



ELECTROSTEEL CASTINGS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Introduction

The Board of Directors ('the Board') of Electrosteel Castings Limited ('the Company' or 'ECL'), at its meeting held on 12 May 2015, had adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('the Code of Fair Disclosure'), in terms of Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations'). The said Code was applicable to the Company with effect from 15 May 2015.

Since the aforesaid approval and adoption of the aforesaid Code, SEBI has notified the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019, vide Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31 December 2018 and Notification No. SEBI/LAD-NRO/GN/2019/02 dated 21 January 2019, respectively. The Board at its meeting held on 27 March 2019 has amended the Company's existing Code of Fair Disclosure to align it with the said recent changes in applicable laws.

This amended Code shall be applicable to the Company with effect from 1 April 2019.

This Code of Fair Disclosure can be modified/amended/altere d by Board of Directors of the Company except in case of any statutory modification or amendment or alteration of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, which shall be deemed to be implemented in the said Code immediately on such notification for modification/amendment/alteration etc. coming into effect.

2. Scope and Purpose

Regulation 8 of the Regulations requires the Board of Directors of a listed company to formulate and publish on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information that it would follow in order to adhere to each of the principles as stated in Schedule A to the Regulations.

The purpose of this Code is to formulate a framework so as to ensure prompt, adequate and fair disclosure of Unpublished Price Sensitive Information thereby upholding Investors' confidence in the integrity and securities of the Company.

3. Definitions

- 3.1 **“Chief Investor Relations Officer” or “CIRO”** means such senior officer of the Company appointed by the Board of Directors to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information in a fair and unbiased manner.

Unless otherwise designated by the Board, the Chief Executive Officer of the Company shall be deemed to be the Chief Investor Relations Officer.

- 3.2 **“Unpublished Price Sensitive Information” or “UPSI”** means any information, relating to the 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; and
- (vi) Any other matter as may be prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or other Corporate Laws to be price sensitive, from time to time.

All other words and phrases will have the same meaning as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules & regulations made thereunder shall have the meanings respectively assigned to them in that legislation.

4. Principles of Fair Disclosure

This Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for securities of the Company. To achieve these objectives, the Company shall adhere to the following principles:

- 4.1 Prompt public disclosure of UPSI that would impact price discovery, no sooner than credible and concrete information comes into being in order to make such information generally available.
- 4.2 Uniform and universal dissemination of UPSI and to avoid selective disclosure.

- 4.3 Unless the Board of Directors resolve otherwise, the Chief Executive Officer shall act as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of UPSI.
- 4.4 There shall be prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- 4.5 Appropriate and fair response shall be provided by CIRO to queries on news reports and requests for verification of market rumours by regulatory authorities.
- 4.6 Ensuring that information shared with analysts and research personnel is not UPSI. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- 4.7 Developing best practices to make available transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website of the Company to ensure official confirmation and documentation of disclosures made.
- 4.8 Handling all UPSI on a need-to-know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations.

5. Policy for Determination of Legitimate Purposes for sharing of Unpublished Price Sensitive Information

The UPSI shall be shared by any person(s) authorised by the Board of Directors or CIRO of the Company in this behalf, only in furtherance of legitimate purpose(s) which shall include the following:

- 5.1 Sharing of UPSI in the ordinary course of business by any Insider, Designated Person or by any Authorised person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
- 5.2 Sharing of UPSI where such communication is in furtherance of performance of duty(ies).
- 5.3 Sharing of UPSI for discharge of legal obligation(s).
- 5.4 Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIRO of the Company.

5.5 Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of the Regulations.

However, other provisions/restrictions as prescribed under the Regulations or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

Any person in receipt of any UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of the Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

6. Digital Database of recipient of UPSI

The CIRO shall be responsible for maintaining a structured digital database of such persons or entities as the case may be with whom information is shared for legitimate purpose which shall contain the following information:

- (i) Name of such recipient of UPSI;
- (ii) Name of the Organization or entity to whom the recipient represent;
- (iii) Postal Address and E-mail ID of such recipient; and
- (iv) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

The CIRO shall also be responsible to ensure that such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trials to ensure non-tampering of such database.

7. Breach of this Code

Any violation of this Code shall invite prosecution and/or penalties as per applicable laws. Without prejudice to the same, the Company may take other penal or disciplinary action for such breach, as may be determined by the Board of Directors of the Company.

8. Disclosure of this Code on public domain

This Code and any amendment made thereof, shall be disclosed on the Company's website and promptly intimated to the Stock Exchanges, where the securities of the Company are listed.