KANISHK STEEL INDUSTRIES LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

[Pursuant to Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended by Notification dated 16.08.2011]

Approved by the Board at its meeting held on 30.05.2013

TO BE OBSERVED BY THE DIRECTORS, OFFICERS AND DESIGNATED EMPLOYEES OF THE COMPANY PURSUANT TO REGULATIONS 12(1) AND SCHEDULE I OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS 1992 AS AMENDED BY NOTIFICATION DATED 16.08.2011

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THE MODEL CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING PRESCRIBED BY SEBI HAS BEEN FOLLOWED WITHOUT DILUTING THE SAME IN ANY MANNER

1.0 PREAMBLE

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every Director, Officer, Designated Employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his/her work at the Company. No Director, Officer, Designated Employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating / or counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

The Securities and Exchange Board of India (SEBI), as part of its efforts to protect the interest of investors in general, had issued the SEBI (Insider Trading) Regulations, 1992, under the powers conferred on it by the SEBI Act, 1992, which were made applicable to all the listed companies.

It is mandatory for every listed Company to adopt a Code of Conduct for Prevention of Insider Trading, for its Directors, Officers and Designated Employees.

This Code can be modified/amended/altered by Directors/Compliance Officer authorized by the Board. But in case of any statutory modification or amendment or alteration of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 1992, the newly modified/amended/altered provisions of the Regulation shall be placed before the Board of Directors of the Company for noting and the amended code shall be deemed to be implemented effective from the date of approval of the same by the Board.

1.0 DEFINITIONS

a) “Act” means the Securities & Exchange Board of India Act, 1992 as may be amended from time to time.
b) “Board” means Board of Directors of the Company.
c) “Code” means this Code of Conduct for Prevention of Insider Trading including modifications made thereto from time-to-time.
d) “Company” means **KANISHK STEEL INDUSTRIES LIMITED.**
e) “Compliance Officer” shall mean Company Secretary of the Company.
f) “Dealing in Securities” means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities either as principal or agent.

g) “Dependents” mean as defined in the companies Act,1956.

h) “Designated Employees” shall mean and include the following Levels of Management:

- Managing Director, Director, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary;
- General Manager, Senior Manager of all the departments of the Company;
- The designated employees/officers as may be decided by the Company, to whom this code of Conduct shall apply.

i) “Officer” shall mean and include –

i. Statutory and Internal Auditor of the Company;
ii. Person occupying the position as an officer or an employee of the company or holds a position involving a professional or business relationship between himself and the company whether temporary or permanent and who may reasonably be expected to have an access to unpublished price sensitive information in relation to that company;
iii. Any other person as decided by the Board of Directors of the Company;

j) “Director” means Directors on the Board of the Company both Executive and Non-Executive.

k) “Insider” means any person who-

i. is or was connected with the company or is deemed to have been connected with the company and who is reasonably expected to have access to unpublished price sensitive information in respect of the company, or
ii. has received or has had access to such unpublished price sensitive information.

l) “Unpublished” means information which is not published by the Company.

m) “Regulation” means Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 1992 as amended from time to time.

n) "Price Sensitive Information" means information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of the securities of Company.

Following Information is deemed to be price sensitive information:-

i. Periodical financial results of the Company;
ii. Intended declaration of dividends (both interim and final);
iii. Issue of securities or buy back of securities;
iv. Any major expansion plans or execution of new projects;
v. Amalgamation, mergers or takeovers;
vi. Disposal of the whole or substantial part of the undertaking;

vii. Any significant changes in policies, plans and operation of the Company.

o) "Securities' shall mean the Equity Shares of the Company and such other securities of the Company issued from time to time as may be specified by the Board of the Company.

p) "Trading Window" means the period during which the Directors, Officers and Designated Employees of Company may trade in the Company's securities.

q) "Working Day" shall mean the working when the regular trading is permitted on the concerned stock exchange where securities of the company are listed.

1.0 Compliance Officer

1.1 The Company shall designate the Company Secretary as the Compliance Officer or other senior level employee by way of Board resolution who shall report to the Managing Director/Chief Executive Officer.

1.2 The compliance officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing trades of Directors, Officers and Designated Employees' and their dependents, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of the Company.

1.3 The compliance officer shall maintain a record of the designated employees and any changes made in the list of designated employees.

1.4 The compliance officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time and the company's code of conduct.

2.0 Preservation of Price Sensitive-Information

2.1 Directors, Officers and Designated Employees shall maintain the confidentiality of all Price Sensitive Information. Directors, Officers and Designated Employees shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

2.2 Need to know

2.2.1 Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the company who need the information to discharge their duty.

2.3 Limited access to confidential information

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

3.0 Preservation of misuse of "Price Sensitive Information"

3.1 All Directors, Officers and Designated Employees of the company shall be subject to trading restrictions as enumerated below.

3.2 Trading Window

3.2.1 The Trading window shall be closed during the time of information referred in Para 3.2.3

3.2.2 When the trading window is closed, the Directors, Officers and Designated Employees on their own or on behalf of their Dependents shall not trade in the company's securities in such period.

3.2.3 The trading window shall be, inter alia closed at the time:-

(a) Declaration of financial results (quarterly, half-yearly and annually).
(b) Declaration of dividends (interim and final).
(c) Issue of securities by way of public/rights/bonus etc.
(d) Any major expansion plans or execution of new projects.
(e) Amalgamation, mergers, takeovers and buy-back.
(f) Disposal of whole or substantially whole of the undertaking.
(g) Any changes in policies, plans or Operations of the company.

3.2.3A Closure of trading window shall commence 48 hours before the date of meetings of Board of Directors of the Company to be held to consider any of the items referred to in Para 3.2.3 hereinabove, unless otherwise prescribed by the board.

3.2.4 The trading window shall be re-opened 24 working hours after the information referred to in Para 3.2.3 is made public.

3.2.5 All directors/officers/designated employees of the company shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the company's securities during the periods when trading window is closed, as referred to in para 3.2.3 or during any other period as may be specified by the Company from time to time.

3.3 Pre-clearance of trades

3.3.1 All Directors, Officers, Designated employees and their dependents who intend to deal in the securities of the Company above a minimum threshold limit of Rs.5 Lacs or 25000 shares or 1%

of total shareholding or voting rights, whichever is lower should pre-clear the transaction as per the pre-dealing procedure as described hereunder.

3.3.2 An application may be made in prescribed format (**Annexure 1**) to the Compliance Officer indicating the estimated number of shares that the Insider intends to deal in, the depository with which he/she has an account and the details as to his/her shareholding before and after the intended transaction.

3.3.3 An undertaking (**Annexure 2**) shall be executed in favour of the company by such directors, officers, designated employees.

4 Other restrictions

4.1 All directors, officers, designated employees and their dependents shall execute their order in respect of securities of the company within one week after the approval of preclearance is given. If the order is not executed within one week after the approval is given, the directors, officers, designated employees must pre-clear the transaction again.

4.2 All directors, officers, designated employees who buy or sell any number of shares of the company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All directors, officers, designated employees shall also not take positions in derivative transactions in the shares of the company at any time.

5.0 Reporting requirements for transactions in securities

5.1 All directors, officers, designated employees of the Company shall be required to forward following details of their securities transactions including the statement of dependent family members as may be prescribed by the Companies Act,1956 to the Compliance Officer:

(a) All holdings in securities of that company by directors, officers, designated employees at the time of Joining the Company.

(b) Periodic statement of any transactions in securities (the periodicity as may be decided by the Company. The company may also be free to decide whether reporting is required for trades where pre-clearance is also required); and

(c) Annual statement of all holdings in securities.

5.2 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors/officers/designated employees for a minimum period of three years.

5.3 The compliance officer shall place before the Managing Director/ Chief Executive Officer or a committee specified by the Company, on a monthly basis all the details of the dealing in securities by

the directors, officers, designated employees of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

6 Penalty for contravention of Code of Conduct

6.1 Any Director, Officer, Designated Employees who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the company.

6.2 Any Director, Officer, Designated Employees of the company who violate the code of conduct shall also be subject to disciplinary action by the company, which may include wage/salary freeze, suspension, ineligible for future participation in employee stock option plans, etc.

6.3 The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

7 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

7.1 In case it is observed by the company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992. SEBI shall be informed by the company.

GENERAL

Employees are advised to pursue the Code and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time, carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

Annexure-1

Application for pre-clearance of trade (Regulation 12(1) of SEBI (Prohibition of Insider Trading Regulations) Regulations, 1992)

(When dealing in securities beyond the threshold limit)

To,
The Compliance Officer
Kanishk Steel Industries Limited

Dear Sir,

Sub : Pre-clearance of trade
Ref : DP's name :
DP ID :
CLIENT ID :
Name of the insider:
Address :

Your approval is solicited for purchase/sale of securities of the Company in physical / demat form.
I state on solemn affirmation:

i. that I am Director / Officer/ Designated Employee of the Company who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company;
ii. that I intend to purchase/sale_____(*No. of securities*) securities of the Company in physical/demat form immediately on receipt of clearance for trade;
iii. that I am aware of the code of conduct for Prohibition of Insider Trading and that the provisions are applicable to me.
iv. that at this point of time trading window is open and I am permitted to trade in securities;
v. that I do not have access to the unpublished price sensitive information and also have not received unpublished price sensitive information till today;

vi. that in case I have access to the price sensitive information or receives it after signing this undertaking, I shall inform the change and refrain from dealing in securities till the information becomes public;

vii. that I have not contravened the code of conduct for prevention of insider trading as notified by the Company.

viii. I will hold/not repurchase such equity shares/listed securities for a minimum period of six months from the date of purchase/sale.

ix. In case of non-execution of transaction by me within 7 days from the date of permission for purchase/sale, I will again take the clearance for the same.

x. that whatever is stated above is true and correct to the best of knowledge and nothing has been concealed.

Yours truly,

Signature

Name:
Designation:

Date

(*You are requested to use the above format for pre-clearance of trade of your dependents*)

Annexure- 2

Undertaking to be executed in favour of the Company by Director/Officer/designated employee

UNDERTAKING

I _____. aged about _____ years, Son of _____working in the capacity of [ ] in Kanishk Steel Industries Limited do hereby solemnly declare and undertake -

i. that I do not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
ii. That in case I receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance officer of the change in my position and I would completely refrain from dealing in the securities of the company till the time such information becomes public.
iii. That I have not contravened the code of the conduct for prevention of insider trading as notified by the company from time to time.
iv. That I have made full and true disclosure in the matter.

Signature

Name:
Designation:

Date:

KANISHK STEEL INDUSTRIES LIMITED

CODE OF CORPORATE DISCLOSURE PRACTICE FOR PREVENTION OF INSIDER TRADING

1.0 Corporate Disclosure Policy

1.1 To ensure timely and adequate disclosure of price sensitive information, the following norms shall be followed by the Company:-

2.0 Prompt Disclosure of price sensitive information

2.1 Price sensitive information shall be given by the Company to stock exchanges and disseminated on a continuous and immediate basis.

2.2 The Company may also consider, from time to time, ways of supplementing information released to stock exchanges by improving investor access to public announcements.

3.0 Overseeing and co-coordinating disclosure

3.1 The Compliance Officer shall oversee the corporate disclosure.

3.2 The Compliance office shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and coordinating disclosures of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.

3.3 Information disclosure / dissemination shall be approved in advance by the Managing Director / Chief Executive Officer of the Company.

3.4 If information is accidentally disclosed without prior approval, the person responsible may inform the Compliance Officer immediately, even if the information is not considered price sensitive.

4.0 Responding to market rumors

4.1 The Compliance Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours / report appearing in newspaper or otherwise and then decide about making the appropriate disclosures.

5.0 Timely Reporting of shareholdings / ownership and changes in ownership:

5.1 Disclosures of shareholdings / ownership by major shareholders and disclosures of changes in ownership as provided under any Regulations made under the Act and the listing agreement shall be made in a timely and adequate manner.

Disclosures / dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investor

6.0 The Company shall follow the guidelines given hereunder while dealing with analysts and institutional investors:

i. Only Public information to be provided – The Company shall provide only public information to the analysts / research persons / large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.

ii. Recording of discussion – In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives be present at meetings with Analysts, brokers or Institutional Investors and discussion should preferably be recorded.

iii. Handling of unanticipated question – The Company shall be careful when dealing with analysts questions that raise issue outside the intended scope of discussions. Unanticipated questions shall be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.

iv. Simultaneous release of Information – when the Company organizes meetings with analysts, the Company shall make a press release or post relevant information on its website after every such meet. The Company may also consider live webcasting of analysts meets.

7.0 Medium of disclosure / dissemination:

i. Disclosures / dissemination of information may be done through various media so as to achieve maxim reach and quick dissemination.

ii. The Company shall ensure that disclosures to Stock Exchange are made promptly.

iii. The Company's website will provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.

iv. The information filed by the Company with stock exchanges under continuous disclosure requirement will be made available on the Company website.

8.0 Dissemination by the Stock exchanges:

i. The disclosures made to stock exchanges may be disseminated by the exchanges to investors in a quick and efficient manner through the stock exchange network as well as through stock exchange websites.

ii. Information furnished by the Companies under continuous disclosure requirements, should be published on the website of the exchange instantly.

iii. Stock exchanges should make immediate arrangement for display of the information furnished by the Companies instantly on the stock exchange website.

Disclosure of interest or holding by a person/Promoter/Director pursuant to Regulation 13 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

Initial Disclosures:

13. (1) Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in **Form A** prescribed hereunder, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of:-

(a) the receipt of intimation of allotment of shares; or

(b) the acquisition of shares or voting rights, as the case may be.

(2) Any person who is a director or officer of a listed company, shall disclose to the company in **Form B** prescribed hereunder, the number of shares or voting rights held by such person, within 2 working days of becoming a director or officer of the company;

(2A) Any person who is a promoter or part of Promoter group of a listed company shall disclose to the Company in **Form B** prescribed hereunder, the number of Shares or Voting rights held by such person, within 2 working days of becoming such promoter or person belonging to promoter group.

Continual Disclosure

(3) Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in Form C prescribed hereunder, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the company.

(4) Any person who is a director or officer of a listed company, shall disclose to the company in **Form D** prescribed hereunder, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under sub-regulation (2) or under this sub-regulation, and the change exceeds Rupees 5 lac in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

(4A) Any person who is a promoter or part of Promoter group of a listed Company, shall disclose to the Company and the stock exchange where securities are listed in **Form D** prescribed hereunder, the total number of shares or voting shares held and change in

shareholding or voting rights, if there has been a change in such holdings of such person from the last disclosure and the change exceeds Rs.5 lacs in Value or 25,000 shares or 1 % of the total shareholding or voting rights, whichever is lower.

(5) The disclosure mentioned in sub-regulations (1) and (2) shall be made within 2 working days of;

(a) the receipt of intimation of allotment of shares, or

(b) the acquisition or sale of shares or voting rights, as the case may be.

Disclosure by company to stock exchanges.

(6) Every listed company, 52[within two working days] of receipt, shall disclose to all stock exchanges on which the company is listed, the information received under sub-regulations (1), (2), (3), (4) and (4A) in the respective formats specified in Schedule III.

E-filing.

(7) The disclosures required under this regulation may also be made through electronic filing in accordance with the system devised by the stock exchange.

Action in case of default.

14. Without prejudice to the directions under regulation 11, if any person violates provisions of these regulations, he shall be liable for appropriate action under Sections 11, 11B, 11D, Chapter VIA and Section 24 of the Act.

Appeal to the Securities Appellate Tribunal.

15. Any person aggrieved by an order of the Board under these regulations may prefer an appeal to the Securities Appellate Tribunal.

FORM A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(1) and (6)]

Regulation 13(1) - Details of acquisition of 5% or more shares in a listed company

Name, PAN No. & address of Shareholder With telephone number	Shareholding prior to acquisition	No. and percentage of shares/ voting rights acquired	Date of receipt of allotment/advice. Date of Acquisition (specify)	Date of intimation to Company	Mode of acquisition (market purchase/ Public /rights/ preferential offer etc.)	Shareholding subsequent to acquisition	Trading member through whom the trade was Executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulations 13(2), 13(2A) and 13(6)]

Details of shares or voting rights held by Director or Officer and his dependents or Promoter or Person who is part of Promoter Group of a listed company, or positions taken in derivatives by Director or Officer of a listed company and his dependents.

Name, PAN No. & Address of Promoter/Person who is part of Promoter Group/Director/ Officer	Date of assuming office of Director / Officer OR Date of becoming Promoter/part of Promoter Group.	No. & % of shares/voting rights held at the time of becoming Promoter/part of Promoter Group/ Director / Officer.	Date of intimation to company	Mode of acquisition (market purchase / public / rights / preferential offer etc.)	Trading Member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value

Signature

FORM C

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
[Regulation 13(3) and (6)]

Regulation 13(3) — Details of change in shareholding in respect of persons holding more than 5% shares in a listed company

Name, PAN No. & address of shareholders	*Shareholding prior to acquisition/ sale*	*No. & % of shares/voting rights acquired/ sold*	*Receipt of allotment advice/ acquisition of hares/ sale of shares specify*	*Date of intimation to company*	*Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)*	*No. & % of shares/ voting rights post acquisition/ sale*	*Exchange on which the trade was executed*	*Trading member through whom the trade was Executed with SEBI Registration No. of the TM*	*Exchange on which the trade was executed*	*Buy quantity*	*Buy value*	*Sell quantity*	*Sell value*

FORM D

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulations 13(4), 13(4A) and 13(6)]

Details of change in shareholding or voting rights held by Director or Officer and his dependents or Promoter or Person who is part of Promoter Group of a listed company

Name, PAN No. & Address of Promoter/ Person who is part of Promoter Group/ Director/ Officer.	*No. & % of shares/voting rights held by the Promoter/Person who is part of Promoter Group/ Director/Officer*	*Date of receipt of allotment advice/ acquisition / sale of shares/ voting rights*	*Date of intimation to company*	*Mode of acquisition (market purchase/ Public/rights/ preferential offer, etc.)*	*No. & % of shares/ voting rights post-acquisition/ sale*	*Trading Member through whom the trade was executed with SEBI Registration No. of the TM*	*Exchange on which the trade was executed*	*Buy quantity*	*Buy value*	*Sell quantity*	*Sell value*

Signature