

# **SUNDARAM – CLAYTON LIMITED**

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## **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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*[As approved by the Board of Directors at their meeting held on 11th August 2023  
(Effective Date - 11th August 2023)]*

# SUNDARAM – CLAYTON LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE

### 1. PREFACE

As part of Sundaram – Clayton DCD Limited’s commitment to transparency and good governance, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, has been formulated in accordance with Regulation 8 read with Schedule A of the PIT Regulations.

The object of the Code is to ensure fair disclosure of events and occurrences that could impact price discovery of the Company’s listed securities in the market.

### 2. DEFINITIONS

For the purpose of this Code the following terms shall have the meanings assigned to them hereunder:

- (a) “Board” means the board of directors of the Company.
- (b) “Code” means this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- (c) “Chief Investor Relations Officer” means the chief financial officer of the Company, appointed in terms of Section 203 of the Companies Act, 2013.
- (d) “Company” means Sundaram – Clayton DCD Limited.
- (e) “Generally Available Information” means information that is accessible to the public on non-discretionary basis.
- (f) “PIT Regulations” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (g) “UPSI” means any information, relating to the 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;

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- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.

Words and expressions not defined in this Code shall have the same meaning as defined in the PIT Regulations, Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956 and its allied rules, Companies Act, 2013 and rules and regulations made thereunder.

### **3. PROMPT PUBLIC DISCLOSURE OF UPSI**

- 3.1 The Company shall make a prompt public disclosure of UPSI that would impact the price discovery, as soon as credible and concrete information comes into being, in order to make such information generally available.
- 3.2 The Company shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available to all.

### **4. DESIGNATION OF CHIEF INVESTOR RELATIONS OFFICER FOR OVERSEEING AND COORDINATING DISCLOSURE**

- 4.1 The Chief Investor Relations Officer shall oversee the corporate disclosures and dissemination of information and disclosure of UPSI, as the case may be.
- 4.2 The Chief Investor Relations Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and coordinating disclosure of UPSI to the stock exchanges (on which the securities of the Company are listed), analysts, shareholders and media, and educating staff on disclosure policies and procedures.

### **5. UNIFORM AND UNIVERSAL DISSEMINATION OF UPSI**

The Chief Investor Relations Officer shall ensure:

- 5.1 dissemination of UPSI uniformly and universally to avoid selective disclosure; and
- 5.2 prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.

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- 5.3 Disclosure or dissemination of UPSI may normally be approved in advance by the chairman of the Board or in his absence, any managing director or chief executive officer of the Company.
- 5.4 If certain information is accidentally disclosed without prior approval of the chairman of the Board (or in his absence, any managing director or chief executive officer of the Company), as aforesaid, the Chief Investor Relations Officer shall inform the chairman of such disclosure immediately, even if the information is not considered price sensitive.
- 5.5 Any information that is in the nature of UPSI, shall be communicated to the compliance officer of the Company. Thereafter, the Chief Investor Relations Officer of the Company shall be responsible for continuous and immediate dissemination of such information to the stock exchange on which the securities of the Company are listed.
- 5.6 The Company shall supplement the information released to the recognized stock exchanges by public announcements and / or by simultaneously publishing information on its website.

### **6. APPROPRIATE AND FAIR RESPONSE TO QUERIES**

- 6.1 The chairman of the Company or in his / her absence, the managing director or chief executive officer or the Chief Investor Relations Officer or any other person authorised by the Board (such as a spokesperson) shall give an appropriate and fair response to queries on news reports and request for verification of market rumors by regulatory authorities and/ or the stock exchanges on which the securities of the Company are listed.
- 6.2 They shall decide whether a public announcement is necessary for verifying or denying any of the news reports or rumors and take such actions, as may be necessary.

### **7. TIMELY REPORTING OF SHAREHOLDINGS/OWNERSHIP AND CHANGES IN OWNERSHIP**

The Company will make timely and adequate disclosure of shareholding or change in ownership by majority shareholders or promoters and promoter group, or any other such disclosure requirement under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing **Regulations**”).

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## 8. DISCLOSURE/ DISSEMINATION OF UPSI

PIT Regulations permit communication or access to UPSI, relating to the Company or its listed securities to any persons including other insiders in furtherance of legitimate purposes, performance of legal duties or legal obligations.

### 8.1 Sharing of UPSI for legitimate purpose:

The UPSI shall be shared by the chief information officer of the Company or any other person(s) authorized by the Board in furtherance of legitimate purpose(s) which shall include the following: \_

- a) For strategic transactions, including acquisitions, mergers / demergers, divestments, financing and similar transactions;
- b) For discharge of statutory/ regulatory/ legal obligations and other genuine or reasonable business purposes, in furtherance of performance of duties;
- c) For complying with the judicial orders / directions by regulatory bodies that are binding upon the Company;
- d) For discharge of a fiduciary duty, or in the interest of public shareholders or stakeholders or transactions undertaken with an intent not to make profit or to gain unlawfully or without a view to misuse information, or the like, as may be determined by the chief executive officer of the Company; and

Provided that such sharing of UPSI should not be carried out to evade or circumvent the prohibitions under the PIT Regulations.

### 8.2 Process and mode of sharing the information

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider”;

- a) the information to be disseminated to such persons in soft copies should have adequate password protection;

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- b) UPSI should be identified by a code, ie, folders and files should not have the names of the concerned UPSI before public announcement;
- c) Sharing of UPSI through electronic mode with specific condition viz., restricting down load access, non-copying mode, automatic expiry of access to data, etc.;
- d) A clear record documenting for the distribution of the information including the identity of the recipients and the time of dispatch should be obtained and maintained.

### **8.3 Pre-requisites**

The compliance officer of the Company shall ensure the following before sharing UPSI pursuant to a “legitimate purpose” :

- a) To inform such person that the information shared is or would be, UPSI.
- b) To inform such person who is in receipt of UPSI, the duties and responsibilities attached to the receipt of such UPSI, including maintenance of confidentiality and the liability attached to misuse or unwarranted.
- c) Due notice shall be given to such persons and non-disclosure agreements may be executed, in this regard.

### **8.4 Database of Insiders**

The compliance officer of the Company to be informed of the following information about such persons who are in receipt of UPSI:

- a) Name of such recipient of UPSI;
- b) Name of the organization or entity to whom the recipient represents;
- c) Address and e-mail ID of such recipient ;
- d) Permanent Account Number (PAN)

The compliance officer of the Company shall also be responsible to ensure that such databases shall be maintained with adequate internal controls

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and checks such as time stamping and audit trails to ensure non-tampering of such database.

### **9. ONLY PUBLIC INFORMATION TO BE PROVIDED**

9.1 The Company shall provide only Generally Available Information, namely information that is accessible to the public on a non-discriminatory basis, to analysts, research personnel, institutional investors.

9.2 Alternatively, information given to analysts, that may in the nature of UPSI, shall simultaneously be made public through a press release and/or by publication on the Company's website and disclosure to the stock exchanges (where the securities of the Company are listed) at the earliest. It shall be ensured that any information shared with such analysts, institutional investors and research personnel is not UPSI.

9.3 When the Company organizes meetings with analysts or potential investors post disclosure of financial results, it shall make a press release or post relevant information regarding the discussions that took place, on its website and make relevant disclosures to the stock exchanges (where the securities of the Company are listed).

### **10. RECORDING OF DISCUSSION**

In order to avoid misquoting or misrepresentation, it is desirable that at least 2 (two) representatives of the Company be present at meetings with analysts, brokers or institutional investors and discussion should preferably be recorded. It is also desirable that, if the meeting is a large gathering, the meeting may be video-graphed.

### **11. HANDLING OF UNANTICIPATED QUESTIONS**

The Company shall ensure that all UPSI is shared on a need-to-know basis only. The representatives of the Company should be careful while dealing with questions from analysts, research personnel, investors or other such persons, that raise issues outside the intended scope of such discussion. Any unanticipated questions may be noted and a considered response may be given later. If the answer includes UPSI, then the response should be made generally available before responding.

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### **12. MEDIUM OF DISCLOSURE/ DISSEMINATION**

- 12.1 Disclosure/dissemination of information may be done through various media such as publication of results, briefings on meetings with analysts and other investor relations conferences on the Company's website and disclosure to the stock exchanges (where the securities of the Company are listed) so as to achieve maximum reach and quick dissemination.
- 12.2 The Company shall ensure that disclosure of information stock exchanges (where the securities of the Company are listed) are made promptly.
- 12.3 The information filed by the Company with stock exchanges (where the securities of the Company are listed) under continuous disclosure requirements under the PIT Regulations may be made available on the Company's website.

### **13. REVIEW**

This Code shall be subject to review or revision by the audit committee of the Company, formed by the Board of the Company at least once in a financial year. The Board, upon the recommendation of the audit committee and subject to applicable laws, rules and regulations, may amend / substitute any provision(s) with new provision(s) or replace the entire Code.

In any circumstance, where the terms of this Code differ from applicable laws, such law shall take precedence over this Code.

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the recognized stock exchanges where the securities of the Company are listed, if required under the Listing Regulations, the PIT Regulations and any amendment(s) thereto.

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