



NMDC LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION OF NMDC LIMITED

{PURSUANT TO REGULATION 8(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015}

(As approved by the Board of Directors of the Company in their meeting held on 28th May 2019)



NMDC LIMITED

Regd. Office: 10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad – 500028

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I. Introduction

The Board of Directors of the Company have adopted this Code of practices and procedures for fair disclosure of unpublished price sensitive information, (hereinafter referred to as the Code of Fair Disclosure) pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and its amendments made thereto (hereinafter referred to as "**SEBI Regulations**").

Terms not defined herein shall have the same meaning as assigned to them in the "Internal Code of conduct for prevention of insider trading in dealing with securities of NMDC Limited" framed pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and its amendments made thereto.

II. Policy:

- i) to ensure timely and adequate disclosure of unpublished price sensitive information
- ii) to ensure that all unpublished price sensitive information is handled on a need-to-know basis.
- iii) to ensure that unpublished price sensitive information is not communicated / shared for any reason, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, or in any other manner permitted under SEBI Regulations.

III. Principles of Fair Disclosure

This Code of Fair Disclosure is framed in order to adhere to the following principles of fair disclosure to ensure timely and adequate disclosure of unpublished price sensitive information relating to events and occurrences that would impact price discovery in the market for Equity Shares (Securities) of the Company:

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such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.
2. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

IV. Overseeing and coordinating disclosure

The Company Secretary or any Executive as may be nominated by the Chairman-cum-Managing Director shall be the Chief Investor Relations Officer. The Chief Investor Relations Officer shall be responsible for ensuring timely and adequate disclosure of Price Sensitive Information pursuant to this Code as required under the Regulations.

The Chief Investor Relations Officer with the approval of Director (Finance) and the Chairman-cum-Managing Director shall be responsible for continuous disclosure requirements, overseeing and coordinating disclosure of Price Sensitive Information to the Stock Exchanges, Analysts, Shareholders and Media and educating Staff on disclosure policies and procedures.

V. Guidelines for interacting with Media & External Public

All disclosures/dissemination whatsoever of any information (save and except disclosure required to be made under law or under this Code) on behalf of the Company shall be first marked to the Chief Investor Relations Officer. Any such information shall be made public or published on behalf of the Company by the Chief Investor Relations Officer only if the same is approved by Director (Finance) and the Chairman-cum-Managing Director.

Should any dissemination of information on behalf of the Company takes place without prior approval referred above, out of accidental omission, by any Employee or Director of the Company, such Employee/Director shall forthwith inform immediately the Chief Investor Relations Officer about such disclosure irrespective of the fact whether such information is Price Sensitive or not.

VI. Responding to market rumors

The Employees / Directors of the Company shall promptly direct any queries or requests for verification of market rumors received from Stock Exchanges or from Press or Media or from any other source to the Chief Investor Relations Officer.

The Chief Investor Relations Officer shall on receipt of requests as aforesaid, consult and seek consent of Director (Finance) and the Chairman-cum-Managing Director as the case may be and respond to the same without delay.

The Chief Investor Relations Officer shall be also responsible for deciding in consultation and approval of Director (Finance) and the Chairman-cum-Managing Director of the Company as to the necessity of a public announcement for verifying or denying rumors and thereafter making appropriate disclosures.

All the requests/queries received shall be documented and so far as practicable, Chief Investor Relations Officer, as the case may be, shall request for such queries / requests in writing. No disclosure in response to the queries / request shall be made by the Chief Investor Relations Officer unless Director (Finance) and the Chairman-cum-Managing Director approves the same.

VII. Timely reporting of shareholdings/ownership and changes in ownership

The Compliance Officer shall be responsible for ensuring that disclosures of shareholdings/ownership of major shareholders and disclosure of changes in ownership as required under the SEBI Regulations and/or any rules, regulations made under the Securities and Exchange Board of India Act, 1992 are made in a timely and adequate manner. The Compliance Officer shall ensure that the Company complies with the disclosure requirements. Any such shareholding / ownership reporting by the Compliance Officer shall also be reported to the Chairman-cum-Managing Director from time to time.

VIII. Disclosure/ dissemination of Unpublished price sensitive information with special reference to analysts, institutional investors

Other than the Directors no person, except those authorized by the Chief Investor Relations Officer, with the approval of Director (Finance) and the Chairman-cum-Managing Director, shall disclose any information relating to the Company's Securities to Analysts/Research Persons and Institutional Investors. The Chief Investor Relations Officer shall be invited to the meetings / conferences, road shows etc. organized by the Company with the Analysts/Research Persons and Institutional Investors.

All the Officers and other Designated Employees of the Company should follow the guidelines given hereunder while dealing with Analysts/Research Persons and Institutional Investors:-

a) Sharing of non public information:

The Directors/ other Officers, Employees authorized by the Director (Finance) and the Chairman-cum-Managing Director shall provide only public information to the analysts/ research persons/ large investors like institutions. In case non-public Information is proposed to be provided, the person proposing to do so shall provide information shall consult the Chief Investor Relations Officer in advance. The Chief Investor Relations Officer in such cases shall ensure that that the Information provided to the analyst/research person/investor is simultaneously made public at the earliest.

The Directors/ other Officers, Employees shall take extreme care and caution when dealing with analysts' questions that raise issues outside the intended scope of discussion.

b) Handling of unanticipated questions

The Chief Investor Relations Officer should tackle the unanticipated questions carefully. The unanticipated questions may be noted and a considered response be given later in consultation with the Director (Finance) and the Chairman-cum-Managing Director. If the answer to any question requires dissemination of Unpublished Price Sensitive Information, the Chief Investor Relations Officer shall report the same to the Director (Finance) and Chairman-cum-Managing Director and obtain necessary approval for its dissemination to the Stock Exchanges/public announcement and respond to such unanticipated questions.

c) Attendance in meetings

All the analyst, broker or Institutional investor meetings shall be attended by the Chief Investor Relations Officer and other employee(s) of the Company as may be notified by the Chief Investor Relations Officer with the approval of Director (Finance).

d) Simultaneous release of information

Whenever the Chief Investor Relations Officer proposes to organize meetings with investment analysts/institutional investors, the Company shall make a press release or post relevant information on its website after every such meeting. The Chief Investor Relations Officer shall be responsible for vetting of the text of the information to be posted on the Company's website with the approval of Director (Finance) and/ or the Chairman-cum-Managing Director.

IX. Medium of disclosure/ dissemination

The Chief Investor Relations Officer with approval of the Director (Finance) and /or the Chairman-cum-Managing Director shall disseminate all Unpublished Price Sensitive Information on a continuous and in a timely manner to stock exchanges where its Securities are listed and thereafter to the press.

As a good corporate practice, the Unpublished Price Sensitive Information disclosed to the Stock Exchanges and to the Press may also be supplemented by prompt updates on the Company's website: www.nmdc.co.in by the Chief Investor Relations Officer. The Company may also consider other modes of public disclosure of Unpublished Price Sensitive Information so as to improve investor access to the same.

The information filed by the Company with the Stock Exchanges under SEBI (LODR) Regulations shall also be posted on the Company's website.

X. Policy for determination of "Legitimate Purposes"

"Legitimate Purpose" 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 these regulations.

Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of these

regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

An Insider shall not –

- i. communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or its securities, to any person including other insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- ii. procure from or cause the communication by an Insider of unpublished price sensitive information, relating to the Company or its securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- iii. directly or indirectly trade in the securities of the Company when in possession of unpublished price sensitive information.
- iv. directly or indirectly trade in securities of the Company, except when the Trading Window is open and the Insider is not in possession of unpublished price sensitive information.

An Insider who acts in contravention of these Rules shall be liable to have his/her services or relationship with the Company, as the case may be, terminated.

Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, ineligibility for future participation in the Company's stock option plans or termination, etc.

SEBI or any other appropriate regulatory authority would also be informed of the violation of these Rules so that appropriate action may be taken.

XI. Amendment

The Board reserves the right to amend or modify this Code in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Code will be accordingly updated on the website of the Company.

The Company will also promptly intimate any amendment to this Code for Fair Disclosure to the stock exchanges, as required under the Regulations and also disseminate on company's website.

Any subsequent amendments to the Regulations, which make any of the clauses of the Code inconsistent, the Regulations will prevail over the Code, even if not incorporated in this Code, and the relevant clauses of the Code would be amended / modified in due course so as to make it consistent with the Regulations.