

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(PURSUANT TO REGULATION 8(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015)

In accordance with the Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”), **Nilachal Refractories Limited** (‘Company’) has formulated this Code of Practices And Procedures for Fair Disclosure of Unpublished Price Sensitive Information (‘Code’) for adoption by the Board of Directors of the Company. The said Code shall be effective from April 1, 2019.

I. Definitions:

- a) **“Legitimate Purpose”** shall include sharing of UPSI 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 prohibition of these regulations. The Company Secretary & Compliance Officer of the Company may determine the other entities with whom UPSI may be shared for Legitimate Purpose.
- b) **“Unpublished Price Sensitive Information (UPSI)”** means any information, relating to the Company or its Securities, directly or indirectly, that is not generally available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 Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:
- i. Financial results;
 - ii. Dividends;
 - iii. Change in capital structure
 - iv. Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
 - v. Changes in Key Managerial Personnel;
 - vi. Any other event as may be notified by the Company from time to time.

Other terms not specifically defined here shall have the same meaning as assigned under the said Regulations.

II. Code:

The Company shall follow the Principles of Fair Disclosures detailed hereunder:

1. Shall promptly disclose any information that could have material impact on price of equity shares or securities of the Company (herein after called Unpublished Price Sensitive Information ‘UPSI’);
2. To ensure equality of access to information, the Company shall ensure –
 - a) uniform & universal disclosure of UPSI through the Stock exchange(s);
 - b) public dissemination of the said information on a non-discriminatory basis.

3. The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, in any forum in India or abroad, to make such information generally available;
4. Shall ensure that any information shared, with analysts and/or research personnel or at any investor relation conferences, is not an UPSI.
5. Will make transcripts or records of proceedings, if any, of meetings with analysts or at other investor relations conferences on the website of the Company to ensure official confirmation and documentation of disclosures made.
6. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
7. Any information that may be potentially construed or classified as UPSI would be dealt with by the Directors and Employees of the Company only on 'Need to Know' basis.
8. The Company Secretary & Compliance Officer of the Company shall serve as the 'Chief Investor Relations Officer' for the purposes of this Policy to deal with dissemination of information and disclosure of UPSI.
9. No Insider shall communicate, provide, or allow access to any UPSI, relating to a Company or securities listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
10. No person shall procure from or cause the communication by any insider of UPSI, relating to a Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
11. 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 these regulations.
12. All information shall be handled within the organizations 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. The Code of Conduct contains norms for appropriate Chinese Walls Procedures, and processes for permitting any designated person to "cross the wall".
13. The agreements entered into involving sharing of UPSI should have a "confidentiality clause" or a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.

14. To determine whether the sharing of UPSI is for legitimate purposes or not, the following facts are to be considered by every person who has been in possession of UPSI and is required to share the same:
- (i) Whether the concerned UPSI is required to be shared?
 - (ii) Why the information is required by the recipient?
 - (iii) Where is the authorization to share the same?
 - (iv) Whether non- disclosure agreements were signed?
 - (v) Whether notice to maintain confidentiality of the shared UPSI has been given?
 - (vi) Whether the Compliance Officer was intimidated in case of ambiguity?

This Fair Disclosure Policy document adopted in line with the principles set out in Schedule A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time has been approved by the Board of Directors of the Company and shall be applicable and binding on all covered persons of the Company.

III. Interpretation

Any words used in this Code but not defined herein shall have the same meaning prescribed to it in the Companies Act, 2013 or rules made thereunder, SEBI Act or rules and regulations made thereunder, Accounting Standards or any other relevant legislation/law applicable to the Company.

In case of any dispute or difference upon the meaning/interpretation of any word or provision in this Code, the same shall be referred to the Audit Committee and the decision of the Audit Committee in such a case shall be final. In interpreting such term/provision, the Board of Directors may seek the help of any of the officers of the Company or an outside expert as it may deem fit.

IV. Amendment

The Company reserves the right to amend or modify this Code in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Code will be accordingly updated on the website of the Company.

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