

POLICY ON DETERMINATION OF LEGITIMATE PURPOSES

Objective

The Board of Directors (the "Board") of S Chand And Company Limited (the "Company"), adopts the "Policy for Determination of Legitimate Purposes" (the "Policy") in compliance with the requirements of Regulation 3 (2A) of The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendments) Regulations, 2018 (the "Regulations") in order to establish a mechanism for sharing of unpublished price sensitive information ("UPSI") in the ordinary course of business by the insider of the Company. This Policy shall form part of the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

1. Applicability

This policy is applicable on all the Insiders of the Company.

2. Definitions

(a) "Connected Person" means the persons as defined under Regulation 2(d) of the Regulations.

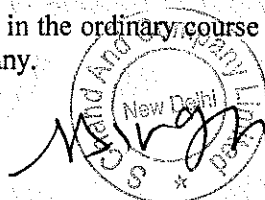
(b) "Insider" means any person who is a Connected Person or in possession of or having access to unpublished price sensitive information.

(c) "Unpublished Price Sensitive Information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: -

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v) changes in key managerial personnel

3. Legitimate Purposes

"Legitimate Purpose" shall mean sharing of UPSI in the ordinary course of business. The Company may share UPSI if required in the interest of the Company.



S CHAND AND COMPANY LIMITED

Policy on determination of Legitimate Purposes

Legitimate purpose shall inter alia include sharing of UPSI on need to know basis 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 the Regulations.

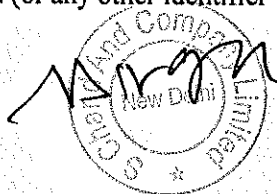
Under the following circumstances the sharing of UPSI would be considered as legitimate purpose:

- (i) Sharing of UPSI as compliance with applicable laws, rules or regulations;
- (ii) Sharing of UPSI for any acquisition, merger, divestment, right issue or any other transaction/corporate action;
- (iii) Sharing of UPSI under any proceedings or pursuant to any order of court/tribunal;
- (iv) Sharing for UPSI for investigation, inquiry or request for information by statutory or governmental authorities;
- (v) Sharing of UPSI for disclosure of events set out in Schedule III of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Sharing of UPSI arising out of any contractual obligations or arrangement entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;
- (vii) Sharing of UPSI for any other purpose as the Board of Directors may determine. Provided that sharing of such information does not evade the prohibitions laid down under the Regulations.

4. Manner of sharing UPSI

The Insider shall comply with following steps while sharing UPSI:

- (i) Check if the information is UPSI and is being shared for legitimate purpose;
- (ii) Identify the person with whom the information is to be shared;
- (iii) To execute a non-disclosure agreement with the person(s) who receives the USPI or due notice to be given to such person(s) to maintain confidentiality of UPSI;
- (iv) To maintain names of the persons along with PAN (or any other identifier where PAN is not available) with whom information is shared.



S CHAND AND COMPANY LIMITED

Policy on determination of Legitimate Purposes

5. Review of the Policy

The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes or any regulatory requirements from time to time. In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy

6. Amendments

Any amendment in the Policy would be subject to approval of the Audit Committee except incase the amendment in the Policy is necessitated on account of change in the applicable law.

Approved and adopted on 12- November- 2019

