



SEC/SEBI/133

May 15, 2015

The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001

Email : corp.relations@bseindia.com

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th floor
Plot No C/1, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

Email : cmlist@nse.co.in

Dear Sir

SEBI (Prohibition of Insider Trading) Regulations, 2015

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of our Company have formulated and approved the following policies, copies enclosed, which have also been published in the website of the Company www.vesuviusindia.com :

- a) Code of Conduct to Regulate, Monitor and Report Trading of the Company's Securities by Insiders
- b) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Board of Directors has nominated the Company Secretary of the Company to be the **Compliance Officer** under the Code of Conduct to Regulate, Monitor and Report Trading of the Company's Securities by Insiders.

The Board of Directors has nominated the Managing Director of the Company to be the **Designated Officer** under the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Yours faithfully
Vesuvius India Limited


Taposh Roy
Company Secretary
Encl: :

Copy : Corporate Relationship Department
New Trading Ring, Rotunda Building, 1st Floor
P J Towers, Dalal Street, Fort, Mumbai 400 001



CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING OF THE COMPANY'S SECURITIES BY INSIDERS

[As per Schedule B and Regulation 9 of
SEBI (Prohibition of Insider Trading) Regulations, 2015]

VESUVIUS INDIA LIMITED (the "**Company**") hereby formulates this **Code of Conduct To Regulate, Monitor and Report Trading of the Company's Securities by Insiders** (hereinafter referred to as "**Insider Trading Code**") and is effective from the date of commencement of **Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015** (hereinafter referred to as the "**Regulations**") i.e. from **May 15, 2015** and replaces the Code of Conduct for Prevention of Insider Trading which was formulated by the Board of Directors of the Company under the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992.

This Insider Trading Code is applicable to and shall be strictly followed by all Directors, Key Managerial Personnel and employees of the Company (who are hereby defined as "**designated persons**") and by all other persons defined as "connected person" under the Regulations.

The definition of terms mentioned in the Regulations, as may be amended from time to time, are applicable to this Insider Trading Code and are intentionally not repeated in this Insider Trading Code.

1. The **Company** appoints the Company Secretary of the Company as the Compliance Officer under Regulation 9(3) of the Regulations. Mr Taposh Roy is presently the Company Secretary and is the nominated Compliance Officer.
2. The Compliance Officer shall be responsible for administering the Insider Trading Code, updation of the Code and its amendments in the Company's website, preservation of "Price Sensitive Information", pre-approval of requests from designated persons for transaction in securities of the Company, monitoring of trades and the implementation of and adherence to this Insider Trading Code under the overall supervision of the Board of Directors of the Company.
3. **The Compliance Officer shall**
 - (a) Maintain records of the designated persons and any changes made in the list of designated persons.
 - (b) Shall assist designated persons in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Code.

- (c) Shall ensure that Unpublished Price Sensitive Information are handled on a need-to-know basis and are not communicated to any person except in furtherance of legitimate purposes or in performance of legitimate duties.
- (d) Shall report to the Board of Directors on a quarterly basis on all Insider transactions and compliances with the Insider Trading Code and shareholding of Directors, Key Managerial Personnel and employees of the Company.
- (e) Announce the periods when the Trading Window is closed
- (f) Receive, consider and approve or reject the Pre-dealing of transaction approval form;
- (g) Maintain records of all Pre-dealing approval forms and the declarations in the appropriate forms given by the designated persons for a minimum period of five years.
- (h) Inform SEBI if there is any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

4. All Directors and designated persons :

- (a) Shall maintain confidentiality of all Unpublished Price Sensitive Information.
- (b) Shall not pass on any Unpublished Price Sensitive information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.
- (c) Shall communicate Unpublished Price Sensitive Information with other designated persons only 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 legitimate duties or for other legitimate purposes.
- (d) Shall keep files containing confidential information secure and the Computer files must have adequate security of login and password, etc.
- (e) Shall be subject to trading restrictions when the trading window is closed i.e. shall not purchase, sale or deal in securities either by themselves or their relatives or pass on information to others to enable them to deal in securities during the period when trading window is closed or during any other period as may be specified by the Company from time to time.
- (f) Shall obtain prior approval for all proposed transaction in the securities of the Company before entering into such transactions from the Compliance Officer by making an application in the prescribed **Pre-dealing Form** (which is available with the Compliance Officer) if they intend to deal in the securities of the Company. There is no minimum threshold limit for compliance with the Insider Trading Code. Therefore transaction of even one share of the Company by any Director, Key Managerial Personnel or employee will require pre-dealing approval and other disclosure compliances under this Insider Trading Code. However for designated persons holding

or transaction in aggregate of 1000 shares and above, non-compliance of this Insider Trading Code may result in such disciplinary actions as may be decided and approved by the Board of Directors of the Company including prompt reporting to SEBI under Clause 13 of Schedule B to the Regulations.

- (g) Shall upon approval of the pre-dealing application by the Compliance Officer, execute their order in respect of securities of the Company within seven trading days from the date of the pre-dealing approval. If the order is not executed within this seven day period, the designated persons must obtain a fresh pre-dealing approval again.
- (h) Shall hold their investments in securities for a minimum period of one year in order to be considered as being held for investment purposes.
- (i) Shall not make any **contra trade** within six months of the last transaction for which the contra trade is being considered. Should a contra trade be executed inadvertently or otherwise in violation of such restriction, and where the aggregate traded value of the contra transactions executed in one transaction or a series of transactions is Rs 500,000 or more, the profits from such trade shall be liable to be disgorged for remittance to SEBI in terms of Clause 10 of Schedule B of the Regulations.

In case the sale of securities is necessitated by personal emergency or exceptional circumstances, the holding period and contra trade period may be waived by the Compliance Officer after recording in writing his reasons in this regard and subsequently ratified by the Board of Directors but no such transaction should be permitted when the trading window is closed.

- (j) Shall not deal in any securities of the Company at any time when he is in possession of Unpublished Price Sensitive Information or otherwise where approval to deal is not given by the Company.
- (k) The Company Secretary must not deal in any securities without first receiving pre-dealing approval from the Chairman in advance or, if the Chairman is not present, from the Managing Director. The Chairman must not deal in any securities without first receiving pre-dealing approval from the Managing Director in advance or, if the Managing Director is not present, from the Company Secretary. The Managing Director must not deal in any Securities without first receiving pre-dealing approval from the Chairman in advance or, if the Chairman is not present, from the Company Secretary. In all such instances, immediately after granting the approval, all the other Directors must be informed that approval has been granted for dealing in securities of the Company by the Chairman, Managing Director or Company Secretary, as applicable.

5. Trading Plans

The option for submitting Trading Plan as envisaged in regulation 5 of the Regulations will not be available for any designated persons under this Insider Trading Code.

6. Reporting Requirements for transactions in securities

6.1 All designated persons of the Company shall be required to forward following details of their securities transactions including the statement of dependent family members to the Compliance Officer :

- (a) All holdings in securities of the Company at the time of joining the Company;
- (b) All transactions in the securities of the Company undertaken by them or their immediate relatives within 2 trading days of transaction taking place
- (c) Statement of all holding in securities of the Company as on 30th June and 31st December of each year mentioning the transactions during the period and the corresponding pre-dealing approval number and date of the transaction.

7. Trading Window

7.1 Trading window is the period during which dealings in securities of the Company can be made. When the trading window is "closed" no transactions are permissible during such "closed" period.

7.2 The trading window shall be closed at the following times:-

- (a) Declaration of Financial results (quarterly, half-yearly and annually). The period will be from 5 days before the end of the quarter to which the results relate upto 48 hours after the Financial Results are published in the newspapers. For example if the results for the Quarter ending 31st March is approved by the Board of Directors at the meeting on 17th April and the results are published in the newspapers on 18th April, then the trading window shall be closed from 26th March to 20th April and trading window will "Open" from 21st April.
- (b) Declaration of Final Dividend. Since accounting year of the Company ends on 31st December each year, the Trading Window will be closed from 26th December upto the period of 48 hours after the publication of the Financial Results in the newspapers.
- (c) Declaration of Interim Dividend. Where the Agenda paper includes an item of interim dividend, the Trading Window will be closed from the date of issue of the Agenda papers upto 48 hours after the Interim Dividend is declared and informed to the Stock Exchanges. Where the interim dividend is not mentioned in the Agenda papers but declared at the Board meeting, the Trading window will be from the time of declaration at the Board meeting upto 48 hours after the Interim Dividend declaration is informed to the Stock Exchanges.
- (d) Issue of securities by way of public/ rights/ bonus etc.
- (e) Any major expansion plans or execution of new projects.
- (f) Amalgamation, mergers, takeovers and buy-back.
- (g) Disposal of whole or substantially whole of the undertaking.
- (h) Any changes in policies, plans or operations of the company.
- (i) Any other periods which the Company will announce.

8. Penalty for contravention of Insider Trading Code

- 8.1 Strictures mentioned in clauses 4(f) and 4(i) above will apply
- 8.2 Any designated person who trades in securities or communicates any information for trading in securities in contravention of this Insider Trading Code or the SEBI (Prohibition of Insider Trading) Regulations, 2015 may be penalized and appropriate action may be taken by the Company as the Board of Directors may decide.
- 8.3 Designated persons who violate the Insider Trading Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.
- 8.4 The action of the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Note : This Code has been approved by the Board of Directors at their meeting held on May 7, 2015



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

[As per Schedule A and Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015]

VESUVIUS INDIA LIMITED (the "**Company**") hereby formulates this **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as "**Disclosure Code**") which is effective from the date of commencement of **Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015** (hereinafter referred to as the "**Regulations**") i.e. from **May 15, 2015**.

This Disclosure Code is applicable to and shall be strictly followed by all Directors, Key Managerial Personnel and employees of the Company (who are hereby defined as "**designated persons**") and by all other persons defined as "connected person" under the Regulations.

The definition of terms mentioned in the Regulations, as may be amended from time to time, are applicable to this Disclosure Code and are intentionally not repeated in this Disclosure Code.

1. Designated Officer

The Managing Director of the Company is the designated officer under this Disclosure Code as well as under Clause 36 of the Listing Agreement with Stock Exchanges who will deal with dissemination and disclosure of Unpublished Price Sensitive Information.

2. The Company's obligations under the Disclosure Code

The Company has an obligation to

- a) disclose Unpublished Price Sensitive Information in order to keep the market properly informed;
- b) ensure that, until it is disclosed, Unpublished Price Sensitive Information is kept confidential; and
- c) ensure that all information disclosed to the market is accurate and not misleading.

3. Obligation to promptly disclose Unpublished Price Sensitive Information

The Company is obliged to make a prompt public disclosure of all Unpublished Price Sensitive Information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available. This is a very important principle, which is fundamental to the fair and efficient operation of the market in the Company's securities.

The disclosure obligation requires that:

- a) inside information must be properly identified;
- b) the Company must establish effective arrangements to deny access to Unpublished Price Sensitive Information to persons other than those who require it for the exercise of their functions within the Company;
- c) Unpublished Price Sensitive Information can only be passed on outside the Company if there is a proper reason, and the person receiving the information owes a duty of confidentiality;
- d) if Unpublished Price Sensitive Information has been improperly passed on, the Company may have to make an immediate announcement to the market;
- e) in some circumstances, the Company may need to make a holding announcement pending fuller disclosure to the market; and
- f) all announcements of Unpublished Price Sensitive Information made by the Company will be posted on the Company's website by the close of the following business day and retained there for at least two months.

4 Delaying disclosure of Unpublished Price Sensitive Information

As indicated above, where Unpublished Price Sensitive Information exists it must be announced to the market as soon as possible. However, a delay may be permitted if the following criteria can be satisfied:

- a) The Company has legitimate interests that would be prejudiced by disclosure;
- b) The market would not be misled by the non-disclosure; and
- c) The Company can ensure that the information is kept confidential until disclosure is made.

5 Accurate disclosure

The Company must take all reasonable care to ensure that all information disclosed to the market is not misleading, false or deceptive and does not omit anything likely to affect the import of the information.

This means taking all due care to ensure that the appropriate information is made available to the market, whether in the Company's annual report, other regular reports, or in one-off announcements, and that public announcements are reviewed carefully to ensure that they do not inadvertently mislead.

6 Dealing with rumours and press speculation

There may be an obligation to make an announcement if there is rumour or press speculation within the market. The Company may make a disclosure if the rumour amounts to Unpublished Price Sensitive Information.

If the rumour is largely accurate and the underlying information is Unpublished Price Sensitive Information then it is unlikely that the Company could delay disclosure as it can no longer ensure confidentiality of the Unpublished Price Sensitive Information. In such circumstances, the Company should disclose the Unpublished Price Sensitive Information to the Stock Exchanges where the Company's securities are listed as soon as possible.

7 Insider lists

The Regulations requires companies and their advisers to keep lists of insiders. These are lists of persons with regular access to Unpublished Price Sensitive Information, or who may have access to Unpublished Price Sensitive Information at a particular time. Such lists help control, monitor and regulate who has Unpublished Price Sensitive Information.

The list must contain

- a) the name of each person within the Company with access to Unpublished Price Sensitive Information;
- b) the name of the principal contact(s) as external advisers or contractors who have access to Unpublished Price Sensitive Information; and
- c) the reason why the relevant person is on the list,

and must be updated whenever a new person becomes an insider or someone ceases to be an insider.

8. Keeping information confidential

It is a fundamental principle that each insider should keep confidential any information that is confidential to the Company. However, the Regulations impose extra obligations.

- a) If any insider has Unpublished Price Sensitive Information as an insider, he must not disclose that information except in the proper course of his employment, profession or legitimate duties.
- b) He must take appropriate precautions to ensure the confidentiality of the information,
- c) If he improperly discloses inside information he could be committing market abuse.

9. Proper reporting of information

If any person comes across information which he believes may be Unpublished Price Sensitive Information, and if he believes that this information is neither known by any member of the Company's Board of Directors nor by the Company Secretary nor the Chief Financial Officer, it is obligatory on his part to inform the Chairman and

the Managing Director of the information as soon as possible. This is because a decision will need to be taken as to whether the Company is under an obligation to announce the Unpublished Price Sensitive Information in compliance with the Regulations.

10. Dealing in securities

There are restrictions on dealings in securities of the Company :

- a) The Companies Act, 2013 and the Regulations prohibit dealing on the basis of inside information. These laws carry penalties which can include a prison sentence.
- b) The Company's Code of Conduct to Regulate, Monitor and Report Trading of the Company's Securities by Insiders has to be complied with.
- c) The Companies Act, 2013, the Regulations and the Company's Insider Trading Code apply to dealings in shares or other securities of the Company or in other investments related to those securities such as options, derivatives etc.
- d) Directors and employees will not deal in the Company's shares, options or other securities at a time when they may have, or be perceived as having, Unpublished Price Sensitive Information.
- e) Directors and employees will not deal in the Company's shares, options or other securities when the Trading Window is closed regardless whether they have Unpublished Price Sensitive Information or not, except in the instances mentioned in the Insider Trading Code.

11 Unacceptable behaviour

It is an unacceptable behaviour and also market abuse to:

- a) disseminate information or otherwise behave in a way which gives, or is likely to give, a false or misleading impression regarding the price, value, supply of or demand for an investment; or
- b) behave in a way that is likely to distort the market in a security or
- c) encourage another person to engage in any insider trading activity.

Note : This Code has been approved by the Board of Directors at their meeting held on May 7, 2015