

Shree Digvijay Cement Company Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

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trading means trading in Securities of a company by its Directors, Employees or other Insiders while in possession of Unpublished Price Sensitive Information ("UPSI").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of Insider Trading) Regulations, 2015 (hereinafter referred to as the "Regulations") on 15th January, 2015 which has repealed the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Regulations will become effective from 14th May, 2015.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 Regulation, the Board of Directors of Shree Digvijay Cement Company Limited (the "Company") in their meeting held on 13th August, 2015 has considered and 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.

Words and expressions used and not defined in the Code shall have the same meanings respectively assigned to them in the "Code of Conduct to Regulate, Monitor and Report Trading by Insiders".

