



SRIKALAHASTHI PIPES LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Introduction

The Board of Directors (the 'Board') of Srikalahasthi Pipes Limited (The Company), at its meeting held on 30th April, 2015, had adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('the Code of Fair Disclosure'), in terms of the Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the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.

Subsequent to notification of 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 of the Company has amended the Company's existing Code of Fair Disclosure to align it with the said recent changes in applicable laws.

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

This Code of Fair Disclosure can be modified/amended/alterd 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company to formulate and publish on its official website, a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information that it would follow in order to adhere to each of the principles as stated in Schedule A to the Regulations.

The purpose of this Code is to formulate a framework so as to ensure prompt, adequate and fair disclosure of Unpublished Price Sensitive Information thereby upholding Investors' confidence in the integrity and securities of the Company.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

- a. **"Chief Investor Relations Officer"** 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officer of the Company appointed by the Board of Directors to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information in a fair and unbiased manner.
- b. **"Unpublished Price Sensitive Information" or "UPSI"** means any information, relating to the Company or its securities, directly or indirectly, that is not generally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; and
 - (v) changes in key managerial personnel.
 - (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 :

In adherence of the principles of fair disclosure enumerated under Schedule A to the SEBI (Prohibition of Insider trading) Regulations, 2015, which stand further amended by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (hereinafter referred to as "SEBI PIT Regulations"), Srikalahasthi Pipes Limited would follow the following practices and procedure for fair disclosure of unpublished price sensitive information with effect from 1 April 2019.

- a. To promptly make public disclosure of unpublished price sensitive information (herein after called 'UPSI') that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

- b. To make uniform and universal dissemination of UPSI to avoid selective disclosure.
- c. Shri G.S. Rathi, Whole-time Director of the Company shall act as Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of UPSI.
- d. To promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e. To make appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- f. To ensure that information shared with analysts and research personnel is not UPSI. Further, due care shall be taken by the Company while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- g. To 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.
- h. To handle all UPSI on a need-to-know basis. UPSI shall be made available only for legitimate purposes, performance of duties or discharge of legal obligations.
- i. Sharing of information with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants, shall be considered as "legitimate purposes" for the purpose of sharing unpublished price sensitive information in the ordinary course of business by an insider, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.
- j. 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 ensure the compliance of maintenance of a digital database for sharing the information for said legitimate purposes.

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;

- a. 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.
- b. Sharing of UPSI where such communication is in furtherance of performance of duty (ies);
- c. Sharing of UPSI for discharge of legal obligation(s).
- d. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIO of the Company.
- e. 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.

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.

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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.