

# S R INDUSTRIES LIMITED

Code of Practices and Procedure for Fair Disclosure of  
Unpublished Price Sensitive Information  
[Pursuant to Regulation 8 of SEBI (Prohibition of  
Insider Trading) Regulations, 2015]

## **Code of practices and procedures for fair Disclosure and Unpublished Price Sensitive Information**

### **Preamble:**

The Securities and Exchange Board of India (SEBI) issued the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the "Regulations") on January 15, 2015. In accordance with Regulation 8 and Schedule A of the Regulations, every listed company is required to establish a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) to ensure that such information is disseminated universally and not selectively.

Additionally, SEBI amended the Regulations through The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, which introduced the requirement for companies to adopt a revised code for the fair disclosure of UPSI.

S R Industries Limited (the Company) has adopted the policy sets out the principles and practices that the Company will follow to ensure the universal and equitable disclosure of UPSI, in full compliance with applicable laws and regulations. The Company is committed to adhering to best practices in the disclosure of UPSI to maintain transparency and uphold the integrity of the market.

### **Definitions:**

"Applicable Law" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

"Connected Person" shall mean such persons as defined under the Regulations.

"Chief Investor Relations Officer" means such senior officer of the Company appointed by the Board of Directors of the Company, to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. Unless otherwise designated by the Board, the Company Secretary for the time being of the Company shall be deemed to be the Chief Investor Relations Officer. In case the Board designates any other officer, the name and designation of such officer shall be published on the website of the Company.

"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.

"Insider" means any person who is a connected person or in possession of or having access to UPSI;

"legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of regulations.

"Regulations" means SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

"Selected Group of Persons" includes securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.

"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.

"unpublished price sensitive information (UPSI)" 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:

- (a) financial results;
- (b) dividends;
- (c) change in capital structure;
- (d) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (e) changes in key managerial personnel.
- (f) such other information as may be deemed to be unpublished price sensitive information

All other words and expressions used and not defined in this Policy or the Regulation, but defined in the Act or the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and / or the rules and regulations made thereunder, shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case maybe.

### **Role of Chief Investor Relations Officer:**

The Chief Investor Relations Officer (CIRO) shall be responsible for the following:

- a. Overseeing the universal dissemination and disclosure of Unpublished Price Sensitive Information (UPSI).
- b. Determining the Company's response to any market rumors, if necessary, in accordance with this Code.
- c. Addressing any queries from Insiders regarding UPSI.
- d. Advising Insiders on whether any specific information qualifies as UPSI. In case an Insider receives a query concerning UPSI related to the Company, they should refrain from commenting on it and instead forward the query to the Chief Investor Relations Officer.
- e. The Chief Investor Relations Officer shall handle such queries in compliance with applicable laws and this Code, in consultation with the Managing Director and the Chief Financial Officer (CFO).

### **Policy for Identification and sharing of Legitimate purpose Information:**

#### **Introduction:**

This policy for the determination of legitimate purpose is framed in accordance with Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) and is an integral part of this Code.

**Objectives:**

The objective of this policy is to identify what constitutes a 'legitimate purpose' for accessing Unpublished Price Sensitive Information (UPSI) in the course of performing duties or fulfilling legal obligations. Such access will be considered an exception to the general prohibition on the dissemination of UPSI.

**Factors for Determining Legitimate Purpose:**

To determine whether the purpose for sharing UPSI is legitimate, the following factors shall be considered:

- a. The sharing of information is part of the ordinary course of business of the Company.
- b. The sharing of information furthers a legitimate commercial or business purpose of the Company.
- c. The sharing of information is in the best interest of the Company.
- d. The sharing of information is necessary for discharging the legal obligations of the Company.
- e. The sharing of information is not intended to evade or circumvent the provisions of these regulations.
- f. The nature of the information shared is proportionate to the purpose for which it is disclosed to the recipient.

**Sharing of UPSI for Legitimate Purpose:**

UPSI refers to information related to the Company that, if made public, could impact the price of the Company's securities. Until UPSI becomes publicly available, it can only be shared on a need-to-know basis and for legitimate purposes as outlined below:

- a. Sharing relevant UPSI with consultants or advisors engaged by the Company, specifically for matters related to the subject of the proposed transaction or assignment that involves UPSI.
- b. Sharing relevant UPSI with intermediaries or fiduciaries, such as merchant bankers, legal advisors, and auditors, for the purpose of obtaining professional services related to the UPSI.
- c. Sharing relevant UPSI with individuals for legitimate business purposes, including but not limited to attorneys, investment bankers, and accountants.
- d. Sharing relevant UPSI with individuals who have explicitly agreed, in writing, to maintain the confidentiality of the information, such as potential customers, developers, joint venture partners, and vendors, and to refrain from trading in the Company's securities based on that information.
- e. Sharing relevant UPSI when it is necessary for the performance of duties or the discharge of legal obligations.

Any person receiving UPSI for a "legitimate purpose" will be considered an "insider" for the purposes of these regulations. Prior to sharing UPSI, the person disclosing the information must comply with the procedures for bringing individuals "inside" as outlined in the Code of Conduct for Prohibition of Insider Trading.

The Compliance Officer will maintain a record of the individuals who have received UPSI, including their PAN details, addresses, non-disclosure agreements (if applicable), and other relevant documentation, to ensure proper compliance with this policy.

### **Digital Database:**

A Structured Digital Database (SDD) shall be maintained to record the nature of Unpublished Price Sensitive Information (UPSI) and the identities of individuals who have shared such information, as well as those with whom the information has been shared, in accordance with the applicable regulations. The database must also include the Permanent Account Numbers (PAN) or any other authorized identifiers for individuals where PAN is not available.

Whether UPSI is shared internally or externally, all instances of such sharing must be recorded in the SDD. The person responsible for disclosing the UPSI must inform the Compliance Officer about the sharing of this information.

For example, when finalizing quarterly, half-yearly, or annual financial results, an entry should be made for those individuals in the accounts department who are involved at the start of the process. Similarly, if UPSI is shared with auditors, the details of the audit firm, senior partners, officers of the firm, and any other relevant entities must be documented. The audit firm must also ensure confidentiality in accordance with the law.

The SDD must be maintained internally and should not be outsourced. It shall be secured with adequate internal controls, including time-stamping and audit trails, to prevent tampering. The Corporate Secretarial Team, under the guidance of the Compliance Officer, shall have access to the SDD. The Compliance Officer is authorized to determine who may be granted access to the SDD. Additionally, the service provider managing the SDD may have access solely for technical support purposes

### **Disclosure Policy:**

The Company is committed to ensuring the following:

- a. Prompt public disclosure of Unpublished Price Sensitive Information (UPSI) that could affect price discovery, as soon as credible and concrete information becomes available, so that the information is made generally accessible to all stakeholders.
- b. Uniform and widespread dissemination of UPSI to prevent selective disclosure.
- c. In the event that an Insider discloses UPSI selectively to any individual or group, the Chief Investor Relations Officer (CIRO) is required to promptly disclose such information to the public. This disclosure must occur within 48 hours of the CIRO becoming aware of the selective communication of the UPSI.
- d. Information shared with analysts and research personnel, which does not qualify as UPSI, will not require disclosure under this policy.
- e. Adoption of best practices by ensuring that transcripts or records of meetings with analysts, investor conferences, and other similar engagements are made available on the Company's official website. This will ensure that all disclosures made during such interactions are formally documented and confirmed.

In accordance with applicable laws, public disclosure of information for ensuring uniform distribution may occur through any of the following methods:

- a. Distribution via press releases in newspapers or other media, including electronic media.
- b. Filing with the Stock Exchanges.
- c. Other methods that ensure broad dissemination, such as webcasts and webinars.
- d. Uploading the information on the Company's official website.

This policy aims to ensure transparency, fairness, and equal access to information, thereby supporting an informed market environment.

### **Third-party dealings:**

To ensure transparency and compliance, the Chief Investor Relations Officer will develop and implement best practices for documenting and disclosing information shared during meetings with analysts, investor relations conferences, and other third-party interactions. These practices will include:

- a. Posting transcripts or records of proceedings on the Company's official website
- b. Uploading presentation materials, earnings guidance, and other relevant information on the Company's website
- c. Disclosing material information about business plans, responses to analyst queries, and other price-sensitive information

### **Rumour Verification and Response:**

The Chief Investor Relations Officer will provide fair and accurate responses to queries related to Unpublished Price Sensitive Information (UPSI), including news reports. The Company will maintain a "no comment" policy on market rumours, except when requested by regulatory authorities to verify such rumours.

### **Need-to-know Handling of UPSI**

The Company will handle UPSI on a need-to-know basis, providing access only when necessary for legitimate purposes, performance of duties, or discharge of legal obligations. All insiders must adhere to strict confidentiality conditions and refrain from sharing UPSI except for authorized purposes.

### **Amendments:**

The Board of Directors reserves the right to review, modify, and amend this Code as necessary to ensure compliance with regulatory requirements and best practices.

### **Disclosure and Publication:**

This Code will be published on the Company's official website, ensuring easy accessibility for stakeholders.

The Company will promptly intimate the Stock Exchange(s) about this Code and any subsequent amendments or modifications, ensuring transparency and compliance with regulatory requirements.

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