



Shree Digvijay Cement Company Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

[Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015]

Introduction:

Insider trading means trading in Securities of a company by its Directors, Employees or other Insiders while in possession of Unpublished Price Sensitive Information ("UPSI"). Such trading by Insiders erodes the investors' confidence in the integrity of the management and is unhealthy for the capital markets.

The Securities and Exchange Board of India ("SEBI"), in its endeavor to protect the interests of investors in general, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 1992 under the powers conferred on it under the SEBI Act, 1992, which was applicable to all companies whose shares were listed on Indian stock exchanges.

To further strengthen these regulations and to create a framework for prevention of insider trading to facilitate legitimate business transactions, SEBI on recommendation of an expert Committee, has notified the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (including any statutory modification or re-enactment thereof) (hereinafter referred to as the "SEBI Regulations") on 15th January, 2015 which has repealed the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Regulations will become effective from 14th May, 2015. The Regulations not only regulate trading by insiders but also seek to prohibit insider trading.

Pursuant to Regulation 8, sub regulation (1), every listed Company is required to adopt the Code of Practices and Procedures for Fair Disclosure of UPSI in order to protect investor's interest.

In compliance with the above SEBI Regulations, the Board of Directors of Shree Digvijay Cement Company Limited (the "Company") at their meeting held on 13th August, 2015 has approved the Code of Practices and Procedures for Fair Disclosure of UPSI ("Code").

Principles to be adhered to as practices and procedures for fair disclosure of UPSI:

1. The Company shall promptly make disclosure of UPSI that would impact price discovery (**material events**) no sooner than credible and concrete information comes into being in order to make such information generally available.





2. The Company shall make uniform and universal dissemination of Material Events to avoid selective disclosure.

3. The Company shall appoint a senior officer designated as chief investor relations officer who shall deal with the dissemination of information and disclosure of material events. For the limited purpose of this Code, the Compliance Officer of the Company shall be designated as the Chief Investor Relations Officer ("CIRO").

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 make appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

In this regard, the general policy of the Company shall be not to respond to market rumor or speculations unless required by the regulatory authorities. The standard response shall be "it is the Company's policy not to comment or respond to rumours or speculations". However, any rumours that have or is likely to have a substantial effect on the price of the Company's securities shall be dealt with by the CIRO after necessary due-diligence, in accordance with the Regulations.

6. The Company shall ensure that information shared with analysts and research personnel is not UPSI.

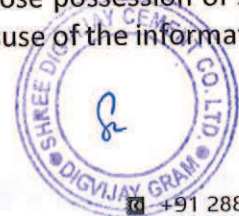
7. The Company shall develop and implement best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website simultaneously with such meet to ensure official confirmation and documentation of disclosures made.

At least two Company representatives including Chief Financial Officer of the Company should preferably be present at meetings with analysts, media persons and institutional investors.

Unanticipated questions may be taken on notice and a considered response given later. If the answer includes UPSI, a public announcement should be made before such response.

8. The Company shall handle all UPSI on a need-to-know basis.

Explanation 1: "need to know basis" means that UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.





Explanation 2: “**Unpublished Price Sensitive Information**” or “**UPSI**” means any information, relating to 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, delisting, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. material events in accordance with the listing agreement.

9. The UPSI can be shared as an exception for Legitimate Purposes (as per its "Policy for determination of Legitimate Purposes" (**Annexure A**), provided it is not shared to evade or circumvent the prohibition under the SEBI Regulations), performance of duties, or discharge of legal obligations.

10. Words and expressions used and not defined in the Code shall have the same meanings respectively assigned to them in the “ Code of conduct for Prohibition of Insider Trading” and SEBI Regulations.

11. The Board of Directors shall ensure that a structured digital database is maintained as per the regulatory requirements.

12. The Board of Directors of the Company shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not otherwise trade in securities of the company when in possession of UPSI.

Date: 27 January, 2021



3/6



Annexure-A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

1. PREFACE

This Policy, as a part of "Code of practices and procedures for fair disclosure of unpublished price sensitive information", formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy", and is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

2. OBJECTIVE

The objective of this Policy is to identify 'Legitimate Purposes' which will be considered as exception for the purpose of sharing / procuring Unpublished Price Sensitive Information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

3. LEGITIMATE PURPOSES

"Legitimate Purposes" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

1. Promoters of the Company
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
3. Staff Members of the Audit firm/team conducting the Audit
4. Collaborators
5. Lenders



4/6



6. Customers
7. Suppliers
8. Bankers
9. Legal Advisors
10. Insolvency Professionals
11. Consultants
12. Any other advisors/consultants/partners

It is hereby clarified that any person in receipt of UPSI pursuant to a "legitimate purpose" shall also be considered as an "insider" for the purpose of this Code, the Insider Trading Policy and the Regulations and thus such persons shall maintain confidentiality of such UPSI in compliance with this Code, the Insider Trading Policy and the Regulations.

4. TRADING WHEN IN POSSESSION OF UPSI

When a person who has traded in securities has been in possession of UPSI, his trade(s) would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

5. PENALTIES AND FINES APPLICABLE IN CASE OF VIOLATION OF THE POLICY

Any sharing of UPSI, other than in compliance with the Policy and the Insider Trading Regulations, would be construed as a violation. The onus lies on the insider to prove to the contrary.

In case of any violation of this Policy, disciplinary action would be taken by the Company. The Company shall also inform SEBI about the violation.

6. 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 the UPSI.





7. AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment(s) or re-enactment thereto.

