



SHAH ALLOYS LIMITED

CODE OF PRACTICE AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

CODE OF PRACTICE AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This document forms the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code”) adopted by S.A.L. Steel Limited (“The Company”). This Code is consistent with **Schedule A** as set out in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Preamble

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the 'Regulations') mandates the listed Companies to frame a Code of Practices and Procedures for fair and timely dissemination of unpublished price sensitive information. Accordingly, Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been approved and implemented by the Board of Directors of the Company

Object

The Code of Practices and Procedures for Fair Disclosures is required for the Company to ensure timely and adequate disclosure of unpublished price sensitive information which would impact the price of the company’s securities and to maintain the uniformity, transparency and fairness in dealing with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. Further, the Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

Effectiveness

This Code of Fair Disclosure has been approved by the Board of Directors of the Company and shall be effective from May 15, 2015.

Definitions

- a. **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- b. **“Board”** means the Securities and Exchange Board of India;
- c. **“compliance officer”** means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be;
- d. **“connected person” means,-**
 - i. any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of

frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a 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. a 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 a company or his **immediate** relative or banker of the company, has more than ten per cent. of the holding or interest or;
 - k. a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
 - l. a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d);
- e. **“generally available information”** means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media
- f. **“immediate relative”** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- g. **“insider”** means any person who is:
 - i. A Connected person; or
 - ii. in possession of or having access to unpublished price sensitive information;
- h. **“promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ~~2009~~ or any modification thereof;

- i. **“promoter group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- j. **“relative”** shall mean the following:
 - (i) spouse of the person;
 - (ii) parent of the person and parent of its spouse;
 - (iii) sibling of the person and sibling of its spouse;
 - (iv) child of the person and child of its spouse;
 - (v) spouse of the person listed at sub-clause (iii); and
 - (vi) spouse of the person listed at sub-clause (iv)
- k. **“securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof
- l. **“specified”** means specified by the Board in writing;
- m. **“takeover regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- n. **“trading”** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and **“trade”** shall be construed accordingly ;
- o. **“trading day”** means a day on which the recognized stock exchanges are open for trading;
- p. **“unpublished price sensitive information”** 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 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 , award or termination of order/contracts not in the normal course of business and such other transactions;
 - v. changes in key managerial personnel , other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - (vi) change in rating(s), other than ESG rating(s);

(vii) fund raising proposed to be undertaken;

(viii) agreements, by whatever name called, which may impact the management or control of the company;

(ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

(x) resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;

(xi) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;

(xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;

(xiii) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;

(xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company;

(xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;

(xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals

The Principles of Fair Disclosure adopted by the Company are as follows:

- i. To promptly make public disclosure of unpublished price sensitive information that would impact price discovery. Such disclosures are made no sooner than credible and concrete information comes into being in order to make such information generally available.
- ii. To make disclosures of unpublished price sensitive information, as and when made, in a universal and uniform manner through forums like widely circulated media and / or through stock exchanges where its equity shares are listed. Selective disclosure of unpublished price sensitive information is to be avoided.
- iii. Chief Financial Officer of the Company serves as its Chief Investor Relations Officer to

deal with dissemination of information and disclosure of unpublished price sensitive information.

- iv. To promptly disseminate unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise if at all, to make such information generally available.
- v. To provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- vi. To ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
- vii. To publish proceedings of meetings with analysts and of other investor relations conferences on its official website www.shahalloys.com to ensure official confirmation and documentation of disclosures made therein.
- viii. To handle all unpublished price sensitive information on a need-to-know basis only.

Modification and Amendments

The Company reserves all right to modify and/or amend this Code of Fair Disclosure at any time. This Code of Fair Disclosure and subsequent amendment(s) thereto, shall be promptly intimated to the stock exchanges where the Securities of the Company are listed.
