



## **SHALIMAR PAINTS LIMITED**

### ***Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information***

[Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

1. "The Company" means Shalimar Paints Limited.
2. For the purposes of this Code, the term "Legitimate Purposes" shall mean sharing of Unpublished Price Sensitive information
  - (a) in the ordinary course of business by a insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, registrar, and transfer agents, insolvency professionals or other advisors or consultants;
  - (b) for purposes of furtherance of the business of the Company in accordance with the provisions of law;
  - (c) for the purposes of compliance with provisions of laws including rules, regulations and guidelines and provisions of statutes which are applicable to the Company and judgments, orders and directions of any court or tribunal or any other authority whose judgments, orders and directions are applicable to or binding upon the Company;
  - (d) for the purposes of compliance with standards, policies, practices, codes lawfully followed by the Company;
  - (e) for the purposes of the performance of agreements and contracts which have been lawfully entered by the Company and
  - (f) in the course of actions taken in accordance with lawful resolutions, decisions, recommendations and directions of the Company, its Board of Directors, Committees of the Board of Directors, CEO & Managing Director and other Key Managerial Personnel and such other persons to whom the Company, its Board of Directors, Committees of the Board of Directors and CEO & Managing Director or other Key Managerial Personnel may have delegated their powers to, either in an explicit or implicit manner provided that it shall be the responsibility of the delegate to prove that such power has been delegated if the power is delegated in an implicit manner.

Provided that such sharing has not been carried to evade or circumvent the prohibitions of the Regulations

3. All capitalized terms used in this Code but not defined herein shall have the meanings assigned them under the Regulations, Act, the Companies Act, 1956 or Companies Act, 2013, as the case may be.

4. Company shall ensure prompt public disclosure of Unpublished Price Sensitive information (hereinafter referred to as "UPSI") that would impact price discovery no sooner than credible and concrete information comes into being, in order to make such information generally available
5. The Company shall ensure uniform and universal dissemination of UPSI to avoid selective disclosure.
6. The Compliance Officer of the Company shall act as the Chief Investor Relations Officer to deal with the dissemination of information and disclosure of UPSI.
7. The Company shall make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, which is in contravention of, or likely to contravene the provisions of the Regulations, this Code and the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons of the Company, to make such information generally available.
8. The Company shall provide an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
9. The Company will ensure that information shared with analysts and research personnel, if any, is not UPSI.
10. The Company shall develop and follow 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.
11. The Company shall handle all unpublished price sensitive information on a need to- know basis.
12. No insider shall communicate, provide or allow access to any Unpublished Price Sensitive Information, relating to the Company or its Securities listed or proposed to be listed to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, the performance of duties or discharge of legal obligations. Such access for Legitimate Purposes for the purposes of this Clause shall include sharing of UPSI in the ordinary course of business by an Insider with advisors, consultants, partners, collaborators, lenders, customers, suppliers, bankers, 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 the Regulations, this Code or the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons of the Company. In case of any doubt, any person may approach the Compliance Officer of the Company to determine whether sharing of UPSI with a person would constitute a Legitimate Purpose and the manner of sharing the UPSI
13. The Compliance Officer may require the signing of non-disclosure agreement - confidentiality agreement with a person for sharing of UPSI.
14. 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, the performance of duties or discharge of legal obligations.

15. Any person in receipt of UPSI pursuant to a Legitimate Purpose shall also be considered an "Insider" for purposes of this Code and irrespective of non-receipt of any notice, will maintain the confidentiality of such UPSI.
16. Notwithstanding anything contained in this Code, a 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 SEBI (Substantial Acquisition and Takeover) Regulations, 2011 where the Board of Directors 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 SEBI (Substantial Acquisition and Takeover) Regulations, 2011 but where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitute 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 of Directors may determine to be adequate and fair to cover all relevant and material facts.

For the purposes of Clause 16(ii), the Board of Directors 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, except for the purpose of Clause 16(ii), and shall not otherwise trade in Securities of the Company when in possession of UPSI.

17. Any Directors and employees of the Company, upon becoming aware of an actual or suspected leak of UPSI, shall immediately inform the Compliance Officer who in turn shall immediately inform the Chairman. If it is established that actual leakage of UPSI has taken place, the Compliance Officer shall promptly inform the same to the Stock exchanges in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Chairman shall then constitute an Inquiry committee which shall initiate appropriate action.

The Committee will have all such powers as may be considered necessary for investigating the leakage of information and taking necessary action. The Committee shall submit its report to the Chairman in the prescribed time.

18. The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this Code along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
19. The Board of Directors may stipulate further guidelines, procedures, and rules, from time to time, to ensure fair disclosure of unpublished price sensitive information. Subsequent modification(s) / amendment (s) to SEBI (Prevention of Insider Trading) Regulations, 2015 shall automatically apply to this Code