



Code of Conduct for Board of Directors, Key Managerial Personnel and the Senior Management Personnel

1. Preface

- 1.1 This Code of Ethic (“Code”) shall be called "**The Code of Conduct for Board Members, Key Managerial Personnel and the Senior Management Personnel**” of Prakash Steelage Limited (“the Company”).
- 1.2 This ‘Code’ has been framed specifically in compliance with the requirements of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 1.3 This Code is intended to provide guidance to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel to manage the affairs of the Company in an ethical manner. The purpose of this Code is to recognize and emphasis upon the ethical behavior and to develop a culture of honesty and accountability.
- 1.4 This Code attempts to set forth the guiding principles on which the Company and its Board, Key Managerial Personnel and the Senior Management Personnel shall operate and conduct themselves with multitudinous stakeholders, government and regulatory agencies, media and anyone else with whom it is connected.

2. Definitions

In this Code, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning as defined below:

- 2.1 “**Board of Directors/Directors**” shall mean the Board of Directors of the Company.
- 2.2 “**Company**” shall mean Prakash Steelage Limited (PSL).
- 2.3 “**Conflict of Interest**” means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.



- 2.4** “**Executive Directors/Whole Time Directors**” shall mean and include Company’s Managing Director and Directors who are in whole time employment of the Company.
- 2.5** “**Independent Directors**” shall mean an Independent Director as per the provisions of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).
- 2.6** “**Non - Executive Directors**” shall mean the Directors who are not in whole time employment of the Company.
- 2.7** “**Part-time Director**” shall mean the members of the Board of Directors who are not Whole-time Directors and include Part-time (Official) Directors and Part-time (Non-Official) / Independent Directors of the Company.
- 2.8** “**Senior Management Personnel**” shall mean personnel of the Company who are members of its core Management Team excluding Board of Directors. Normally, this shall comprise all members of the Management one level below the Executive Directors, including all functional heads and all employees at Vice President Position and above.
- 2.9** “**Key Managerial Personnel**” shall mean and include key managerial personnel as defined in Section 2(51) of the Companies Act, 2013:
- i. Managing director or Chief Executive Officer or Manager;
 - ii. Whole-time director;
 - iii. Chief Financial Officer; and
 - iv. Company Secretary.

3. Applicability

This Code shall be applicable and binding to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company. The Directors, Key Managerial Personnel and The senior management Personnel should continue to comply with other applicable / to be applicable policies, rules and procedures of the Company.

4. Conduct

All Directors, Key Managerial Personnel and the Senior Management Personnel must act within the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interest of the Company and its shareholders/stakeholder with a view to maintain the high standards that the Company requires.

The following rules / Code of Conduct should be observed in all activities of the Board.

- 4.1** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall conduct their activities, on behalf of the Company, with honesty and Integrity.



- 4.2** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall act in good faith, responsibly, and should take due care in performance of their duties towards the Company.
- 4.3** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel will act in the best interests of the Company and fulfill their fiduciary obligations.
- 4.4** A director should seek to:
- Make reasonable efforts to attend Board and Committee meetings;
 - Dedicate time and attention to the Company; and
 - Seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company.
- 4.5** In carrying out their duties and responsibilities, Directors, Key Managerial Personnel and the Senior Management Personnel should avoid appropriating corporate business opportunities for themselves that are discovered through the use of Company property or information or their position as Directors and The senior management Personnel.
- 4.6** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel must report/disclose their Directorships in any other companies to the Board on an annual basis.
- 4.7** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel should maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain. No Director or The senior management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specially authorized.
- 4.8** Any director or Key Managerial Personnel or the Senior Management Personnel of the Company shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and possession of information about the Company, not in public domain and therefore constitutes insider information. All Directors and The senior management Personnel will comply with Insider Trading Guidelines as issued by SEBI.
- 4.9** No Director or Key Managerial Personnel or the Senior Management Personnel of the Company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive) favors or decisions for the conduct of business. Nominal gifts of commemorative nature, for special events may be accepted and reported to the Board.



- 4.10** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel must protect the Company's assets, property, intellectual rights, labour and information and may not use this for personal gain or benefits, unless approved by the Board. Also, the Company's assets must be used only for legitimate purposes.
- 4.11** Each director, officer, and employee should deal fairly with customers, suppliers, competitors, and employees of group companies.

5. Compliance

- 5.1** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall ensure compliance of various legal/regulatory requirements as applicable to the business of the Company.
- 5.2** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall report concerns about unethical behavior, actual or suspected instances of fraud, misconduct or irregularity or failure of internal control system, likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal/regulatory requirements as per the Whistle Blower Policy of the Company.
- 5.3** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall comply with all applicable laws, rules and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company.
- 5.4** Any transaction falling under the definition of related party transactions as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as detailed in the Related Party Transaction Policy of the Company must be entered into by the Director or the Senior Management Personnel only after obtaining prior approval of the Board & Audit Committee thereof.

6. Conflict of Interest

- 6.1** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel of the Company shall not engage in any business transaction, which is or may likely to be in conflict with the interest of the Company or the Group, as a whole.
- 6.2** The Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall not take up any position or engagement that may be prejudicial to the interest of the Company.
- 6.3** If such related party transaction is unavoidable, it must be fully disclosed to the Board or to the Chief Financial Officer of the Company.



- 6.4** Each Director, Key Managerial Personnel and the Senior Management Personnel should avoid his or her private interests to interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively.

7. Duties of the Directors of the Company

The Companies Act, 2013 significantly specified certain duties and responsibilities of the Directors of the Company. While the list of duties as per the provisions of the Companies Act, 2013 has been enumerated below it should however, by no means be considered to be exhaustive:

- 7.1** The Directors shall devote sufficient time and attention to professional obligations for informed and balanced decision making.
- 7.2** The Directors shall act in accordance with the articles of association of the Company and in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholder, the community and for the protection of environment.
- 7.3** The Director shall have a clear understanding of the aims and objectives, capabilities and capacity and various policies of the Company.
- 7.4** The Directors shall exercise their duties with due and reasonable care, skill and diligence.
- 7.5** The Directors shall be required to intimate the change in their directorships held within thirty days of such change.
- 7.6** The Directors shall bring an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standard of conduct and an objective view in the evaluation of the performance of the Board and the management.
- 7.7** The Directors shall ensure that the integrity of financial information, financial controls and the systems of risk management are robust and defensible.
- 7.8** The Directors shall seek appropriate clarification or amplification of information and, where necessary take and follow appropriate professional advice.
- 7.9** The Directors shall strive to attend and participate constructively & actively in all general meetings, meetings of the Board and its committees of which they are Chairman/member.
- 7.10** The Directors shall ensure that adequate deliberations are held before approving related party transactions and shall assure themselves that the same are in the best interest of the Company.



A guide to professional conduct for Independent Directors is separately specified under the Companies Act, 2013, in Schedule IV – ‘**Code for Independent Directors**’, which lays down the duties of Independent Directors, which is appended as **Annexure I** to this Code.

8. Affirmation of Compliance with the Code

All the Board Members, Key Managerial Personnel and the Senior Management Personnel shall affirm compliance with this Code within 30 days from the close of every financial year in the perform a enclosed as **Annexure II** to this Code. The Annual Report of the Company shall contain a declaration to this effect and signed by the Chief Executive Officer/Chairman cum Managing Director of the Company. The report shall be forwarded to the Compliance Officer of the Company.

9. Compliance Officer

The Company Secretary shall act as a Compliance Officer and shall monitor compliances with the Chairman and Managing Director of the Company.

10. Interpretation of the Code

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Board or Company Secretary of the Company.

11. Periodic review

Once every year or upon revision of this code, every director/SMP must acknowledge and execute an understanding of the code and an agreement to comply. New Directors/SMPs will sign such a deed at the time when their Directorship begins.

12. Amendment to the Code

Any amendment in the provisions of the Act and/or SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 relating to the Code of Conduct for Board of Directors, Key Managerial Personnel and the Senior Management Personnel shall be incorporated in this Code with the prior approval of the Board of Directors from time to time. The amended/modified Code shall be disseminated to all the Directors and The senior management Personnel of the Company, post the approval of the Board.

13. Acknowledgement of receipt of the Code

All Board Members, Key Managerial Personnel and the and The senior management Personnel shall acknowledge receipt of this Code in the acknowledgement form annexed to this Code as **Annexure III**.

14. Non – Compliance of the Code

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations should be appropriately



investigated. Any waiver of this Code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation.

15. Insider Trading

Any director / SMP of the company shall not derive benefit or assist others to derive benefit by giving investment advice from the access to and procession of information about company, not in public domain and therefore constitutes insider information. All Director/ SMPs shall comply with Insider trading Guidelines as mentioned in **Annexure IV**

16. Publication of the Code

This Code and any amendments thereto shall be published/posted on the website of the Company (www.prakashsteelage.com).

Annexure I

Code for Independent Directors

[Schedule IV of the Companies Act, 2013]

Refer Section 149(8) of the Companies Act, 2013

Duties of Independent Directors:

The Independent Directors shall:

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) Where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;
- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;



- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees; and
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Annexure II

Compliance of the Code of Conduct by all Board Members, Key Managerial Personnel and the Senior Management Personnel of Prakash Steelage Limited

ANNUAL COMPLIANCE REPORT*

I, _____ [name] _____ [designation], do hereby solemnly affirm to the best of my knowledge and belief that I have, in letter and in spirit, complied with the provisions of the **CODE OF CONDUCT FOR BOARD MEMBERS, KEY MANAGERIAL PERSONNEL AND THE SENIOR MANAGEMENT PERSONNEL** during the financial year ended 31st March, _____.

Signature : _____
Name : _____
Designation : _____
: _____

Date : _____
Place : _____



(Please sign and return this form this form to the Company Secretary of the Company)

* Within 30 days from the end of every financial year.

Annexure III

Acknowledgment of receipt of Code of Conduct by all Board Members, Key Managerial Personnel and the Senior Management Personnel of Prakash Steelage Limited

ACKNOWLEDGEMENT FORM

I, _____ [name], _____ [designation], have received and read the Company's **"CODE OF CONDUCT FOR BOARD MEMBERS, KEY MANAGERIAL PERSONNEL AND THE SENIOR MANAGEMENT PERSONNEL"** ("this Code").

I have understood the provisions and policies contained in this Code and I agree to comply with this Code.

Signature : _____
Name : _____
Designation : _____
: _____

Date : _____
Place : _____

(Please sign and return this form this form to the Company Secretary of the Company)



Annexure IV

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING.

THE POLICY AND OBLIGATIONS: Insider trading means trading in securities of a company by its Directors, Designated Persons or other Insiders based on unpublished price sensitive information. Such trading by Insiders erodes the investors' confidence in the integrity of the management and is unhealthy for the capital markets. The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, had formulated the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations) under the powers conferred on it under the SEBI Act, 1992. These regulations came into force with effect from 15th May, 2015 i.e. from the date of its publication in the official Gazette and the same is applicable to all listed companies. As per the notified Code, every director, officer, designated employee has a duty to safeguard the confidentiality of all such information obtained in the course of his or 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.

APPLICABILITY OF THE CODE: To all Director, KMP, and Senior Management Personal of the Company (**PRAKASH STEELAGE LIMITED**).

Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders :

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors.
2. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to "cross the wall".
3. Employees and connected persons designated on the basis of their functional role ("designated persons") in the organization shall be governed by an internal code of conduct governing dealing in securities. The board of directors shall in consultation with the compliance officer specify the designated persons to be covered by such code on the basis of their role and function in the organization. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.
4. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring



trading by the designated persons. 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. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading Window is closed.

5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

6. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

7. The compliance officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

8. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.

10. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

11. The code of conduct shall stipulate such formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions and for reporting level of holdings in securities at



Such intervals as may be determined as being necessary to monitor compliance with these regulations.

12. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension etc., that may be imposed, by the persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, for the contravention of the code of conduct.

13. The code of conduct shall specify that in case it is observed by the persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these regulations, they shall inform the Board promptly.