



INSIDER TRADING POLICY

STEEL EXCHANGE INDIA LIMITED, (the “Company”) is a public Limited Company whose equity shares are listed on BSE Limited and National Stock Exchange, subject to the rules and regulations issued by the Securities and Exchange Board of India (SEBI).

The Board of Directors of the Company has adopted this code of practices and procedures for fair disclosure of unpublished price sensitive information (“Code” or “Insider Trading Code”) in accordance with Regulation 8(1) and Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”).

The SEBI Regulations prohibit an Insider from Trading in the securities of a company listed on any stock exchange based on any unpublished price sensitive information.

1. Rules

The rules shall be called ‘**Rules for Trading in the securities of STEEL EXCHANGE INDIA LIMITED by an Insider**’ (“Rules”). These Rules shall come into force with immediate effect.

2. Objective

This Code aims to regulate, monitor, and report trading by its designated persons and immediate relatives of designated persons and for fair disclosure of unpublished price sensitive information.

In terms of Regulation 8(1) the Board of every listed company shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information (“UPSI”) that the listed company would follow in order to adhere to each of the principles set out in Schedule A to the SEBI PIT Regulations.

Further, in terms of the Regulation 9 (1) of the SEBI PIT Regulations, the Board of every listed company shall ensure that the chief executive officer or managing director shall formulate a code of conduct with the Board’s approval to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the SEBI PIT Regulations, and adopting the minimum standards set out in Schedule B of the SEBI PIT Regulations.

This Code aims to preserve confidentiality and prevent the misuse of any unpublished price sensitive information and to put in place a policy for prohibition of insider trading based on unpublished price sensitive information and provide for practices and procedures for fair disclosure of unpublished price sensitive information. All designated persons and immediate relatives thereof shall be bound by the SEBI PIT Regulations and this Code. This document embodies the Insider Trading Code to be followed by the Company effective from the commencement of listing and trading of the equity shares of the Company on the stock exchange(s), i.e. Bombay Stock Exchange Limited or the National Stock Exchange of India





Limited, in accordance with applicable laws provided however that the relevant provision of the Code which are applicable to the companies 'proposed to be listed' shall become applicable on filing the offer document as per Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended from time to time.

3. Definitions

- 3.1 **"Act"** means the Securities and Exchange Board of India Act, 1992.
- 3.2 **"Board"** means the Board of Directors of the Company.
- 3.3 **"Code"** or **"Code of Conduct"** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of STEEL EXCHANGE INDIA LIMITED as amended from time to time.
- 3.4 **"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
- 3.5 **"Connected Person"** means, -
- (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity 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 between himself and the company whether temporary or permanent, that allows such 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) an immediate 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;

3.6 “Designated Persons” The term Designated Person shall mean:

- a) Directors, promoters, member of promoter group of the Company, as may be applicable, if any.
- b) Chief executive officer.
- c) KMPs and head(s) of respective departments, of the Company and those of its material subsidiaries including their support staff/personal secretaries/ executive assistants.
- d) Senior management personnel up to one level below the persons mentioned at clause (c) above, and those of its material subsidiaries, including their support staff / personal secretaries / executive assistants and IT support staff.
- e) Employees of the finance, accounts, audit, taxation, corporate finance, investor relations, corporate communications, legal & secretarial based on their role and the access to unpublished price sensitive information.
- f) Employees of such other functions of the Company and those of its material subsidiaries who are in possession or likely to be in possession of unpublished price sensitive information and identified as such.
- g) Such other persons who may be designated as such from time to time, by the Board in consultation with the Compliance Officer, for the purpose of this Code, based on their role and function in the organisation and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.
- h) Immediate relatives of persons specified above and Hindu undivided family of which such designated person is a member unless stated otherwise.





- 3.7 **“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.
- 3.8 **“Insider”** means any person who is:
a) connected person; or
b) in possession of or having access to unpublished price sensitive information
- 3.9 **“Key Managerial Personnel” or “KMP”** shall have the same meaning assigned to it under the Act, as amended from time to time and it includes the chief executive officer, the managing director, whole time director, chief financial officer, company secretary and such other officer not more than one level below the directors who is in whole time employment designated as KMPs by the Board or such other persons as may be prescribed.
- 3.10 **“Legitimate Purposes”**

For the purposes of this code, legitimate purposes may include: a. Sharing of UPSI, by an Insider, in the ordinary course of business, with any person, including 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 the SEBI PIT Regulations. b. Without prejudice to the provisions of sub-para (a) above, legitimate purposes for which UPSI can be shared by an Insider, shall include the following:

- a) Sharing the relevant UPSI with any person, for advice, consultation, valuation, fund raising or other intermediation and approvals, in relation to the subject matter of a proposed deal/assignment/tie-up/venture/investment/fund raising, resulting into UPSI itself or otherwise;
- b) Sharing the relevant UPSI with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, rating agencies, accountants, auditors, insolvency professionals, business support agents, IT tools/system providers/facilitators, transaction processing service providers, in order to avail professional services from them in relation to the subject matter of UPSI;
- c) Sharing of relevant information with regulators (including any judicial or quasi judicial body or any governmental authority as a part of litigation or regulatory proceedings);
- d) Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals on projects relating to enterprise transformation, strategy, change management, analytics, re-organization, operation, improvement, technology, and similar domains;
- e) Sharing the relevant UPSI with business partners and other counter parties, which is essential and necessary to fulfil the terms and conditions of the





relevant business arrangement with such partner, counter party, which may include a client, vendor, collaborator or a lender or financier;

- f) Sharing the relevant UPSI for advice, consultation, transaction support, intermediation, and approvals in the process of evaluation of new products or services, business opportunities and new lines of business;
- g) Sharing the relevant UPSI for statutory consolidation requirements or disclosure obligations;
- h) Sharing the relevant UPSI for performance monitoring and oversight duties of relevant decision makers;
- i) Sharing the relevant UPSI with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- j) Sharing the relevant UPSI, in case necessary for performance of duties or discharge of legal obligations.

- 3.11 **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, or any modification thereof;
- 3.12 **"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
- 3.13 **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.
- 3.14 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- 3.15 **"Trading day"** means a day on which the recognized stock exchanges are open for trading;
- 3.16 **"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: –
 - (a) financial results;
 - (b) dividends;
 - (c) change in capital structure;
 - (d) mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions;
 - (e) changes in key managerial personnel.

4. Responsibilities of the Compliance Officer





In addition to the duties provided under SEBI PIT Regulations, the Compliance Officer shall have the following duties/ powers, subject to the supervision of the Board of Directors:

- a) ensuring compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, approval and review of trading plans, pre-clearances of trades and monitoring of trades and implementation of the Code under the overall supervision of the Board of the Company.
- b) Assisting and addressing all the clarifications of the Insiders, Designated Persons, and their Immediate Relatives, with respect to the Code and the SEBI PIT Regulations.
- c) Obtaining disclosures as may be applicable from Promoters, member of Promoter Group and Designated Persons and to give information, in respect of such disclosures received, to all the stock exchange where the Securities of the Company are listed, in accordance with the SEBI PIT Regulations.
- d) Maintaining and preserving all disclosures/ undertakings and applications made under the Code.
- e) Regulating and monitoring the Trading Window of the Securities of the Company and informing closure / re-opening of the same to all the concerned.
- f) Informing the Stock Exchanges within two trading days of receipt of disclosure or from becoming aware of such information from by any designated person in excess of prescribed threshold, if required.
- g) Place before the Audit Committee a quarterly detail of trading in securities by designated persons.
- h) Informing any instance of violation of the Code to the Audit Committee of the Company
- i) Informing SEBI / Stock Exchanges in case it is observed that there has been a violation of the Code.
- j) Monitoring trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.
- k) Informing the vigil mechanism / whistle-blower policy to the employees and make them aware of such policy to enable them to report instances of leak of unpublished price sensitive information.
- l) Undertaking such other duties and responsibilities as set out under the SEBI PIT Regulations.

The Compliance Officer shall report to the Board of Directors and, shall provide reports to the Chairperson of the Audit Committee or to the Chairperson of the Board of Director at least once in a financial year or as may be required by the Board.

5. Restrictions on Communication or Procurement of Unpublished Price Sensitive Information

- a) No insider shall communicate, provide, or allow access to any UPSI, relating to the Company or Securities of the Company, to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.





- b) No person shall procure from or cause the communication by any Insider of UPSI, relating to the Company or Securities of the Company, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- c) Any person in receipt of UPSI pursuant to a Legitimate Purpose shall be considered an Insider for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the SEBI PIT Regulations.
- d) Notwithstanding anything contained in SEBI PIT Regulations or this Code, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - i. entail an obligation to make an open offer under the Takeover Regulations where the Board of the Company is of the informed opinion that sharing of such information is in the best interests of the Company;
 - ii. not attract the obligation to make an open offer under the Takeover Regulations but where the Board of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.
- e) For purposes of sub-paragraph (5) above, the parties shall be required 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, except for the purpose of sub-paragraph (5) above, and shall not otherwise trade in Securities of the Company when in possession of UPSI.
- f) If an inquiry has been initiated by the Company in the event of a leak of UPSI or suspected leak of UPSI, the insider, relevant intermediaries and Fiduciaries shall cooperate with the Company in connection with such inquiry conducted by the Company.
- g) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

6. Prevention of Misuse of Unpublished Price Sensitive Information

All designated persons and their immediate relatives shall be subject to trading restrictions enumerated herein. As a general overriding rule, no Insider shall trade in Securities of the Company when in possession of UPSI. When a person who is in possession of UPSI, has traded in securities, his trades would be presumed to be motivated by the knowledge and awareness of such information in his possession.

A. Trading Plans

- a) An Insider shall be entitled to formulate a Trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his / her behalf in accordance with such plan.
- b) Such Trading plan shall:
 - i. not entail commencement of Trading on behalf of the Insider earlier than six





- ii. not entail Trading for the period between the twentieth Trading Day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
 - iii. entail Trading for a period of not less than twelve months;
 - iv. not entail overlap of any period for which another Trading plan is already in existence;
 - v. set out either the value of Trades to be effected or the number of securities to be traded along with the nature of the Trade and the intervals at, or dates on which such Trades shall be effected; and
 - vi. not entail Trading in Securities for market abuse.
- c) The Compliance Officer shall review the Trading plan to assess whether the Trading plan would have any potential for violation of the SEBI PIT Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the Trading plan.
- d) Pre-clearance of Trading shall not be required for a trade executed as per an approved Trading plan and Trading Window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved Trading Plan.
- e) The Trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the Trading plan, without being entitled to either deviate from it or to execute any Trade in the Securities outside the scope of the Trading plan.
- f) The implementation of the Trading plan shall not be commenced if any UPSI is in the possession of the insider at the time of formulation of the Trading plan and has not become generally available information at the time of the commencement of implementation. In such event the Compliance Officer shall confirm that the commencement ought to be deferred until such UPSI becomes generally available information to avoid any violation of SEBI PIT Regulations and/or this Code.
- g) Upon approval of the Trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the Securities are listed.

B. Trading Window

- a) The Designated Person shall trade in shares of the Company only if the trading window is open. The Designated Persons and their immediate relatives shall not trade in Securities when the trading window is closed.
- b) The Trading Window for Trading in Securities of the Company shall be closed for the following events:
- i. Declaration of financial results (quarterly, half yearly, and annual);
 - ii. Declaration of dividends (interim and final);
 - iii. Issue of securities by way of public/ rights/ bonus/ buy-back or any change in capital structure;
 - iv. Change in key managerial personnel;
 - v. Any major expansion plans or execution plans or execution of new projects; Mergers, de-mergers, acquisitions, delisting, disposals and expansions of business amalgamations, mergers, takeovers;





- vi. Disposal of whole or substantially whole of the undertaking; and
- vii. Such other information as may be specified by the Compliance Officer for this purpose.
- c) In addition to the items specified above, the Trading Window shall also be closed when the Compliance Officer determines that Designated Person(s) or class of them can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such Securities to which such UPSI relates. Designated Persons and their Immediate Relatives shall not trade in Securities when the trading window is closed.
- d) In case of declaration of financial results, the Trading Window shall be closed during the period from the end of each quarter till 48 (forty-eight) hours after the declaration of financial results. In all other circumstances, the time for commencement of closing of Trading Window shall be as determined by the Compliance Officer in consultation with the Board.
- e) The Compliance Officer after considering various factors including the UPSI in question becoming Generally Available Information and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, which however shall not in any event be earlier than 48 (forty-eight) hours after the information becoming Generally Available Information.
- f) Trading Window may be closed by the Company during such time in addition to the above period, as may be deemed fit by the Compliance Officer.
- g) The Compliance Officer shall inform the Trading Window closure to all the Designated Persons by way of email from time to time. Non-receipt of intimation with respect to trading window closure on account of declaration of financial results, shall not be a valid excuse for trading in violation of this Code.
- h) The Trading Window restrictions mentioned above shall not apply in respect of
 - i. an off market transaction inter-se between the Insiders who were in possession of the UPSI without breach of regulation 3 of the SEBI PIT Regulations dealing with communication or procurement of UPSI and where both parties had made a conscious and informed trade decision.
 - ii. the transaction which was carried out through the block deal window mechanism between persons who were in possession of the UPSI without being in breach of regulation 3 of the SEBI PIT Regulations dealing with communication or procurement of UPSI and where both parties had made a conscious and informed trade decision.
 - iii. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
 - iv. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
 - v. the trading is done pursuant to the trading plan submitted to the Company
 - vi. pledge of shares for a bona fide purpose such as raising of funds, subject to preclearance by the Compliance Officer and compliance with the respective regulations made by SEBI.
 - vii. transactions which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures,





subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer, or transactions which are undertaken through such other mechanism as may be specified by the Board from time to time.

C. Pre-clearance of Trade

a) All Designated Persons or their Immediate Relatives who intend to undertake trading/ dealing in the Securities of the Company exceeding Rs.10,00,000/- (Rupees Ten Lakhs Only) in value, whether in a single transaction or a series of transactions over any calendar quarter shall seek pre-clearance of the transactions (before entering into such transactions) as per the pre-clearing procedure as discussed hereunder:

- i. An application in Form E shall be made to the Compliance Officer indicating the estimated number of Securities that the Designated Persons or their immediate relative intends to deal in, the detail of Securities he/she already has and the details as to the depository participant(s) with which he/she has a security account.
- ii. An undertaking shall be executed in favour of the Company by such Designated Person or his/her Immediate Relative incorporating, inter alia, the following clauses, as may be applicable:

- That the Designated Person or his/her Immediate Relative does not have any access or has not received UPSI up to the time of signing the undertaking;
- That in case the Designated Person or his/her Immediate Relative has access to or receives UPSI after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the Company about change in his/her position and he/she would completely refrain from dealing in the securities of the company till the time such information becomes public;
- That he/she has not contravened this Code, as notified by the Company from time to time.
- That he/she has made a full and true disclosure.
- The Compliance Officer shall either approve or decline the requested deal within 7 (seven) working days of the receipt of the application in the form as prescribed herein below. For the purpose of this clause, the term "Working Days" shall mean days on which business is conducted at the registered office of the Company, and shall exclude Saturdays, Sundays, national holidays and other declared holidays.

The format of the application and the undertaking as enclosed herewith as form E or shall intimate electronically or as near format thereto.

- iii. In case the Compliance Officer declines to clear the requested deal, he/she shall assign reasons in writing for doing so.
- b) In case the Compliance Officer or any of his /her Immediate Relative(s) intend to deal in the Securities of the Company then an application shall be made to the Managing Director of the Company who would consider the requested deal within 7 (seven) working days as aforesaid. The remaining procedure for pre-clearance of





trade, as applicable to Designated Persons or their immediate relative(s), shall also apply to the Compliance Officer.

- c) The person who has obtained the pre-clearance, shall complete execution of their precleared trades in respect of Securities of the Company not later than 7 (seven) Trading Days after the approval of pre-clearance is given, failing which fresh pre-clearance would be required for the trades to be executed.
- d) The person executing pre-cleared trades shall file within 2 (two) working days of the execution of the Trade, the details of such Trade, with the Compliance Officer in the format set out herein below in this Code. In the event such trade is not executed, a report to that effect shall be filed with the Compliance Officer.
- e) All the persons who are permitted to trade shall not enter into a Contra Trade during the next 6 (six) months following the prior trade. However, this restriction shall not be applicable for trades pursuant to exercise of stock options.
- f) In case the Contra Trade is necessitated by emergency, the Compliance Officer may waive the holding period after recording in writing reasons in this regard provided such waiver does not violate the SEBI PIT Regulations and the Code. Similarly in the case of emergency of Trade by a Compliance Officer, the Compliance Officer may obtain the waiver from the Managing Director or in his / her absence, the Chairperson of the Board, provided that such waiver does not violate the Code or the SEBI PIT Regulations. The application for waiver shall be made in the format prescribed as set out herein below in this Code.
- g) In case a Contra Trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Securities and Exchange Board of India Act, 1992.

7. Reporting Requirements

A. Initial Disclosures

- a) Every person on appointment as a Key Managerial Person, or Director of the Company or upon becoming a Promoter or member of the Promoter Group shall disclose his / her holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter as per Form B or shall intimate electronically or as near format thereto.
- b) All Designated Persons (except Immediate Relatives) shall be required to disclose names and Permanent Account Number ("PAN") or any other identifier authorized by law of the following persons to the Compliance Officer on an annual basis and as and when the information changes:
 - i. immediate relatives
 - ii. persons with whom such designated person(s) shares a material financial relationship
 - iii. phone, mobile and cell numbers which are used by them\
 - iv. names of educational institutions from which designated persons have graduated (to be granted on one-time basis);





- v. names of their past employers (to be granted on one-time basis)

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions

Such disclosure will be made within 7 working days by any person on becoming a Designated Person

B. Continual Disclosures

- a) Every promoter, member of the promoter group, Designated Person shall disclose to the Company the number of such Securities acquired or disposed of within two Trading Days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions over any calendar quarter aggregates to a traded value in excess of Rs.10,00,000 (Rupees Ten Lakhs) or such other value as may be specified in Form C.
- b) The Company shall notify the particulars of such trading to the stock exchange on which the Securities are listed within two Trading Days of receipt of the disclosure or from becoming aware of such information. The disclosure of the incremental transactions after any continual disclosure under this para, shall be made when the transactions effected after the prior disclosure cross the threshold specified in paragraph 8.B.a above.
- c) The Compliance Officer or the Company may, at its discretion require any other Connected Person or class of Connected Persons to make disclosures of his/ her /its/their holdings and trading the Securities of the Company in the format specified in as set out herein below in this Code, at such frequency as may be determined by the Compliance Officer in order to monitor compliance with the SEBI PIT Regulations.
- d) The disclosure to be made by any person under the Code shall include those relating to Trading by such person’s Immediate Relatives, and by any other person for whom such person takes trading decisions.
- e) The disclosures of Trading in Securities shall also include trading in derivatives of Securities and the traded value of the derivatives shall be considered for purposes of disclosure. Provided that trading in derivatives of Securities is permitted by any law for the time being in force.
- f) In addition to other disclosures under the SEBI PIT Regulations, the Designated Persons will be required to forward details of their Securities transactions including the statement of immediate relative(s) to the Compliance Officer;
 - All holding of Securities of the Company at the time of joining the Company within 7 (seven) days of appointment.
 - Monthly statement of transactions in Securities of the Company within 7 (seven) days from the end of each month. If there are no transactions in particular month, then nil” statement is not required to be submitted.





- Annual Statement of all holdings in securities of the Company to be submitted within 30 (thirty) days of the close of the financial year.
- g) The Compliance Officer shall place before the managing director/chief executive officer on a quarterly basis detail of the dealings in the Securities of the Company by the Designated Persons or their immediate relative(s) and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged under this Code.
- h) All submissions envisaged in this Code should be addressed to the Compliance Officer and forwarded to the secretarial department of the Company at its corporate office, for administrative purpose and taking appropriate action.

C. Disclosures by other Connected Persons

The Compliance Officer may at his discretion require any other Connected Person or a person deemed to be a Connected Person to make disclosures of holding and trading in Securities of the Company in Form D and at such frequency as he deems fit in order to monitor compliance with this Code and SEBI PIT Regulations.

8. Internal Control Systems

- a) The following includes the internal controls implemented under this Code to ensure compliance with the requirements given in the SEBI PIT Regulations to prevent Insider Trading:
 - i. all employees who have access to UPSI are identified as Designated Person;
 - ii. all the UPSI is identified and its confidentiality is maintained as per the requirements of the SEBI PIT Regulations;
 - iii. adequate restrictions are in place on communication or procurement of UPSI as required by the SEBI PIT Regulations;
 - iv. lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
 - v. all other relevant requirements specified under the SEBI PIT Regulations shall be complied with;
 - vi. periodic process review shall be undertaken to evaluate effectiveness of such internal controls
- b) The audit committee of the Board shall review compliance with the provisions of the SEBI PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- c) The Company has implemented a vigil mechanism/whistle-blower policy and made employees aware of the policy to enable employees to report instances of leak of UPSI.

9. Preservation Of Unpublished Price Sensitive Information

- a) Insiders shall maintain the confidentiality of all UPSI. They shall, while in possession





of any UPSI, neither Trade in the Securities of the Company based on UPSI nor pass on such information to any person directly or indirectly by way of making a recommendation for Trading in Securities of the Company. Access to or handling of UPSI shall be on a “need-to-know” basis and no UPSI shall be communicated to any person except in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.

- b) Files containing UPSI shall be kept secure. Computer files shall have adequate security of login and passwords, etc. guidelines for maintenance of electronic records and systems may be prescribed by the Compliance Officer from time to time in consultation with the person in-charge of the information security function of the Company.

10. Maintenance Of Structured Digital Database

- a) The Compliance Officer shall maintain a structured digital database containing the nature of UPSI, the names of such persons with whom information is shared along with the PAN or any other identifier authorized by law where PAN is not available and other prescribed details.
- b) Every Designated Person or his/her Immediate Relative who is/ are in receipt UPSI or who shares UPSI regarding the Company or its Securities pursuant to Legitimate Purpose or for any other purpose as provided in this Code and/or the SEBI PIT Regulations, shall inform to the Compliance Officer the nature of UPSI shared including, their name, Permanent Account Number, nature of UPSI and such other details as may be required to maintain the Company’s digital database under the SEBI PIT Regulations.
- c) The said digital database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

11. Rules Regarding Informants

- a) Any individual may voluntarily inform the SEBI by furnishing the voluntary information disclosure form to the office of informant protection of the Board and nothing in this Code precludes any person from submitting to the SEBI information regarding an alleged violation of insider trading laws (as defined under the SEBI PIT Regulations) that has occurred, is occurring or has a reasonable belief that it is about to occur, in the manner prescribed under the SEBI PIT Regulations. Such an individual is an “Informant”.
- b) An Informant is entitled to be protected from retaliation and victimization and any





retaliation or victimization is strictly prohibited under this Code and the Company's whistle blower policy. Complete protection shall be given to an Informant against any "unfair treatment" by virtue of: (a) his/her having reported Original Information (as defined under the SEBI PIT Regulations) by filing a Voluntary Information Disclosure Form (as defined under the SEBI PIT Regulations) under the SEBI PIT Regulations; (b) testifying in, participating in or otherwise assisting the SEBI in any investigation, inquiry, audit, examination of proceeding instituted or about to be instituted for an alleged violation of insider trading laws; or (c) breaching any confidentiality agreement or any terms and conditions of employment or engagement, solely to prevent any employee from cooperating with the SEBI in any manner. "Unfair treatment" includes, but is not limited to, discharge, termination, demotion, suspension, threats, harassment, discrimination (directly or indirectly) against an Informant.

- c) No one should compel the disclosure of the identity and/or existence of an Informant or the information provided by the Informant, except to the extent required under the SEBI PIT Regulations and other applicable laws. The Informant shall not be required to notify the filing of any voluntary information disclosure form to the Company or seek prior permission or consent or guidance of any person engaged by the Company before or after such filing. d. Informants are not exempt from the consequences of their own misconduct, unethical or improper practice, inadequate performance, or other disciplinary issues unrelated to a disclosure made under Chapter IIIA of the SEBI PIT Regulations.

12. Preservation Of Disclosure

All undertakings, disclosure, and applications made/ submitted under the SEBI PIT Regulations shall be maintained by the Compliance Officer, for a minimum period of 8 (eight) years.

13. Dealing In Case of Suspected Leak or Leak of Unpublished Price Sensitive Information

A. Inquiry for Leakage of Unpublished Price Sensitive Information

- a) All UPSI shall be handled on a need-to-know basis only. In case any UPSI is proposed to be provided, the person proposing to provide the information shall consult the Compliance Officer in advance.
- b) In case of leak of UPSI or suspected leak of UPSI, on becoming aware, the same shall be immediately reported to the Compliance Officer and appropriate inquiries shall be initiated forthwith by the Compliance Officer under the supervision of audit committee. The Company may delegate the investigation to an external (third party) investigator for investigation of the instance and ascertaining authenticity of the subject reported. The Board shall also be promptly informed of such leaks, inquiries and results of such inquiries.
- c) In case any UPSI is leaked or is suspected to be leaked by any insider, the Compliance Officer will investigate the matter and collect / gather the evidences and will report to the Chairperson of the audit committee of the Board. The





chairperson of the audit committee will thereafter convene a meeting of the audit committee depending on the severity of the matter.

- d) Further, if an inquiry has been initiated by the Company in case of leak of UPSI or suspected leak of UPSI, the relevant intermediaries (RTA etc.) and fiduciaries (auditors, bankers etc.) shall co-operate with the Company in connection with such inquiry conducted by the Company.
- e) The Compliance Officer may ask the concerned insider to remain present for investigation, discussion etc. and for such investigation task team may ask for personal bank account statement or such other details or documents as it deems fit.
- f) The investigation shall be completed normally within 90 (ninety) days of the receipt of the mandate, which can be reduced or extended by the audit committee for such period as it deems fit.

B. Report to the Audit Committee for appropriate action:

The Compliance Officer will report to the chairperson of the audit committee and upon receipt of report by the chairperson he/ she will convene a meeting of the Audit Committee, depending on severity of the matter. The audit committee will, based on such report, decide the suitable action including but not limited to withholding of salary / termination of employment / monetary penalty.

The Compliance Officer shall inform SEBI and stock exchanges (as may be required) promptly of such leaks, inquiries and the results of such inquiries.

C. Whistle Blower Mechanism to report any leak of Unpublished Price Sensitive Information.

In case any employee suspects any leak of UPSI, he/she may immediately report the instance directly to the Compliance Officer, by an email or a letter. This mechanism shall be in addition to any other mechanism available to the employees of the Company to report any fraud or wrongdoing or any grievance or complaint.

The Company encourages employees to report any suspected leak of UPSI forthwith to the Compliance Officer. Anonymous grievances will not be entertained unless the allegations are supported by documented and verifiable facts. The management undertakes to maintain confidentiality of the person who has reported the instance, subject to the rights of the person against whom the instance is reported to cross-examine such leak of UPSI.

14. Penalty For Contravention

Any person who Trades in Securities or communicates, provides or allows access to any UPSI for Trading in Securities in contravention of this Code, shall be penalized and appropriate action shall be taken against him/her by the Company as per the SEBI PIT Regulations, Securities and Exchange Board of India Act, 1992 and other applicable laws.





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If it is observed by the Company that there has been violation of SEBI PIT Regulations, it shall inform Stock Exchanges immediately on which the Securities are listed in accordance with the process ascribed by SEBI on this behalf, if any.

In addition to the action which may be taken by the Company, the persons violating the SEBI PIT Regulations or the Code shall also be subject to action under the Securities and Exchange Board of India Act, 1992 and other applicable laws.



Simhadri TMT 
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