunity', 'anticipates', 'hopes' or other similar words. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding impact of pending regulatory proceedings, fluctuations in earnings, Bank's ability to manage growth, intense competition, factors affecting its cost, wage increase, customer acceptances of Bank's services, product and fee structures, its ability to attract and retain skilled professionals, ability to manage its assets in a cost effective and timely manner, movements in international currencies and commodity prices, reduce demand for advances, the success of Bank's marketing and brand development efforts, liability for damages on Bank's contracts, the success of companies / entities to which Bank has made advances, withdrawal of government incentives, political stability, legal restrictions on raising capital, schemes / subsidies and developments in the Indian Banking Industry, other risks, uncertainties and general economic conditions affecting Banking industry. There can be no assurance that the forward-looking statements made herein will prove to be accurate, and issuance of such forward-looking statements should not be regarded as a representation by the Bank, or any other person, that the objective and plans of the Bank will be achieved. All forward-looking statements made herein are based on information presently available to the Management of the Bank and the Bank does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Bank."

7. DECLARATION

The Bank hereby declares that all requisite measures shall be taken to ensure adherence with the Bank's Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

8. REVIEW OF THE CODE

This Code shall be reviewed once in a financial year or as and when the Board of Directors of the Bank deems fit. Any subsequent amendment / modification in the Regulations (including any circular, notification, press release) governing this Code in the intervening period between the reviews, shall automatically apply upon the Code and the Code will be deemed to be modified to that extent without requiring approval of the Board for the amendment(s) during this period on case to case basis. The Managing Director & CEO or in his absence, the Executive Director(s) of the Bank shall have the power to amend / revise the Code, subject to ratification of the same by the Board of Directors at its immediate next meeting.
