



CENTURY ENKA LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

DOCUMENT CONTROL

Document version

This Code named as "Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information" document is version 1.2.

Preparation/Revision history

Sr. No.	Date of preparation / modification	Version No.	Modified by	Reviewed and approved by
1	14.05.2015	Ref: WD/LC/09 was considered as version 1.0	Legal & Secretarial Department	Board of Directors
2	21.05.2019	Ref: MD/LS/002 was considered as version 1.1	Legal & Secretarial Department	Board of Directors
3	11.05.2022	1.2	Legal & Secretarial Department	Board of Directors

Issuing Authority

This Code is approved by the Board of the Company.

Author and Responsible Official

This Code is to be maintained and updated by way of additions, deletions, and modifications, only by the Legal and Secretarial Department. In case of any additions, deletions and modifications, this Code shall be reviewed by the Managing Director and subsequently approved by the Board of Directors.

Whenever this Code is amended, the version increases by one unit and the version is to be mentioned in the Document Control section.

Applicability and Usage

This Code applies to Century Enka Limited.

INTRODUCTION

Insider trading fuel speculation in the stock market about the price of the shares/securities and the investor who does not have access to such insider information is placed at a disadvantage. This kind of misuse by the Insiders, erodes investors' confidence in the Company and the integrity of the management of the Company. Such practice is unethical, illegal and prohibited by virtue of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

OBJECTIVE

Century Enka Limited follows the highest standards of transparency & fair disclosure and ensures that all material updates / information shared with the stakeholders in a timely, orderly, consistent and credible manner.

APPLICABILITY

The SEBI had promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 on 15th January 2015. As per Regulation 8 read with Schedule A of the said regulations, the Board of Directors of every company, whose securities are listed on a stock exchange required to frame and publish a Code of practices & procedures for fair disclosure of Unpublished Price Sensitive Information.

DEFINITIONS AND INTERPRETATIONS

- a) **'Board'** or **'Board of Directors'** shall mean the Board of Directors of the Company.
- b) **'Code'** or **'this Code'** means 'Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information.'
- c) **'Company'** shall mean Century Enka Limited unless the context otherwise provides.

- d) **'Director'** shall mean a member of the Board.
- e) **'Insiders'** means any person who is:
- a connected person; or
 - in possession of or having access to Unpublished Price Sensitive Information (UPSI).
- f) **'Insider Trading Code'** means the Company's Code of Conduct to regulate, monitor and report of trades in equity shares and other listed securities.
- g) **'Listing Regulations'** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- h) **'Insider Trading Regulations'** shall mean SEBI (Prohibition of Insider Trading) Regulations, 2015.
- i) **'SEBI'** means the Securities and Exchange Board of India.
- j) **'Securities'** means equity shares and other listed securities of the Company.
- k) **'Unpublished price sensitive information' or 'UPSI'** means any information relating to the Company's equity shares or its listed securities, directly or indirectly, that is not generally available, which upon becoming generally available, is likely to materially affect the price of the equity shares/listed securities, and shall ordinarily include but not restricted to information relating to the following:
- a) Financial results (quarterly or annual)
 - b) Intended declaration of dividend (interim or final)
 - c) Change in capital structure including Public / Rights Issue / Issue of Bonus Shares.
 - d) Any major diversification, expansion or disposal plan
 - e) Amalgamation, merger, demerger, acquisition
 - f) Disposal of the whole or substantial part of the undertaking
 - g) Changes in Board of Directors/ Key Managerial Personnel
 - h) Any changes in policies, plans or operations of the Company that would have a material impact on the capital structure of the Company
 - i) Intimation of Allotment of Shares
 - j) Delisting of securities

PRINCIPLES OF FAIR DISCLOSURE

Under this Code, the Company shall adhere to each of the below mentioned principles in disclosing UPSI:

- a) Prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being to make such information generally available.
- b) Uniform and universal dissemination of UPSI to avoid selective disclosure.
- c) Designation of a senior officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of UPSI.
- d) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently, or otherwise to make such information generally available.
- e) Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
- f) Ensuring that information shared with analysts and research personnel is not UPSI.
- g) Developing 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.
- h) Handling of all UPSI on a need-to-know basis.

LEGITIMATE PURPOSES

For the purpose of this Code as required under Regulation 3(2A) of the Insider Trading Regulations, the expression '*legitimate purpose*' shall include (but not limited to) the 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 this Code.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of this Code and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with this Code. Such insiders can trade in the securities of the Company only in accordance with Regulation 3 & 4 of the Insider Trading Regulations and the Company's Insider Trading Code.

All information shall be handled within the organisation 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.

Every Designated Person sharing the information for 'legitimate purposes' pursuant of the provisions of this Code shall also observe the provisions of the Insider Trading Code of the Company with respect to the sharing of such information for 'legitimate purposes'.

CHIEF INVESTOR RELATIONS OFFICER

The Company Secretary of the Company is designated as the 'Chief Investor Relations Officer', ('CIRO'). The CIRO will be responsible for dissemination of information and disclosure of UPSI in compliance with applicable laws.

FACTORS TO BE CONSIDERED FOR DISCLOSURE/ DISSEMINATION OF UPSI

The Company shall follow the factors mentioned below for disclosure/ dissemination of UPSI while ensuring the principles as set out in the Code. CIRO shall ensure that:

- Disclosure made to stock exchanges before it is disclosed to the media and simultaneously update the disclosure on website of the Company.
- The UPSI that gets disclosed selectively, inadvertently, or otherwise must promptly be attended to and the UPSI along with necessary clarification shall be promptly disseminated and be made generally available to all concerned and by sending a copy to stock exchanges and simultaneously update the same on website of the Company.
- No UPSI shall be disclosed/ disseminated to analysts, institutional investors, selected shareholders, research personnel etc. Only public information should be provided to the analysts/institutional investors, selected shareholders, research personnel/ large investors like institutions. Alternatively, the information given to the analysts etc. should be simultaneously made public by informing to stock exchanges (through CIRO) simultaneously with providing of such information to Analysts.

- The transcripts/records of proceedings of meetings with analysts and other investor relations conferences shall be displayed on the website of the Company to ensure official confirmation and documentation of disclosures made.
- The Directors/employees/any other recipient of the Company shall promptly direct any queries or requests for verification of market rumours received from the stock exchanges or regulatory authorities or from the press or media or from any other source to the CIRO. All the requests/ queries received shall be documented and as far as practicable shall be clarified to the stock exchanges.
- All UPSI directly received by an employees should immediately be reported to the CIRO who shall decide whether a disclosure is necessary to stock exchanges and on Company's website. The CIRO, in consultation with the Managing Director shall decide as to the necessity of a public announcement for verifying or denying rumours and thereafter making appropriate disclosures.
- No UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

WEBSITE

The Company shall maintain a functional and updated website for uniform disclosure of UPSI.

DISCLOSURE

This Code shall be communicated to the stock exchanges and simultaneously published on the website of the Company. Further, any subsequent amendment thereto shall be promptly intimated to the stock exchanges where the equity shares/ other securities of the Company are listed.

INTERPRETATION OR MODIFICATION

The Board of the Company shall have authority to amend or modify this Code, to align with any amendments made to the Insider Trading Regulations or Listing Regulations or such other circulars, SOP's, guidelines, standards, or regulations issued by SEBI, Stock Exchange(s) or any other statutory authority or as and when deemed fit.

In the event of inconsistency of this Code with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Code.