

CASTROL INDIA LIMITED

CODE OF PRACTICES & PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION AND DETERMINATION OF LEGITIMATE PURPOSE

I.PREAMBLE

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the 'Regulations') mandates the board of directors of the listed Companies to frame a Code of Practices and Procedures for fair and timely dissemination of unpublished price sensitive information. Accordingly, Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") has been approved and implemented by the Board of Directors of Castrol India Limited ("Company").

Capitalised terms used and not defined in this Code shall have the meaning given to such terms in the Regulations.

II.APPLICABILITY

This Code shall be applicable with effect from 29 April 2019.

III. CODE

1.1 Prompt Disclosure of Price Sensitive Information

Unpublished Price Sensitive Information that would impact price discovery shall be disclosed to the Stock Exchanges and disseminated promptly on a continuous basis as soon as credible and concrete information comes into being in order to make such information Generally Available.

For this purpose Unpublished Price Sensitive Information means any information which relates directly or indirectly to the Company or its securities, which is not Generally Available to public and which, if made Generally Available or is published on the stock-exchange is likely to affect the price discovery of securities of the Company including but not limited to:

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. such other information as the Compliance Officer in discussion with the Chief Executive Officer / Managing director / Chief Financial Officer/ Managing Counsel of the Company, from time to time may determine any other event or information falling under the definition of "Unpublished Price Sensitive Information" ("UPS") either under the Regulations or any revisions thereof.

1.2 Uniform and Universal dissemination of Unpublished Price Sensitive Information

The Unpublished Price Sensitive Information that would impact price discovery shall be disseminated uniformly and universally to all stakeholders through Stock Exchanges and/ or by posting the same on official website of the Company. The Company shall use its best endeavors to avoid selective disclosure of Unpublished Price Sensitive Information. However, if any Information gets disclosed selectively or inadvertently or otherwise, endeavor shall be made to make generally available the above information through dissemination of the same to Stock Exchanges and/or by posting the same on the official website of the Company as soon as practicable.

1.3 Procedures for responding to any queries on news reports and/or requests for verification of market rumors by regulatory authorities.

- i. Appropriate, fair and prompt response shall be submitted to all queries on news reports or requests for verification of market rumors received from regulatory authorities.
- ii. Such replies shall be signed by the Compliance Officer/ Managing Director. In their absence, such replies shall be signed by such other officer/ person as may have been authorized.
- iii. The Compliance Officer shall oversee corporate disclosure. He/ She shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and then making the disclosure.

1.4 Procedure for disclosure/ dissemination of Unpublished Price Sensitive Information with special reference to Analysts, Institutional Investors etc.

- i. Only published price sensitive information will be provided to analysts/research personnel and institutional investors.
- ii. If any presentation is made during the meeting with analysts and institutional investors, the same shall be disseminated on the official website of the Company to ensure confirmation and documentation of disclosures made.
- iii. Unanticipated questions may be taken on notice and a considered response given later. The answer should not include any Unpublished Price Sensitive Information

1.5 Need to Know

Unpublished Price Sensitive Information shall be handled in accordance with applicable laws and Code and in any event strictly disseminated on a "need to know" basis to those within the Company who need the information to discharge their official duties or discharge of legal obligations.

1.6 Legitimate Purpose

"Legitimate Purpose" shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business by an Insider with its promoter(s), holding companies, subsidiaries, associate(s), affiliates, joint venture(s) (together referred to as "Group Companies"), employees, directors, auditors, consultants and agents of such Group Companies, any governmental and other statutory authority, Courts of law, tribunals, intermediaries and fiduciaries engaged by the Company, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, 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.

Provided that the same shall be limited to business of INR 500 million per financial year for the partners, collaborators, customers and suppliers.

Provided further that for business value lesser than INR 500 million per financial year, the Chief Executive Officer / Managing director / Chief Financial Officer/ Managing Counsel / Chief Investment Relations Officer of the Company may, from time to time, determine any other event or information falling under the definition of "Legitimate Purpose".

The sharing of UPSI by an Insider shall be deemed to be for "Legitimate Purpose" if it satisfies the following criteria:

1. The UPSI shall be shared only on 'need to know' basis
2. The Insider shall share the UPSI for a Legitimate Purpose only and in the interest of the Company and in performance of its or their duties and/or in compliance with the requirements of the law.

Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "Insider" and due notice shall be given to such person to maintain confidentiality of UPSI OR the Company personnel sharing UPSI shall ensure that such third party is also bound by non-disclosure or confidentiality agreements and the duties and responsibilities of such person with respect to such UPSI and the liabilities involved if such person misuses or uses such UPSI.

Notwithstanding anything contained in this Code or Regulations, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would entail an obligation to make an offer under the takeover regulations where the Board of Directors of the Company is of the informed opinion that sharing of such UPSI is in the best interests of the Company.

1.7 Monitoring and Co-ordinating dissemination of disclosures

The Company Secretary being the Compliance Officer shall act as Chief Investor Relations Officer and will be responsible for ensuring that the Company complies with the continuous disclosure requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and this Code. He / She shall also be responsible for overseeing, monitor and co-ordinating dissemination of disclosure of Unpublished Price Sensitive Information to Stock Exchanges and stakeholders.

1.8 Process for sharing UPSI

The Insider may follow the steps given below while sharing UPSI:

- i) Satisfy that information is UPSI and sharing is for Legitimate Purpose and on a need-to know basis
- ii) Identify the persons with whom the UPSI is to be shared
- iii) Notify the recipient that UPSI being shared is confidential and proprietary and enter into a confidentiality/non-disclosure agreement.
- iv) Mode of sharing UPSI shall be either by an email (address directly to the insider without copying) or hard copy or through any other electronic mode or device or provide access to the information, data, server where such UPSI is stored with acknowledgement or verbal exchange.
- v) Maintain names of the persons along with PAN (or any other identifier where PAN is not available) with whom information is shared. The database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This database shall be kept confidential. The database shall be kept under the custody and supervision of the Compliance Officer.

1.9 System Audit

There shall be periodic audit once in a year to ensure the integrity of the system and the data maintained.

1.10 Policy Review

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

IV.DISCLOSURES

This Code and any amendment thereof will be published on the Company's official website and shall be promptly intimated to the Stock Exchange(s) where the securities of the Company are listed.