

SAURASHTRA CEMENT LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Background

Pursuant to Regulation 8(1) of the Chapter IV of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (hereinafter referred to as "SEBI PIT Regulations") the Board of Directors of Saurashtra Cement Limited ("SCL") has formulated this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure").

Objective

The Company strives to ensure high professional and ethical standards in all the business activities with a view to the best interest of SCL and its stakeholders. This Code intends to formulate a standard framework for fair disclosure of unpublished price sensitive information (UPSI), preserve the confidentiality of UPSI and to prevent trading based on UPSI.

Terms and Definitions

Words and expressions used but not defined in this Code of Fair Disclosure shall have the same meaning assigned to them in the SEBI PIT Regulations or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulations) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be or in any amendment thereto.

Principles of Fair Disclosure

The Company in compliance of SEBI PIT Regulations shall follow the practices and procedures laid down herein below to make fair disclosure of events and occurrence that could impact price of its equity shares on the floor of Stock Exchanges:

1. The Company shall ensure to make prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being, to make such information generally available.
2. The Company shall ensure to make Uniform and universal dissemination of UPSI to avoid selective disclosure.
3. The Company Secretary/Compliance Officer of the Company shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.



4. The Company shall make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company will ensure that, information if any, shared with analysts and research personnel if any, is not unpublished price sensitive information.
7. The Company shall handle all UPSI on a need-to-know basis in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Policy for determination of "Legitimate Purposes"

8. Sharing of UPSI in the course of business by an insider with designated persons, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants shall be considered as "legitimate purposes" provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.
9. Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "insider" for purposes of the SEBI PIT Regulations and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with the said Regulations. Such person is also required to ensure the confidentiality of UPSI shared with him /her, in compliance with the SEBI PIT Regulations.
10. UPSI, such as Financial Results, declaration of Dividends, proposal of Corporate Restructuring, diversification, expansion, acquisition in the stake of other entities, etc. shall be handled within the Company on a need-to-know basis, and the same should be disclosed only to those who need such information to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information.
11. A structured digital database shall be maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to secure such database. Documents containing confidential information shall be kept secured. Computer files must have adequate security login and password, etc.



Policy Of "Procedure For Enquiry In Case Of Leak Of UPSI"

The Managing Director of SCL shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

Amendment

The Managing Director of the Company is authorised to amend or modify this Code of Fair Disclosure in whole or in part as and when deemed necessary, to stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure of UPSI.

Policy adherence Responsibility

The responsibility for adherence to this policy vests entirely with the person who is sharing the UPSI as well as the recipient of UPSI.

Scope and Limitation

In case there are any regulatory changes requiring modifications to this policy, the same shall be reviewed and amended with the approval of the Board of Directors. However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this Policy even if not incorporated in this Policy.

Disclosure of the Code on Public Domain

This Code and every subsequent modification, alteration or amendment made thereto, shall also be intimated to the Stock Exchange/s where the securities of the Company are listed and also published on the official website of the Company. (Note: Policy for determination of "Legitimate Purposes" covered under Clauses 8 to 11 of this Code, formulated pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 shall come into effect from April 01, 2019).

