



SRU STEELS LIMITED

***CODE OF CONDUCT FOR REGULATING
& MONITORING TRADING BY
INSIDERS***

**[Under Regulation 9(1) and (2) of the Securities and
Exchange Board of India (Prohibition of Insider
Trading) Regulations, 2015]**

CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING TRADING BY INSIDERS

CHAPTER -I

The Securities and Exchange Board of India (SEBI), for protection of investors and to regulate the securities market, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“The Regulations”) under the powers conferred on it under the SEBI Act, 1992. These Regulations come into force w.e.f. May 15 2015, and the same is applicable on to all companies whose shares are listed on Indian Stock Exchanges.

Sub-regulation (1) of Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, inter alia requires all listed companies to frame a Code of Conduct for Regulating, Monitoring and Reporting of trading by insiders by adopting the minimum standards as set out in Schedule B to the Regulations.

SRU Steels Limited believes in adhering to the highest standards of transparency and fairness in dealing with all stakeholders and aims to institutionalize strong governance processes to ensure that no Insider uses his or her position, with or without the knowledge of the Company, for personal benefit, or to provide benefits to any third party. Further, under the SEBI Regulations, even sharing of information which is not misused, is considered a violation unless required. Thus, information needs to be shared only on a “need to know” basis.

1. OBJECTIVE

The objective of this Code is to lay down guidance for “**Designated Persons**” to understand their obligations under the SEBI Regulations including the procedures to be followed at the time of trading in the Securities of the Company.

The Board has adopted this Code of Conduct to regulate, monitor and report trading in securities and handling of UPSI, pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended).

2. DEFINITIONS & INTERPRETATIONS

For the purpose of this code:

- a) “**Board**” means the Securities and Exchange Board of India;
- b) “**Code**” or “**this Code**” shall mean the ‘Code of Conduct for Prevention of Insider Trading’ as amended from time to time by the Board.
- c) “**Company**” means “**SRU Steels Limited**”.
- d) “**Compliance Officer**” means the Company Secretary of the Company.
- e) “**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;
- f) **“Designated Person” means:**
- a) Promoters of the Company;
 - b) Board of Directors (hereinafter referred as "Board")
 - c) Key Managerial Personnel;
 - d) Employees up to 2 levels below the Board;
 - e) Employees of the Corporate Financial Services Department and Corporate Legal & Secretarial Services Department of the Company irrespective of their grade level
- g) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis;
- h) **“Immediate Relative”** means a spouse of a person, and includes parents, siblings, and children 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.
- i) **“Insider”** means any person who is:
- i. a connected person; or
 - ii. in possession of or having access to unpublished price sensitive information;

- j) "**Promoter**" 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;
- k) "**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.
- l) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- m) "**Trading days**" means the days on which the recognized stock exchanges are open for trading;
- n) "**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:
- i. financial results;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - v. changes in key managerial personnel

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

CHAPTER -II

3. COMPLIANCE OFFICER

The Company has appointed the Company Secretary as Compliance Officer who shall report to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board. In the absence of the designated/appointed Compliance Officer, the Chairman shall be authorised to appoint a person to act as the Compliance Officer in the period of absence.

3.1. Duties of Compliance Officer

- a) He shall maintain a record of Designated Persons and any changes made to the list of Designated Persons.
- b) He may in consultation with the Chairman & Managing Director and shall as directed by the Board, specify Prohibited Period from time to time and immediately make an announcement thereof.
- c) He shall maintain a record of Prohibited Period specified from time to time.
- d) He shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of 'Unpublished Price Sensitive Information', 'pre-clearing of Designated Persons' trades, monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.
- e) He shall maintain records of all the declarations submitted in the appropriate form given by the Directors and Designated Persons for a minimum period of five years.
- f) He shall place before the Chairman / Managing Director, at regular intervals, all the details of the dealing in the securities by Directors and Designated Persons of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules.
- g) He shall assist all the Designated Persons /directors in addressing any clarifications regarding SEBI (Prohibition of Insider Trading) Regulation, 2015 and the Company's code of conduct.

- h) He shall ensure that prohibited period is intimated to all concerned at least 48 hours before the commencement of the said period.
- i) He shall from time to time inform the Stock Exchanges of any Unpublished Price Sensitive Information on immediate basis.
- j) He shall intimate to all Stock Exchanges on which the securities of the Company are listed the relevant information received.
- k) He shall be responsible for overseeing and coordinating disclosure of Unpublished Price Sensitive Information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.
- l) If the Company /Compliance Officer observe that there has been a violation of the Regulations, SEBI must be informed by the Compliance Officer.

4. PRESERVATION OF "UNPUBLISHED PRICE SENSITIVE INFORMATION"

Insiders including Designated Persons shall maintain the confidentiality of all Unpublished Price Sensitive Information. Insiders including Designated Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company. Following practices should be followed in this regard:

4.1. Need to know

Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Unpublished Price Sensitive Information should be disclosed only to those within the Company, where it is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

4.2. Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

4.3. Chinese Wall

The Company shall adopt a Chinese wall policy to prevent the misuse of confidential information, which separates those areas of the Company which routinely have access to confidential information.

- a) All physical files containing confidential information shall be kept secure under lock and key in custody of officials designated by the Compliance Officer.
- b) All Computer files shall have adequate security of login and passwords. Files containing confidential information should be deleted/destroyed after its use, unless they are required for future purposes or as per law.
- c) The employees in the inside area shall not communicate any Unpublished Price Sensitive Information to anyone in public area.
- d) All Unpublished Price Sensitive Information is to be handled on “need to know basis”, i.e., Unpublished Price Sensitive Information 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.
- e) All the non-public information directly received by any employee should immediately be reported to the head of the department. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

5. PROHIBITION ON DEALING, COMMUNICATING OR COUNSELLING ON MATTERS RELATING TO INSIDE TRADING

No Insider shall –

- a) Either on his own behalf, or on behalf of any other person, trade in securities of the Company when in the possession of any Unpublished Price Sensitive Information; and
- b) Communicate, counsel or procure, directly or indirectly any Unpublished Price Sensitive Information to any person. However, these restrictions shall not be applicable to any communication required in furtherance of Legitimate Purposes or performance of duties or discharge of legal obligations.

CHAPTER -III

6. TRADING RESTRICTION & PREVENTION OF MISUSE OF “UNPUBLISHED PRICE SENSITIVE INFORMATION

All Designated Persons of the Company including their immediate relatives shall be subject to trading restriction as enumerated below:

6.1. Trading Window

The period prior to declaration of Unpublished Price Sensitive Information is particularly sensitive for transactions in the Company’s securities. This sensitivity is due to the fact that the Designated Persons will, during that period, often possess Unpublished Price Sensitive Information.

During such sensitive times, the Designated Persons will have to forego the opportunity of trading in the Company's securities.

The Designated Persons of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

6.2 The trading window shall be, inter-alia, closed at the time of:-

- a) not later than end of every quarter till 48 hours after declaration of financial results (quarterly, half-yearly and annual);
- b) Declaration of dividends (interim and final);
- c) Issue of securities by way of public/ rights/bonus, etc.;
- d) Any major acquisition/ expansion plans or execution of new projects;
- e) Amalgamation, mergers, takeovers and buy-back;
- f) Disposal of whole or substantially whole of the undertaking;
- g) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect prices of the securities of the Company.

6.3. The period of closure of the trading window, except for clause 6.2(a), shall be effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, up to 48 hours after the Unpublished Price Sensitive Information is submitted to the Stock Exchange / made public.

6.4. All Designated Persons of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

6.5. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

PRE- CLEARANCE OF TRADE (Schedule B-6)

7.

All Directors and Designated Persons of the Company and their immediate relatives who intend to deal in the securities of the company in excess of Rs. 10,00,000 whether in one or a series of transactions over any calendar quarter shall require prior clearance from the Compliance Officer.

No Directors and Designated Persons person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

7.1. The Pre-Clearance shall be obtained as per the procedure prescribed below

(Schedule B-8)

An application for pre-clearance of trade shall be made in the format set out in **Form -I** as amended from time to time, to the Compliance Officer along with an understanding in favour of the Company by such Designated Person incorporating, inter-alia, the following clauses, as may be applicable:

- a) That the Designated Person does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking.
- b) That in case the Designated Person has access to or receives "Unpublished Price Sensitive Information" after signing of the undertaking but before the execution of the transaction he or she shall inform the Compliance Officer of the change in his position and that he or she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c) That he or she has not contravened the provisions of this Code or Regulations, as amended, from time to time.
- d) That he or she has made a full and true disclosure in the matter.
- e) The Compliance Officer shall on receiving an application provide the Designated Person with an acknowledgement on the duplicate of the application.
- f) The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.
- g) The Compliance Officer shall retain copies of all applications and acknowledgements.

8. OTHER RESTRICTION

The Designated Person shall execute their order in respect of securities of the Company within 7 days after the approval of pre-clearance is given. If the order is not executed within 7 days after the approval is given, the Designated Person shall give fresh pre-clearance for the trade to be executed.

The Designated Persons shall hold their investments in securities for a minimum period of six months irrespective of mode of acquisition in order to be considered as being held for investment purposes. The Designated Persons permitted to trade shall not be permitted to execute a contra trade within a period of six months from the date of said trade. The restriction on contra trades shall not be applicable for trades pursuant to exercise of stock options.

9. ANNUAL DISCLOSURE (Schedule B-14)

Designated persons shall be required to disclose names and Permanent Account Number of the following persons to the company on an annual basis and as and when the information changes:

- a) immediate relatives
- b) persons with whom such designated person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

It is clarified that the term “material financial relationship” shall have the meaning assigned to it under the Regulations.

10. PENALTY FOR BREACH

Any Designated Person, who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action will be taken by the Company

- a) Designated Persons of the Company who violate this Code shall also be subject to disciplinary action by the Company, which may include wage salary freeze, suspension, withholding of promotions, recovery, clawback, etc. The action by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- b) The persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these regulations, they shall inform the Board promptly.

APPLICATION FOR PRE-CLEARANCE OF TRADING IN SECURITIES OF THE COMPANY

From

Name of the person:-
Designation:-
DIN/ Employees Code/Regn No.:-
PAN:-
Address

To

The Compliance Officer
SRU Steels Limited
A-48, Ist Floor, Wazirpur Industrial Area,
Delhi-110052

Date:- _____

Sir,

With reference to above, I wish to inform you that I want to purchase / sale _____equity shares/
other Securities of the Company from the open market/ private arrangement, details of the same
are as mentioned below:-

Sr.No.	Heading	Particulars
1.	Existing holding of the shares / other securities	
2.	Folio No./ DP_ID and CL_ID	
3.	Nature of new transaction: sale / purchase	
4.	Quantity want to purchase / sale	
5.	Price at which you want to purchase / sale	
6.	Estimated consideration	
7.	Mode of transaction – private / open market	
8.	Purpose of purchase / sale	
9.	In whose name (with relation) the transactions will take place	

I/ We declare that I/ we have complied with the requirements of Company's "Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information" based on the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. I am executing an Undertaking as required and enclose herewith.

You are requested kindly to give your permission to trade in the equity shares/ other securities of the Company as requested above.

Signature: _____

Encl.: Duly executed Undertaking

(Name : _____)

UNDERTAKING

From

Name of the person:-

Designation:-

DIN/ Employees Code/Regn No.:-

PAN:-

Address

To

The Compliance Officer

SRU Steels Limited

A-48, 1st Floor, Wazirpur Industrial Area,

Delhi-110052

Date:- _____

Sir,

With reference to my application dated _____ for pre-clearance of trade for purchase/ Sale of _____ equity shares / other Securities of the Company, I confirm, declare and undertake as follow:-

- a) That I do not have any access or has not received “unpublished price sensitive information” up to the time of signing the Undertaking.
- b) That in case I have access to or receive “unpublished price sensitive information” after the signing of the Undertaking but before the execution of the transaction, I shall inform you the change in my position and I shall completely refrain from trading in the securities of the Company till such information becomes public.
- c) That I have not contravened the Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 (Code) as notified by the Company from time to time.
- d) That I hereby confirm that I abide by the provisions of Clause 7 of the Code with regard to time norms for execution and holding of securities.

I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge and belief.

Signature: _____

(Name : _____)