

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED
PRICE SENSITIVE INFORMATION AND CODE OF CONDUCT FOR TRADING BY INSIDERS
OF
B.A.G. FILMS AND MEDIA LIMITED
(Effective from 15th May 2015)**

I. Introduction

The Securities and Exchange Board of India ("SEBI") vide Notification No. LAD-NRO/GN/2014-15 dated 15th January, 2015 has introduced new regulation to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework. These regulations will be called as SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Regulation").

In the SEBI Regulations, the SEBI has brought significant changes which are:

- Every insider of a listed company is now required to either pre-clear a trading or formulate and declare a trading plan in advance to undertake trading in the shares of that company.
- Board of Director of a listed Company is required to formulate and publish an internal code for disclosure of Unpublished Price Sensitive Information of the Company.
- Board of Director of a listed company is also required to formulate another internal code of conduct for its employee and other connected person to regulate, monitor, and report trading of securities of the Company along with achieving compliance to these SEBI Regulations.

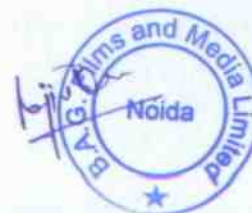
In order to adhere to the above requirement and ensure timely and adequate disclosure of unpublished price sensitive information which would impact the price of the company's securities and to maintain the uniformity, transparency and fairness in dealing with all stakeholders and in ensuring adherence to applicable laws and regulations, the Board of Director of the Company has formulated "**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**" (herein after referred as "Code for fair disclosure of UPSI") and "**Code of Conduct for Trading by Insiders**" (herein after referred as "Code").

The "Code for fair disclosure of UPSI" and the "Code" are framed in accordance with and to comply with the provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Regulation").

II. Objects of the Code:

The Code aims at:

1. Preventing the misuse of Unpublished Price Sensitive Information within the organization and practice of selective disclosures to the public;
2. Acknowledging the necessity of communicating, providing or allowing access to information and promoting the principle of equality of access to information.



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

Sub-regulation (1) of Regulation 8 provides that a code of practice and procedure for fair disclosures of unpublished price sensitive information be formulated by every listed company in order to adhere to each of the principles set out in Schedule A of the Regulation.

Accordingly, the Company shall adhere to following principles to ensure timely and adequate disclosure of unpublished price sensitive information:

1. Prompt public disclosure of unpublished price sensitive information:

In this regard, to ensure fair and timely disclosure of information that would have direct impact on the market price of securities, the Company generally follows the below mentioned procedure:

a) Intimates to the stock exchange(s) well 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 stipulated time periods;

c) Uploads to the Company's website in order to be accessed by the Investors and members of the company i.e. to make the information generally available.

2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure:

The disclosure of unpublished price sensitive information shall be on a continuous, immediate, uniform basis and universally disseminated. The Company may consider other ways of supplementing information released to stock exchanges by improving Investor access to their public announcements.

3. Chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information:

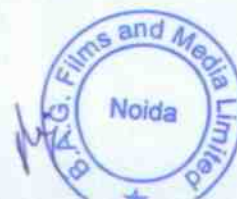
The Company Secretary of the Company or such other person as may be nominated by the Chairperson(s) of the Board of Directors of the Company as a chief investor relations officer (CIO) to deal with dissemination of information and disclosure of unpublished price sensitive information. The CIO shall be responsible for ensuring that the Company complies with continuous disclosure requirements and overseeing and coordinating disclosure of unpublished price sensitive information to stock exchanges, on the website of the Company and media.

4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available:

The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.

However, if any information gets disclosed selectively, inadvertently or otherwise, the Company:

- Intimates the facts and rectifies information to the stock exchange(s) for onwards dissemination to the shareholders;
- Publicizes the facts and rectifies information, if required, in the Newspapers.



5. Appropriate and fair response of market rumours:

The CIO shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities. The Chief Investor Relations Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors' and then making the disclosure. He/she shall also provide appropriate assistance and fair response to the regulatory authorities including the stock exchanges for verification of news reports and market rumors'.

6. Manner of dealing with analyst and research personnel:

The Company will ensure that:

(i) *Only Public information to be provided* - The Company shall provide only public information to the analyst/research persons/large investors like institutions. Alternatively, the information given to the analysts should be simultaneously made public at the earliest.

(ii) *Simultaneous release of Information* - When a company organizes meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meet.

The CIO and respective department heads shall take all necessary measures to ensure that no unpublished information is being disclosed to any analysts and research personnel, except on a need to know basis and in line with any other applicable code, policies and procedures.

7. Confirmation and Documentation of Disclosures:

The Company shall develop 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.

The Company may, from time to time authorize any concerned persons, depending upon the domain of conferences and meeting, to make transcripts or record of proceedings of meetings with analysts.

Further, the said proceeding shall be disclosed on the Company's website www.bagfilms.com .

8. Need-to-know Basis:

The Company shall handle all information on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

