



## **Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons**

(As per Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) read with Schedule B of the Regulations.)

### **1. Application:**

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons towards achieving compliance with the Regulations.

### **2. “Designated Persons”**

#### **2.1 Meaning:**

- (i) Members of the Board of Directors;
- (ii) Promoters of the Company;
- (iii) Managing Director, Chief Financial Officer, and Company Secretary of the Company, its Subsidiary Companies, Associate Companies and Joint Venture Companies;
- (iv) Auditors of the Company, and its subsidiaries;
- (v) All employees of the Accounts and Finance, Internal Audit, Secretarial Department and supporting staff working in IT department of the Company and its subsidiaries.
- (vi) Secretaries/Executive Assistants reporting to the Chairman or the Managing Director/Whole Time Director/Chief Financial Officer/ Company Secretary of the Company;
- (vii) All Business Heads and Unit Heads of the Company and its material subsidiaries;
- (viii) Employees up to two levels below the Managing Director and its material subsidiaries irrespective of their functional role in the company or ability to have access to Unpublished Price Sensitive Information (UPSI);
- (ix) Such other person as may be identified by the Compliance officer; and
- (x) Immediate relatives of above Designated Persons:  
Immediate relative means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

#### **2.2 Compliances by Designated Persons:**

- (i) Designated Persons shall be required to disclose Name and PAN or any other identifier authorized by law, like Aadhar card number, passport number (in case of foreigner) of the following persons to the Company on an annual basis and as and when the information changes:
  - Immediate relatives;



- Persons with whom such designated person(s) shares a material financial relationship;
- Phone number, Mobile Number which are used by them;

“Material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income excluding relationship in which payment made is at arm’s length basis.

Designated Persons shall also disclose on a one time basis the following information to the Company:

- Names of educational institutions from where designated persons have graduated;
  - Names of the past employers of the designated persons.
- (ii) The Designated Persons, who trade in Securities when in possession of UPSI in contravention of the provisions of this Code or SEBI regulations, shall be liable to disciplinary actions, including wage freeze, suspension, recovery, claw back, etc., as may be decided by the Inquiry Committee formed pursuant to the Company’s Policy and Procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information (“UPSI”), comprising of Managing Director, Chief Financial Officer and Chief Investor Relation Officer and any other officer of the Company as may be mutually decided by the members of the Committee, on a case to case basis.
- (iii) The compliance officer shall report trading in securities of the Company by designated persons and their immediate relatives on a quarterly basis to the
- Board of Directors, and
  - Chairman of the Audit Committee

### 3. Code of Conduct:

- (i) All the persons covered under the Code shall handle UPSI within the organization on need to know basis. They will not communicate UPSI to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. In case of doubt, they will approach the Compliance Officer for permission to communicate the UPSI.

The Company’s “Policy for determination of Legitimate Purposes” is given in **Annexure A**.



- (ii) The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to “cross the wall”.

Norms for appropriate Chinese Walls procedures & processes will be as under:

- a. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered “inside areas” from those areas which deal with sale/ marketing or other departments providing support services, considered “public areas.
  - b. The employees in the inside area shall not communicate any price sensitive information to any one in public area.
  - c. The employees in inside area may be physically segregated from employees in public area.
  - d. Demarcation of the various departments as inside area may be implemented by the Company.
  - e. In exceptional circumstances employees from the public areas may be brought “over the wall” and given confidential information on the basis of “need to know” criteria, under intimation to the Compliance Officer.
- (iii) Designated Persons and their immediate relatives shall not deal in the securities of the company when the Trading Window is closed. Trading window is the period during which the persons covered under the Code cannot deal in securities of the Company. The Trading Window shall be closed as given below:
- a. during the period beginning with dispatch of notice for calling the Board Meeting for considering the financial results (audited or unaudited) of the quarter or half year or the financial year as the case may be, and ending up to and including 48 hours after the information becoming generally available; or
  - b. the period beginning with dispatch of notice for calling the Board Meeting for consideration of all such matters (other than financial results) as are deemed to be UPSI and ending 48 hours after the decision taken by the Board of Directors at such meeting becomes generally available; or
  - c. such other period as may be notified by the ‘Compliance Officer’ from time to time, with the approval of the Chief Financial Officer.



## Pre-clearance & Trades

- (iv) 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 trade(s) is above a minimum threshold limit of Rs.10,00,000/- (Rupees Ten Lakh) in value over any calendar quarter. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of UPSI even if the trading window is not closed.
- (v) The said pre-clearance/permission to trade when the Trading Window is open will not be required if the value of shares traded in one or more transactions over any calendar quarter does not exceed Rs.10,00,000/- (Rupees Ten Lakh).
- (vi) The trades that have been pre-cleared will have to be executed by the Designated person within a period of seven trading days from the date of granting pre-clearance, failing which fresh pre-clearance would be needed for the trades to be executed.
- (vii) Designated Persons and their immediate relatives who are permitted to trade shall not execute a contra trade i.e. enter into an opposite transaction during the next 6 (six) months following the prior transaction (“contra trade”).

Provided that the above restriction with respect to pre-clearance will not be applicable for trades pursuant to exercise of stock options.

- (viii) The covered persons can trade when the Trading Window is open with the pre-clearance from the Compliance Officer (Format for making application for pre-clearance is contained in **Annexure B**). The pre-clearance will be given by the Compliance Officer on receipt of prior declaration from applicant to the effect that the applicant is not in possession of any **UPSI** (Format of the declaration is contained in **Annexure C**), according complete details regarding transaction such as number of shares to be bought or sold, shares already held, shares to be held after transaction, whether the transaction is through Stock Exchange or through negotiation, consideration if through negotiation.

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.

- (ix) If in any case the Company finds that there has been a violation of these Regulations, it shall inform SEBI promptly.
- (x) The Company shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information



#### 4. Initial Disclosure and Continual Disclosure

(i) Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within 7 days of such appointment or becoming a promoter in the prescribed Form.

(ii) Every promoter, member of the promoter group, designated person and director of shall disclose to the company in the prescribed Form, the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified.

(iii) The Company shall notify the particulars of such trading to the stock exchange in the prescribed Form within two trading days of receipt of the disclosure or from becoming aware of such information

#### 5. Compliance Officer:

The Company Secretary, will be the Compliance Officer for the purpose of the Code of Conduct.

#### 6. Amendments and Modification

This Fair Disclosure Code shall be reviewed from time to time and any amendments or modifications thereto shall be subject to the review and approval of the Board of Directors of the Company.

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