

The State Trading Corporation of India Limited
Jawahar Vyapar Bhawan, Tolstoy Marg, New Delhi-110 001

Code of Fair Disclosure and Conduct- Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

1. PRELIMINARY

- 1.1 The Company has formulated the Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information hereinafter called as ***Principles of Fair Disclosure***.
- 1.2 This Code shall come into force w.e.f. 01.04.2019 (Approved by the Board in its 627th meeting held on 11.02.2019); and the amendments to the code, if any, shall be effective from the date on which it is notified from time to time.
- 1.3 The existing Code of Fair Disclosure and Conduct stands repealed with the new Code coming into effect. However, the existing Code shall be operational till 31.03.2019.

2. OBJECTIVE OF THE PRINCIPLES OF FAIR DISCLOSURE

Fair disclosure of events and occurrences that could impact price discovery in the market for its securities. Adhering to principles of fair disclosures such as, equality of access to information, publication of policies such as those on dividend, inorganic growth pursuits, calls and meetings with analysts, publication of transcripts of such calls and meetings.

3. OVERSEEING AND CO-ORDINATING DISCLOSURE

Company Secretary shall be responsible for prompt public disclosure of unpublished price sensitive information i.e. to Stock Exchanges that would impact price discovery, so as to ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure. In the event of inadvertent selective disclosure of unpublished price sensitive information, prompt action will be taken to ensure such information is generally available.

Unpublished Price Sensitive Information shall be handled on a "need to know" basis i.e. will be disclosed only who need the information to discharge their duty.

4. RESPONDING TO MARKET RUMOURS

Company Secretary of the Company shall promptly deal with any query or request for verification of market rumours received from stock exchanges/ regulatory bodies.

5. DISCLOSURE/DISSEMINATION OF PRICE SENSITIVE INFORMATION WITH SPECIAL REFERENCE TO ANALYSTS, INSTITUTIONAL INVESTORS

Functional Directors/Head of Finance Department who will act as the Chief Investor Relations Officer/Concerned Official(s) only shall disclose any information (which will not be unpublished price sensitive information) relating to the Company's Securities to Institutional Investors & Analysts.

All the officials of the Company should follow the guidelines given hereunder while dealing with analysts and institutional investors:

(i) Sharing of non-public information

Functional Directors/Chief Investor Relations Officer shall provide only public information to the analysts/research persons/large investors like institutions. In case, non-public information (which will not be unpublished price sensitive information) is proposed to be provided, the person proposing to do so shall provide information after consulting the concerned Functional Director(s) in advance.

(ii) Recording of discussion

Chief Investor Relations Officer shall ensure official confirmation and documentation of disclosures made by making transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website.

6. COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION

No insider (as defined under the SEBI (Prohibition of Insider Trading), Regulations, 2015) shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes (*as defined below*), performance of duties or discharge of legal obligations.

LEGITIMATE PURPOSE

"Legitimate purposes" are those which may be determined and notified by the Board of Directors from time to time and shall include sharing of unpublished price sensitive information 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 (Prohibition of Insider Trading), Regulations, 2015.

This Code is issued in pursuance of the requirements of SEBI (Prohibition of Insider Trading), Regulations, 2015, as amended.