



May 22, 2019

BSE Limited
P. J. Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code : 500378

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block-G
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Code : JINDALSAW

Sub. : Intimation under SEBI (Prohibition of Insider Trading) Regulations, 2015

Dear Sirs,

Pursuant to the Regulation 8(2) of the SEBI (Prohibition on Insider Trading) Regulation, 2015, as amended, we hereby inform you that the Board of Directors has further amended the 'Code of Conduct for Prevention of Insider Trading' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' that shall be effective from today, i.e., 22nd May, 2019. The above revised Codes are enclosed herewith.

This is for your reference and record.

Thanking you,

Yours faithfully,
For JINDAL SAW LIMITED

SUNIL K. JAIN
COMPANY SECRETARY
FCS : 3056



Encl. : As above.



**Code of Conduct
to regulate, monitor and
report trading
by
Designated Persons and
their Immediate Relatives**

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CHAPTER - 1 INTRODUCTION

This code shall be known as “**Code of Conduct for Prevention of Insider Trading of Jindal Saw Limited**” (“**Code**”) made pursuant to Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

1.1 Scope and Purpose

The Securities and Exchange Board of India repealed the erstwhile SEBI (Prohibition of Insider Trading) Regulations, 1992 and replaced it with the SEBI (Prohibition of Insider Trading) Regulations, 2015, on 15th January, 2015 (hereinafter referred to as the “Regulations”) in terms of which Jindal Saw Limited (hereinafter referred to as “Company”) had, inter alia, framed a Code of Conduct for Prevention of Insider Trading (hereinafter referred to as “(Insider Code” or “the Code”) by employees of the Company, including the Directors and other connected persons, in relation to the securities of the Company which was adopted by the Board of Directors of the Company at its meeting held on [o], 2015. Thereafter, pursuant to the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the aforesaid Policy needed revision. The revised Policy has been adopted by the Board on [o] and is effective from April 1, 2019.

1.2 Definitions

- (a) “**Act**” means the Securities and Exchange Board of India Act, 1992;
- (b) “**Board**” means a Securities and Exchange Board of India.
- (c) “**Body Corporate**” means a body corporate as defined in section 2(11) of the Companies Act, 2013;
- (d) “**Compliance Officer**” means Company Secretary of the Company and in his absence any other senior officer, designated so and reporting to the Board of Directors as mentioned in the Regulations.
- (e) “**Dealing in Securities or Trading**” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Securities, and “trade” shall be construed accordingly.
- (f) “**Dependent(s)**” includes a spouse of a person, and includes parent, sibling, and child 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.
- (h) “**Director(s)**” means a Director appointed on the Board of the Company.

(i) "**Designated Persons**" shall include:

1. Directors of the Company;
2. Promoters of the Company;
3. Key managerial personnel as defined under Section 2(51) of the Companies Act, 2013;
4. Every employee in the finance, accounts, secretarial and legal department as may be determined and informed by the Compliance Officer;
5. Employees up to two levels below chief executive officer/managing director of the Company and its Material Subsidiaries irrespective of their functional role in the Company or the Material Subsidiary, as the case may be or their ability to have access to UPSI;
6. Any support staff of the Company and its Material Subsidiaries who have access to UPSI as may be determined by the Compliance Officer from time to time;
7. Connected Persons identified by the Compliance Officer as designated persons.

(i) "**Insider(s)**" means any person who is:

- i) a connected person; or
- ii) in possession of or having access to unpublished price sensitive information;

(j) "**Key Managerial Personnel**" means person as defined in Section 2(51) of the Companies Act, 2013.

(k) "**Regulations**" means SEBI (Prohibition of Insider Trading) Regulations, 2015

(l) "**Securities**" means Securities of the Company and shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund;

Words denoting the singular shall include the plural and vice versa and words denoting masculine gender shall include reference to feminine or neuter gender

Words and expressions used and not defined in this code but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

Unless the context requires otherwise, employee shall mean employee of the Company.

1.3 Role of Compliance Officer

Unless otherwise designated by the Board of Directors, the Company Secretary for the time being of the Company shall be deemed to be the Compliance Officer for the purpose of the Code.

1.3.1 The functions and responsibilities of the Compliance Officer shall be as under:

- a) Maintaining and reviewing and updating from time to time, the record of Designated Persons and immediate relatives thereof in the format provided in Annexure.
- b) Monitoring adherence to the Regulations and the Insider Trading Code;
- c) Grant of pre-trading clearance to the Designated Persons for dealings in the Company's Securities and monitoring of such trade;
- d) Approving the Trading Plan as may be formulated by any Insider in terms of the Regulations;
- e) Determination of period of Trading Window closure and Intimation of closure of Trading Window to the Designated Persons;
- f) Implementation of this Code of Conduct under the general supervision of the Board;
- g) Placing status reports before the Chairman of Audit Committee, detailing any trading in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-clearance procedure prescribed under the Code of Conduct at regular intervals but not less than once in a year;
- h) Assisting all the Employees in addressing any clarifications regarding the Regulations and this Insider Trading Code;
- i) Maintaining a record of instances where the requirement of holding the Securities during the holding period is waived for emergency reasons;
- j) Sensitizing the employees of the manner and circumstances in which people may be brought "inside" on sensitive transactions, duties and responsibilities attached to the receipt of inside information, and the liability that attaches to misuse or unwarranted use of such information
- k) Maintaining a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under this Regulation for legitimate purpose, along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available and giving of due notice to such insiders to maintain confidentiality of such unpublished price sensitive information in compliance with the Regulations.
- l) In case the Compliance Officer is not available either on account of his being on leave or on his being away from the registered office and/or corporate office of the Company for a period of 7 (seven) days or more, he shall delegate his authority to any executive, who is financially literate¹ and is capable of appreciating requirements for legal and regulatory compliance and eligible under these Regulations, who shall act as Compliance Officer and be responsible for all duties and responsibilities of Compliance Officer, during the period of his absence.

¹ "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e., balance sheet, profit and loss account, and statement of cash flows.

CHAPTER - 2

RESTRICTIONS ON TRADING & PRESERVATION OF UPSI

2.1 Designated Persons of the Company when in possession of any UPSI, as defined in the Regulations, pertaining to the Company, shall not:

- a) Trade in securities of the Company, either on their own behalf or on behalf of any other person, except provided otherwise.
- b) Communicate, counsel, procure or allow access to any unpublished price sensitive information to/from any person, except in furtherance of a legitimate purpose, as explained in Code of Fair Disclosure, or performance of duties.

Designated Persons shall maintain the confidentiality of all unpublished price sensitive information. Designated Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the trading in securities.

2.2 Need to Know

- (i) "need to know" basis means that 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.
- (ii) All non-public information directly received by any employee should immediately be reported to the head of the department.

2.3 Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

2.4 Chinese Wall

To prevent the misuse of confidential information the Company shall adopt a appropriate procedures and processes of "Chinese Wall" policy which separates those areas of the Company which routinely have access to confidential information, viz. Finance, Strategy, Secretarial departments regarded as "insider areas" from those areas which deal with sale/marketing/investment advise or other departments providing support services, considered "public areas".

The employees in the inside area shall not communicate any Unpublished Price Sensitive Information to any one in public area.

As far as practical, the employees in inside area may be physically segregated from employees in public area. Demarcation of the various departments as inside area may be implemented by the Company.

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 or legitimate purposes, under intimation to the Compliance Officer. Exceptions permitted under the Regulations will also be applicable in the present case.

CHAPTER 3

PREVENTION OF MISUSE OF 'PRICE SENSITIVE INFORMATION

3.1 All Designated Persons of the Company shall be subject to trading restrictions as enumerated below.

3.2 **Trading Window**

3.2.1 The Company shall specify a trading period, to be called "trading window", for trading in the Company's Securities. The trading window shall be closed during the time the information referred to in para 3.2.3 is unpublished.

3.2.2 Designated Persons and their immediate relatives shall not trade in securities of the Company during closure of the Trading Window, i.e. the period during which trading in the securities of the Company is prohibited.

3.2.3 Trading Window shall be closed from the end of every quarter till 48 hours after the declaration of financial results. Further, the trading window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of unpublished price sensitive information from the first available date at which any UPSI, including the following, take place or is/are proposed to take place:—

- a) Approval of any quarterly, half yearly or annual financial results ;
- b) Declaration of dividends;
- c) change in capital structure by way of public/rights/preferential issue;
- d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- e) changes in Key Managerial Personnel.

3.2.4 The Trading Window in such case shall open 48 hours after the information in respect of the above events is/are made generally available.

3.2.5 In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

3.3 Trading Plan

3.3.1 Trading plan is a plan under which an Insider can trade in Securities even when trading window is closed. It gives an option to Insiders who may be perpetually in possession of Unpublished price sensitive information and enabling them to trade in Securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of Unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the Unpublished price sensitive information came into being.

3.3.2 Every Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

3.3.3 While presenting the trading plan, following points shall be kept in mind:

a) There must be a gap of 6 months between the public disclosure of plan and commencement of trading.

In any case, it should be remembered that this is only a statutory cool-off period and would not grant immunity from action if the Insider was to be in possession of the same Unpublished price sensitive information both at the time of formulation of the plan and implementation of the same.

b) In any case, trading will not be permitted between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results.

c) Trading plan shall entail trading for a period of not less than twelve months.

d) Trading plan shall not entail overlap of any period for which another trading plan is already in existence.

e) Trading plan shall set out either the value of trades to be effected or the number of Securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected.

f) Trading on the basis of such a trading plan would not grant absolute immunity from bringing proceedings for market abuse.

3.3.4 While granting the approval, the Compliance Officer shall be entitled to seek such express undertakings as he may think necessary to assess and approve the plan.

3.3.5 The trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the Securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any Unpublished price sensitive information in possession of the Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation.

3.3.6 Once the trading plan is approved, the Compliance Officer shall notify the plan to the stock exchanges on which the Securities are listed.

3.4 Pre-clearance of Trades

3.4.1 All Designated Persons and their immediate relatives who intend to deal in the Securities of the Company shall pre-clear the intended transactions in the Securities of the Company as per the pre-dealing procedure described hereunder.

3.4.2 Designated Persons shall require pre-clearance from the Compliance Officer in respect of trading in securities of the Company, where the quantity exceeds 10,000 or value of the securities to be traded exceeds 10 lakh rupees, whichever is lower, in a month (either in one transaction or in a series of transactions) for the time being or such other format as may be prescribed by SEBI. Such trading in securities by the Compliance Officer shall require pre-clearance from the Managing Director. However, pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

3.4.3 An application in "FORM I", as prescribed in Chapter 7, shall be made to Compliance Officer, after obtaining the approval of departmental head, if any, indicating the

estimated number of Securities that Designated Person and their immediate relatives intends to deal in and details of depository with which he has a depository account and such other details as may be required by any rule made by the Company in this behalf.

- 3.4.4 An undertaking in "**Annexure IA**" shall be executed in favour of the Company by such Designated Person.
- 3.4.5 Trades, for which pre clearance has been obtained, shall be executed within seven days after the approval of pre clearance is given, failing which a fresh pre-clearance shall be required.
- 3.4.6 Persons covered under the pre-clearance requirement shall file the details of the transactions in the format prescribed under **FORM I** for the time being or such other format as may be prescribed by SEBI with the Compliance Officer within 30 (thirty) days of the exercise of the trade. Even in cases where the transaction has not been undertaken, the same should be reported in the above format.
- 3.4.7 Designated Person in possession of unpublished price sensitive information shall not apply for any pre-clearance even if the trading window is not closed.
- 3.4.8 The Compliance officer shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 3.4.9 Trading in securities by the Compliance Officer shall require prior permission from the CEO/MD of the Company and in case of trading by the CEO/MD, prior permission from [*] shall be obtained.