

RSWM LIMITED

CODE OF CONDUCT FOR REGULATING, MONITORING & REPORTING TRADING BY INSIDERS

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, has been notified on January 15, 2015 in official gazette (hereinafter referred to as the 'Regulations') in terms of which and also in compliance with SEBI Regulations and Companies Act, 2013, the Company is required to frameCode of Conduct for Regulating, Monitoring & Reporting Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

In line with the Regulations Code of Conduct for Regulating, Monitoring & Reporting Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (hereinafter referred to as the '**Code**') was adopted by the Board of Directors of the Company at its meeting held on 8th May, 2015(which was effective from 15th May, 2015). Securities and Exchange Board of India has vide its circular dated 31st December, 2018 has modified The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 effective from 1st April, 2019. The Code was adopted by the Board effective from 1st April, 2019. SEBI vide its circular SEBI / HO/ ISD / ISD / CIR /P/2019 /82 dated 19th July, 2019 and notifications dated 25th July, 2019 & 17th September, 2019 has amended SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 which necessitates to amend the present Code. Accordingly, the Code has further modified and adopted by Board of Directors of the Company at its meeting held on 12th February, 2020.

For the purpose of the Code:

- a) **"Act"** means the Securities and Exchange Board of India Act, 1992.
- b) **"Board"** means the Board of Directors of the Company.
- c) **"Chief Investor Relations Officer"**: The Company shall designate a senior officer as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of Unpublished Price Sensitive Information. The Chief Investor Relations Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and coordinating disclosure of Unpublished Price Sensitive Information to stock exchanges, analysts, shareholders and media, and educating staff on disclosure policies and procedure. The Chief Financial Officer of the Company shall act as Chief Investor Relations Officer for the purpose of this code.
- d) **"Compliance Officer"**means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who isfinancially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision



of the board of directors of the listed company or the head of an organization, as the case may be. The Company Secretary of the Company shall act as the Compliance Officer for the purpose of this code.

*Financially Literate shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

e) **“Connected Persons”** means:

- (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a Designated Person of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall also be deemed to be connected persons unless the contrary is established,
 - (a) an immediate relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g) a member of the Board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) banker of the Company; or
 - (j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest

f) **“Designated Officer/Designated Employees”** shall cover the following:

- Officers or Employee belongs to level Managers and above or its equivalent in all departments;
- All employees in Secretarial, Finance and Accounts Department;
- Chief Executive Officer, Managing Directors and employees upto two levels below Chief Executive Officer and Managing Director;



- Employees of managerial level and above of Accounts and Secretarial Department of material subsidiary.
- All employees of IT Department of our Company who is having access to unpublished price sensitive information.
- Such other employees as may be specified and determined from time to time by the Committee Concerning Shares (committee which will monitor the implementation of the Code) and/or Compliance Officer.

g) **'Designated Persons'**: Designated Persons include inter alia the following-

- (i) Designated Officer/Designated Employee
- (ii) All Directors of the Company including Independent Directors
- (iii) Promoter and Promoter group of the Company

h) **Generally Available Information**" means information that is accessible to the Public on a non-discriminatory basis.

i) **Immediate Relative**" means a spouse of an insider and includes parent, sibling, and child of such insider or of the spouse, any of whom is either dependent financially on such insider, or consults such insider in taking decisions relating to trading in securities.

j) **"Informant"** means an individual(s), who voluntarily submits to the SEBI a Voluntary Information Disclosure Form relating to an alleged violation of insider trading laws that has occurred, is occurring or has a reasonable belief that it is about to occur, in a manner provided under these regulations, regardless of whether such individual(s) satisfies the requirements, procedures and conditions to qualify for a reward;

k) **"Insider"** means any person who is:

- i) a connected person
- ii) Designated Person
- iii) in possession of or having access to unpublished price sensitive information;

Explanation:Any person who are 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."

l) **"Key Managerial Person"** means person as defined in Section 2 (51) of the Companies Act, 2013.

m) **"Legitimate Purpose"**: 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."

n) **"Legal Representative"** means a duly authorised individual who is admitted to the practice of law in India



- o) "Original Information"** means any relevant information pertaining to any violation of insider trading laws that is:-
- (i) derived from the independent knowledge and analysis of the Informant;
 - (ii) not known to the SEBI from any other source, except where the Informant is the original source of the information;
 - (iii) is sufficiently specific, credible and timely to –
 - (1) Commence an examination or inquiry or audit,
 - (2) assist in an ongoing examination or investigation or inquiry or audit,
 - (3) Open or re-open an investigation or inquiry, or
 - (4) Inquire into a different conduct as part of an ongoing examination or investigation or inquiry or audit directed by the SEBI;
 - (iv) not exclusively derived from an allegation made in a judicial or administrative hearing, in a Governmental report, hearing, audit, or investigation, or from the news media, except where the Informant is the original source of the information; and
 - (v) not irrelevant or frivolous or vexatious.

Explanation. –Information which does not in the opinion of the SEBI add to the information already possessed by the SEBI is not original information.

- p) "Promoter" and "Promoter Group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- q) "Reward"** means any gratuitous monetary amount for which an Informant is declared eligible as per the provisions of these regulations
- r) "Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof, except units of a mutual fund.
- s) "Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities include trading in derivatives of securities, and "trade" shall be construed accordingly;

Dealing shall include "Pledge" of shares of the Company.

Further, trading would also include an act of counseling about procuring or communicating directly any unpublished price sensitive information to any person.

Explanation- When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.



- t) "**Trading Day**" means a day on which the recognized stock exchanges are open for trading.
- u) "**Takeover Regulations**" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- v) "**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, delisting, disposals and expansion of business and such other transactions;
 - v) changes in key managerial personnel;

Any other information which, considering its materiality and bearing on the Company's operations / performance, may be considered 'unpublished price sensitive information' in accordance with the SEBI(LODR) Regulations, 2015 as amended from time to time';

- w) "**Voluntarily providing information**" means providing the SEBI with information before receiving any request, inquiry, or demand from the SEBI, any other Central or State authorities or other statutory authority about a matter, to which the information is relevant

1. PROHIBITION TO BUY/SELL SECURITIES OF THE COMPANY BY INSIDER AND THEIR IMMEDIATE RELATIVES

- The insider including their immediate relative if any, when in possession of any unpublished price sensitive information, as defined in the Regulations, pertaining to the Company, shall not buy / sell securities of the Company, either on their own behalf or on behalf of any other person except trading to be done in accordance with the trading plan as mentioned at point No. 5 of this code.
- No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.



2. RESTRICTION TO BUY / SELL SECURITIES BY INSIDER AND THEIR IMMEDIATE RELATIVES

- 2.1 **Insider and their immediate relatives shall not** enter into derivative transaction(s) during at any time with respect to the securities of the Company.
- 2.2 **Insider and their immediate relatives shall not** buy / sell securities of the Company during Closure of the 'Trading Window', i.e. the period during which trading in the securities of the Company is prohibited.

Trading Window shall be closed during the following periods:

- a) from the end of every quarter till 48 hours after the declaration of financial results to the Stock Exchanges where the Company's securities are listed for the first quarter, second quarter & half year, third quarter and fourth quarter & annual;
- b) From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including the following, are proposed:
 - Proposal in respect of interim / final dividend;
 - Proposal in respect of change in capital structure;
 - Proposal in respect of significant expansion plans or execution of new large projects;
 - Proposal in respect of amalgamation, mergers, demergers, takeovers, delisting;
 - Buy back of shares or other securities;
 - Proposal in respect of disposal of whole or substantially the whole of the undertaking;
 - Any significant changes in policies, plans or operations of the Company.
 - Changes in key managerial personnel
 - Any other information having bearing on the operation/performance of the company as well as price sensitive information.

The Trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.”

The trading window restrictions shall not apply in respect of the following transaction;

- i) When the transaction is an off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision.
- ii) the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without violating the policy and both parties had made a conscious and informed trade decision;



- iii) the transaction was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- iv) the transaction was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- v) Transaction in respect of a pledge of shares for a bonafide purpose such as raising of funds subject to pre-clearance by the Compliance Officer and Compliance with respective regulations.
- vi) The trades were pursuant to a trading plan set up in accordance with Regulation 5.
- vii) Transactions which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer.

The Trading Window shall open 48 hours after communication of the decision of the Board of Directors in respect of the above events to the Stock Exchanges where the Company's securities are listed.

The trading windows shall also be applicable to any person having contractual or fiduciary relation with the company such as auditors, accountancy firm, law firms, analysts, consultants etc. assisting or advising the company.

The closure of the Trading Window for these events will be advised by the Compliance Officer appointed by the Board of Directors for the purpose of this Code. The Compliance officer of the company shall communicate the opening and closing of trading hours to designated persons and also intimate the same to the stock exchange(s) at which securities of the company are listed.

- 2.3 **Designated Persons** shall require prior clearance from the Compliance Officer in respect of purchase/sale of securities of the Company, where the deal is exceeding minimum threshold limit of 5000 shares or where the transaction value of the Securities intended to be traded exceeds ₹ 5 Lakh (market value)(purchase/sale consideration) during a financial year (either in one transaction or in a series of transactions). Such purchase/sale of securities by the Compliance Officer shall require prior clearance from the Chairman or from such other person as may be decided by the Board of Directors of the company from time to time. An application for pre clearance shall be made to the Compliance Officer in the form attached as **Annexure A**.
- 2.4 The Compliance officer after scrutinizing the same and after taking approval if any from other concerned person shall give his approval on the same in the form attached as **Annexure B**.
- 2.5 **Designated Persons**, who buy or sell any number of shares of the Company **shall not enter into an opposite transaction** i.e. sell or buy any number of shares **within 6 months following a prior transaction**.

In case a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Securities and Exchange Board of India Act, 1992.

Provided that this shall not be applicable for trades pursuant to exercise of stock option

- 2.6 In case of sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard provided such waiving does not violate the SEBI (Prohibition of Insider Trading) Regulations, 2015. In respect of the Compliance Officer, prior clearance is required to be taken from the Chairman of the Company.
- 2.7 Purchase / sale transactions for which prior clearance has been obtained by Designated Persons shall be executed within seven trading days of such clearance, failing which fresh sanction will be required to be taken and the concerned person who have taken pre clearance approval shall after execution of trade as per approval taken shall submit the details of same in the form attached as **Annexure C**.
- 2.8 Prior to approving any trades , the compliance officer shall seek declarations to the effect that applicant filed a request for pre clearance of trade is not in possession of any unpublished price sensitive information and such undertaking shall be submitted in the form attached as **Annexure D**.

3. RESTRICTION ON COMMUNICATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

- 3.1. No Insiders shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3.2. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3.3. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

However an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-



- (i) entail an obligation to make an open offer under the takeover regulations where the board of directors of the company is of informed opinion that the sharing of such information is in the best interests of the company;
- (ii) not attract the obligation to make an open offer under the SEBI (SAST) Regulations, 2011 and subsequent amendments thereto but where the board of directors of the company is of informed opinion that the sharing of such information is in the best interests of the company and the information that constitutes unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the sharing of such information being effected as the board of directors may determine to be adequate and fair to cover all relevant and material facts.

For the above, the board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

4. TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

- 1. No insider shall trade in securities of the company that are listed or proposed to be listed on stock exchange when he is in possession of unpublished price sensitive information:

Explanation-When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession

Provided that the insider may prove his innocence by demonstrating the circumstances including the following.

- i) When the transaction is an off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision.

Provided that such unpublished price sensitive information was not obtained under sub regulation (3) of regulation 3 of these regulations.

Provided further that such off-market trades shall be reported by the insiders to the company within two working days. The company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information

- i) the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive



information without being in breach of regulation 3 of these regulations and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under sub regulation (3) of regulation 3 of these regulations.

- ii) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- iii) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations
- v) In case of non-individual insiders
 - a. the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
 - b. appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
- vi. The trades were made pursuant to a trading plan informed and suggested by the concerned insider.

2. In the case of connected persons, the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

5. FORMULATION AND INTIMATION OF TRADING PLANS BY INSIDERS

The Insiders on their behalf and on behalf of their immediate relative and dependents may formulate a trading plans and such trading plans shall be communicated to the compliance officer of the company in the form attached as **Annexure E** and compliance officer shall approve such trading plans and consent of the approval of trading plan shall be provided to the applicant in the form attached as **Annexure F**. The compliance officer shall also require an undertaking from applicant before approval of trading plan in the form as attached as **Annexure G**. The compliance officer shall intimate the same to the stock exchanges at which shares of the company are listed. The compliance officer shall make available such trading plan in public domain in the format as enclosed as **Annexure H**.

Such trading plan shall:-



- i. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- ii. not entail trading for the period between the **twentieth trading day** prior to the last day of any financial period for which quarterly results and annual result are required to be announced by the company and the second trading day after the disclosure of such financial results;
- iii. entail trading for a period of not less than twelve months.
- iv. not entail overlap of any period for which another trading plan is already in existence;
- v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected;
- vi. not entail trading in securities for market abuse.

The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

The trading plan once approved shall be irrevocable and it shall be mandatorily have to be implemented and without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchange on which the securities are listed.

Further the trading plan shall not be implemented by the insider, if at the time of providing of trading plan, they are in the possession of any unpublished price sensitive information and such trading plan shall be implemented after these unpublished prices sensitive information becomes generally available information.

After execution of trade the confirmation regarding the same shall be submitted to the Compliance officer in the form attached as **Annexure I**.

Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan

6. CHINESE WALL

The Company has adopted a Chinese wall policy to prevent the misuse of confidential Unpublished price sensitive information, which separates those areas of the Company which routinely have access to confidential unpublished Price Sensitive information (Inside Areas) from other areas, considered as public areas, .

To implement the same, the following procedure shall be followed:



- a. All physical files containing confidential information shall be kept secure under lock and key in custody of officials designated by the Compliance Officer.
- b. All Computer files shall have adequate security of login and passwords. Files containing confidential information should be deleted/destroyed after its use, unless they are required for future purposes or as per law.
- c. Further, under this policy:
 - i. The Designated Persons in the inside areas are not allowed to communicate any Unpublished Price Sensitive Information to anyone in the public areas.
 - ii. The designated persons within the inside area of the Chinese wall have a responsibility to ensure that the Chinese wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese wall must be reported to the compliance officer.
 - iii. The establishment of Chinese walls is not intended to suggest that within inside areas unpublished price sensitive information, can circulate freely. Within inside area need-to-know shall be in effect.

7. INTIMATION AND PUBLICATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

The Company shall provide and publish unpublished price sensitive information in the following manner.

- 1. Any unpublished price sensitive information should be made public promptly as and when happened.
- 2. All unpublished price sensitive information should be made public on uniform basis and should be made public as and when happened and without any undue delay.
- 3. The Chief Investor Relations Officer shall be responsible for providing the unpublished price sensitive information to the Compliance officer promptly and the Compliance officer in turn shall make the Unpublished Price Sensitive Information public without any delay.
- 4. No unpublished price sensitive information shall be shared with any analysts and research personnel.

8. DISCLOSURES

- a. Insiders shall make the following disclosures of shares and other securities held in the Company by them and their immediate relative or by such person for whom the insider takes trading decisions, to the Compliance Officer.
- b. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be also taken into account for purposes of disclosures to be filed under these regulations provided that trading in derivatives of securities is permitted by any law for the time being in force.

- c. The disclosures made shall be maintained by the company for a minimum period of 5 years in such form as may be specified from time to time by the Securities and Exchange Board of India.

8.1 ONE TIME DISCLOSURES

- (a). Every Promoter, member of promoter group, Key Managerial Personnel and Director of the Company shall disclose his holding of securities of the company within a period of 30 days from the date of (Prohibition of Insider Trading) Regulations, 2015 taking effect in **Annexure J**.
- (b). Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter or member of 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 seven days of such appointment or becoming a promoter in the form as enclosed as **Annexure K**.

8.2 CONTINUAL DISCLOSURES

- 8.2.1 Every promoter, member of the promoter group,-and designated Persons shall make an annual disclosure of number of shares and other securities held as on 31st March each year, including details of purchase / sale of shares and other securities during the financial year. This disclosure shall be made within 30 days from the close of each financial year in the format as per **Annexure L**.
- 8.2.2 Every Promoter, member of the promoter group, and designated persons of the Company shall disclose to the Company the number of such securities acquired or disposed of within 2 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; in the format as prescribed as **Annexure M**.
- 8.2.3 The company shall notify the particulars of such trading to the stock exchange on which shares of the company are listed within 2 trading days of receipt of the disclosures or from becoming aware of such information.

Explanation – It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure made under clause 8.2.1, shall be made when the transactions effected after the prior disclosure cross the threshold as specified in clause 8.2.2 above.

- 8.2.4 The Compliance Officer shall report to the Board of Directors and shall also provide reports to the Chairman of Audit Committee or to the Chairman of the Board on quarterly basis pertaining to insider trading.

8.3 DISCLOSURES BY OTHER CONNECTED PERSONS.

The Company may at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the



company at such frequency as may be determined by the company in order to monitor compliance with these regulations in the format as prescribed as **Annexure N**.

9. ADDITIONAL DISCLOSURE BY DESIGNATED PERSON

Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

- a) Immediate relatives
- b) Persons with whom such designated person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis. Disclosure shall be in the format prescribed in **Annexure-O**.

Explanation—The term “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 but shall exclude relationships in which the payment is based on arm’s length transactions.

10A. SUBMISSION OF ORIGINAL INFORMATION TO SEBI

Anyone, personally or through his/her Legal Representative, may voluntarily submit alleged violation of Insider Trading Regulations which has occurred/is occurring has a reasonable belief that is about to occur, by furnishing a Voluntary Information Disclosure Form to Office of Informant Protection of SEBI in the format prescribed in Annexure-P.

10B. PROTECTION AGAINST RETALIATION AND VICTIMIZATION

1. An employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by SEBI or irrespective of whether the employee is eligible for a reward, shall not be discriminated, discharged, terminated, demoted, suspended, threatened, or harassed, for any of the following reasons:

- filing a Voluntary Information Disclosure Form under these regulations;
- testifying in, participating in, or otherwise assisting or aiding the SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the SEBI;
- or breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the SEBI in any manner



"Employee" means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under these regulations and is a director, partner, regular or contractual employee, but does not include an advocate.

2. Any person found committing any Retaliatory Action against a employee shall be deemed to have committed an act of willful disobedience and will be liable for disciplinary action

For the purpose of this Rule the expression "Retaliatory Action" shall mean without limitation any of the following: discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee

3. In case of any threat or intimidation or likely threat or intimidation of a Retaliatory Action, the employee, may directly approach Chairman/Managing Director/ CEO (Investigating Officer) on an immediate basis. Investigating Officer shall take such steps as may be necessary.
4. Employee shall not be required to establish that,-
 - a. SEBI has taken up any enforcement action in furtherance of information provided by such person; or
 - b. the information provided fulfils the criteria of being considered as an Original Information under these regulations.

5. Informant who believes that he or she has been subject to retaliation or victimisation by his or her employer, can also approach the competent court or tribunal for appropriate relief.

The above provisions 10A & 10B are framed in accordance with Regulations under Chapter IIIA of the SEBI (Prohibition of Insider Trading) Regulations, 2015 vide SEBI notification dated 17th September, 2019.

11. PENALTIES FOR CONTRAVENTION

Violation of this Code will invite severe disciplinary action by the Board of Directors of the Company. Such disciplinary action will include wage freeze, suspension, recovery; clawback etc. and the above disciplinary action shall be irrespective of action that may be taken by SEBI under the Regulations. Any violation of this Code observed by the Board of Directors of the Company shall be promptly reported to SEBI in the format prescribed in **Annexure - Q**. Any contravention of these regulations shall be dealt with by the Board of Directors in accordance with the Act.

11. GENERAL

This policy is only internal code of conduct and one of the measure to avoid insider trading. It would be the responsibility of each Insider to ensure compliance of SEBI Regulations and statutes fully.

12. COMPLIANCE

The Company shall ensure compliance of SEBI (PIT) Regulations, 2015, as amended, from time to time.