

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

1. OBJECTIVE

The Board of Directors of Pradeep Metals Ltd ("**the Company**") has laid down this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**Fair Disclosure Code**").

The objective of this Fair Disclosure Code is to ensure timely and adequate public disclosure of Unpublished Price Sensitive Information no sooner than credible and concrete information comes into being in order to make such information generally available.

The provisions of this Fair Disclosure Code intend to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

2. DEFINITION

Words and expressions used and not defined herein shall have the meanings assigned to them under the Code of Conduct to Regulate, Monitor and Report trading by Designated Persons in the securities of the Company, as amended from time to time, or Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI PIT Regulations**"), as amended.

3. DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- a. Prompt public disclosure/ dissemination of any Unpublished Price Sensitive Information (UPSI) shall be done no sooner than credible and concrete information comes into being by the Chief Investor Relations Officer (hereinafter referred to as "**Authorized Person**") in consultation with the Managing Director ("**MD**") or the Chief Financial Officer ("**CFO**") by intimating the same to the Stock Exchanges and posting of the said UPSI on the website of the Company and/ or otherwise making it generally available.
- b. Save and except sharing of any UPSI for Legitimate Purpose, the Authorized Person shall ensure uniform dissemination/ disclosure of UPSI, so as to avoid selective disclosure. In case UPSI gets inadvertently selectively disclosed, the Authorized Person shall promptly, make such UPSI generally available.
- c. The Compliance Officer shall also perform the duties and obligations of the Chief Investor Relations Officer to overview/ deal with dissemination and disclosure of UPSI and shall ensure compliance under the Fair Disclosure Code herein.
- d. No UPSI shall be shared with any person except for legitimate purpose unless the information is made generally available i.e. only public information can be shared.

- e. The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- f. The Company shall develop 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.
- g. The Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to the conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.
- h. In absence of the Authorized Person, such person as may be authorized by the MD or CFO shall discharge the duties of the Authorized Person.

4. PROCEDURE FOR RESPONDING TO ANY QUERIES / REQUESTS FOR VERIFICATION OF MARKET RUMOURS BY STOCK EXCHANGES

- a. The Chief Investor Relations Officer shall under guidance of MD or CFO shall give an appropriate, fair hand prompt response to the queries on news report and requests for verification of market rumors by regulatory authorities.
- b. As and when necessary, the Chief Investor Relations Officer shall under guidance of MD or CFO make appropriate public announcement with respect to market rumors.

5. SHARING OF UPSI FOR LEGITIMATE PURPOSE

- a. While deciding the 'Legitimate Purpose', the following shall be taken into consideration:
 - i. Whether the information may be categorized under Unpublished Price Sensitive Information. If so, nature of UPSI being shared.
 - ii. Person with whom the UPSI is being shared.
 - iii. Whether confidentiality clause is added while sharing the UPSI.
- b. "**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 prohibitions of SEBI PIT Regulations.
- c. What shall constitute "legitimate purpose" and what shall not constitute "legitimate purpose" will be based on the business-related needs of the Company. In general, sharing of UPSI would be considered as Legitimate purpose in the following cases:
 - i. Arising out of contractual obligations or arrangement entered into by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;

- ii. Arising out of business requirement including requirement for the purposes of corporate action, promoting the business and strategies of business;
- iii. For ensuring operational efficiency;
- iv. For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;
- v. As part of compliance with applicable laws, regulations, rules and requirements.

The abovementioned cases are illustrative in nature and not exhaustive.

6. ISSUE OF NOTICE TO THE RECIPIENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- a. The recipient of UPSI which is communicated for any "legitimate purpose" shall be considered as an "insider" under the "Code of Conduct" adopted by the Company and such notice shall be given to the recipient of UPSI by the person making communication of UPSI in order;
 - i. To make aware recipient that the information shared is or would be UPSI
 - ii. To make aware to recipient the duties and responsibility attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
 - iii. To instruct recipient to maintain confidentiality of such UPSI in compliance with the Code of Conduct for Prevention of Insider Trading and the other applicable laws.
 - iv. To advise recipient to be in compliance with applicable provisions of SEBI PIT Regulations and the Code of Conduct for Prevention of Insider Trading adopted by the Company.

7. RESPONSIBILITY OF THE RECIPIENT OF UPSI

- a. To maintain and keep confidential the UPSI received.
- b. To use the UPSI only for Legitimate Purpose.
- c. To disclose the UPSI to any other person strictly on a need to know basis.
- d. To safeguard the UPSI with the same degree of care so avoid unauthorized disclosure as the recipient would use to protect its own confidential information, but in no case less than reasonable care.
- e. To ensure compliance with applicable provisions of PIT Regulations.

8. DIGITAL DATABASE

The Board shall ensure and authorize the Compliance Officer to maintain a structured digital database containing the names of such persons or entities as the case may be with whom UPSI is shared under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. This database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database

9. AMENDMENT OF FAIR DISCLOSURE CODE

- a. Unless required under an enactment to be approved by the Board of Directors, all statutory amendments in the Companies Act 2013 or in the Regulations, shall be effective and binding even if such amendments are not incorporated in the Code. For administrative convenience, any change in the Code herein may be made by the Compliance Officer in consultation with Managing Director' and 'Chief Financial Officer subject to approval thereof by the board of directors within a period of 3 months.
- b. This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchange where the securities of the Company are listed and published on website.

**** Approved by Board of Directors by way of circular resolution on 15th April, 2019.***