

CODE OF INTERNAL PROCEDURES CONDUCT FOR PREVENTION OF INSIDER TRADING

PART I

PRELIMINARY

- (1) The Code of Conduct for prevention of Insider Trading (“**the Code**”) is made to regulate, monitor and report the trading by the Insider.
- (2) The Code has been made pursuant to the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015, as amended.
- (3) **Definitions: For the purpose of this Code –**
 - (a) “**Act**” means the Securities and Exchange Board of India Act, 1992 and any amendments thereto.
 - (b) “**Board**” means the Securities and Exchange Board of India
 - (c) “**Board of Directors**” means the Board of Directors of Dhanuka Realty Limited.
 - (d) “**Code**” or “**Code of Conduct**” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Dhanuka Realty Limited as amended from time to time.
 - (e) “**Company**” means Dhanuka Realty Limited
 - (f) “**Companies Act**” means the Companies Act, 2013 & Rules made there under and any amendments thereto.
 - (g) “**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 is financially 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board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;
 - (h) “**Connected Person**” means:
 - i. any person who is or has during six months prior to the concerned act been associated with the 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 director, officer

or any employees of the Company or holds any position including 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 forgoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,
- an immediate relative of connected persons specified in clause (i) or holding company or associate company or subsidiary company; or
 - an intermediary as specified in Section 12 of the Act or an employee or directors thereof; or
 - an investment company, trustee company, assets management company or an employee or director thereof; or
 - an official of a stock exchange or of clearing house or corporation; or
 - a member of board of trustees of a mutual fund or a member of the board of directors of the assets management company of a mutual fund or is an employee thereof; or
 - 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
 - an official or an employee of a self- regulatory organization recognized or authorized by the Board; or
 - a banker of the Company; or
 - 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 percent, of the holding or interest;
- i) **“Designated Employees”** means - All employees who are Deputy General Managers and above and such other employee who may be so designated from time to time by the Chairman & Managing Director for the purpose of this Code.
- j) **“Designated Person”** means Directors, Key Managerial Personnel and designated employees of the Company
- (k) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.
- l) **“Insider”** means any person who is a connected person; or in possession of or having access to unpublished price sensitive information;
- m) **“Immediate relative”** means a spouse of a person, and include parents, 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 of the Company.

- (n) **“Promoter”** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- (o) **“Proposed to be listed”** shall include securities of an unlisted company:
- i. if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
 - ii. if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013
- (p) **“Relatives”** means a person, as defined in Section 2(77) of the Companies Act, 2013 and any amendments thereto.
- (q) **“Regulations”** means the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto
- (r) **“Stock Exchange”** means a stock exchange which is recognized of the Central Government or SEBI under Section of Securities Contracts (Regulation) Act, 1956 and any amendments thereto.
- (s) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- (t) **“Specified”** means specified by SEBI in writing.
- (u) **“Takeover Regulations”** means SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- (v) **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.
- (w) **“Trading Day”** means a day on which recognized Stock Exchanges are open for trading.
- (x) **“Trading Window”** means a trading period for trading in Company’s Securities as specified by the Company from time to time
- (y) **“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 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; and
- (vi) Material events in accordance with the listing agreement with the Stock Exchange

(z) “Legitimate Purpose”: shall include sharing of Unpublished Price Sensitive Information of the Company 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 SEBI (Prohibition of Inside Trading) Regulations, 2015, as amended.

(aa) All other words and phrases not defined in this Code will have the meaning as defined in the SEBI Act, 1992, Securities Contracts (Regulations) Act, 1956, The Depositories Act, 1996 or The Companies Act, 2013 and Rules and Regulations made there under and any amendment thereto.

(4) Applicability of the Code: This Code will be applicable to the insider as defined in the Clause 3(l) of this Code of Conduct.

PART – II

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

(5) Communication or procurement of unpublished price sensitive information:

- (a) 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.
- (b) 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.
- (c) Notwithstanding anything contained in this regulation, unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction pursuant to Regulation 3 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

(6) Trading when in possession of unpublished price sensitive information:

No insider shall trade in the equity shares of the Company when in possession of unpublished price sensitive information except as allowed under the Regulation 4(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.

(7) Trading Plans:

- (1) An insider shall be entitled to formulate a trading plan pursuant to Regulation 5(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan. No insider shall apply to the Compliance Officer for pre-clearance of Trading Plans during the closure of the Trading Window. No Insider shall execute contra-trade during the period of the Trading Plan which has been approved by the Compliance Officer of the Company.
- (2) 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.

“Provided that” pre- clearance of trades shall not be required for a trade executed as per an approved trading plan.

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

- (3) The Trading Plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan pursuant to Regulation 5(4) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- (4) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

PART– III

DISCLOSURES OF TRADING BY INSIDERS

(8) General Provisions:

- (1) Every public disclosure under this part shall be made in such form as may be specified.
- (2) The disclosures to be made by any person under this Part shall include those relating to trading by such person’s immediate relatives, and by any other person for whom such person takes trading decisions.
- (3) The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Part:

Provided that trading in derivatives of securities is permitted by any law for the time being in force.
- (4) The disclosures made under this Part shall be maintained by the company, for a minimum period of five years, in such form as may be specified.

(9) Disclosures by certain persons:

(1) Initial Disclosures:

- (a) Every promoter, key managerial personnel and director of the Company shall

disclose his holding of securities of the Company as on the date of this Code taking effect, to the Company within thirty days of this Code taking effect in **Form No."A"**

- (b) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his equity shareholding in the Company as on the date of the appointment or becoming a Promoter, to the Compliance Officer within seven days of such appointment or becoming a Promoter in **Form No."B"**

(2) Continual Disclosures:

- (a) Every Promoter, designated person and Director of the Company shall disclose to the Compliance Officer in **Form No."C"** the number of equity shares acquired or disposed of within two trading days of such transaction, if the value of the equity shares traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in **excess of Rs. Ten Lacs or such other value as may be specified;**
- (b) The Company shall notify the particulars of such Trading to stock exchange within two trading days of receipt of the disclosure or from becoming aware of such information.

(3) Disclosures by other connected persons:

The other connected persons to whom this Code is applicable is holding equity shares of the Company, shall disclose their shareholding within 30 days from the date of this Code taking effect in **Form No."D"** and Trading made by them within 7 days in **Form No "E"** if the value of the equity shares traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in **excess of Rs. Ten Lacs or such other value as may be specified.**

(10) Compliance of the Trading Restrictions: Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company shall be subject to Trading restrictions in the following manner:-

- (a) The Trading window:** The Trading Window will be closed before 7 days of the happening of the following events and shall remain closed 48 hours after the publication of the price sensitivity information i.e.

- (i) Declaration of Financial Results (Quarterly, Half Yearly & Annual)
- (ii) Declaration of Dividends (Interim & Final)
- (iii) Issue of securities by way of Public/ Rights /Bonus etc.
- (iv) Any major expansion plan or execution of new project
- (v) Amalgamation, Mergers, takeovers or any buy back.
- (vi) Disposal of the whole or substantially the whole of the undertaking.
- (vii) Any major change in policies, plans or operation of the Company.

(b) Restriction on Trading during the Closure of Trading Window:

Every promoter, key managerial personnel, director and designated employee of the company shall not deal in the equity shares of the Company during the Closure of the Trading Window.

(c) Pre-clearance of Trading Plans:

- i. Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company and the Persons deemed to be connected persons as per this Code intending to buy/sell equity shares of the Company will have to submit the trading plan(s) in the **Form No."F"** at least six months prior to the start of the trading to the Compliance Officer of the Company for the prior approval.
- ii. Only after receiving the prior approval, the transaction should be carried out strictly as per the Trading plan(s) approved by the Compliance Officer of the Company.
- iii. The Compliance Officer will disclose the Trading plan(s) approved by him to the NSE. immediately.
- iv. The Trading plan(s) once approved by the Compliance Officer of the Company shall be irrevocable and the concern person shall have to mandatorily carry out the Trades within the time limit as approved by the Compliance Officer of the Company. No Trade(s) shall be executed during the closure of the Trading window.

(11) Violation of the Code:

- (a) Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company and the persons deemed to be connected persons as per this Code who violates any of the provisions of this Code will be penalized and appropriate

action will be taken against them by the Company after giving reasonable opportunity to them to show cause. They shall also be subject to disciplinary action including wage freeze, Suspension, in-eligibility for future participation in E.S.O.P. etc.

(b) If the Insider deals in the equity shares of the Company, violating the Code, the Compliance Officer will confidentially maintain the list of the same.

(c) In addition to the action which may be taken by the Company, the persons violating this Code will also be subject to any penal action by SEBI as per SEBI Act and the Company shall inform the same to the SEBI promptly.

(12) The Compliance Officer of the Company shall report to the Board of Directors and the Chairman of the Audit Committee of the Company about the compliance of the Code on quarterly basis.

FORM A

SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]
Pursuant to clause no. 9(1) (a) of the code

Name of the company: _____

ISIN of the company: _____

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6 (2)

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option contracts held as on the date of regulation coming into force		
Contract Specification	Number of units (contracts *lot size)	Notional value in Rupees terms	Contract Specification	Number of units (contracts *lot size)	Notional value in Rupees terms
6	7	8	9	10	11

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

FORM B

**SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming
Director /KMP/Promoter] Pursuant to clause no. 9(1)(b) of the code**

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relative to/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6 (2)

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP			Open Interest of the Option contracts held at the time of becoming Promoter/appointment of Director/KMP		
Contract Specification	Number of units (contracts *lot size)	Notional value in Rupees terms	Contract Specification	Number of units (contracts *lot size)	Notional value in Rupees terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:
Designation:
Date:
Place:

FORM C
SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2)& – Continual disclosure]

Name of the company: _____

ISIN of the company: _____

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP / Director s/immediate relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares		Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoke/ Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc)											Exchange on which the trade was executed	
Types of Contract		Buy				Sell						

Contract	Specifications	Notional Value	Number of units (contract*lot size)	Notional Value	Number of units (contract*lot size)	
15	16	17	18	19	20	21

Note: In case of options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

FORM D (Indicative format)
SEBI (Prohibition of Insider Trading) Regulations, 2015
Regulation 7(3) – Transactions by Other connected persons as identified by the company

Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares		Date of intimation to company	Mode of acquisition/disposal (on market/public/ rights/ Preferential offer / off market/Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge/ Revoke/Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of trading in derivatives by other connected persons as identified by the Company

Trading in derivatives (Specify type of contract, Futures or Options etc)			Exchange on which the trade was executed
Types of Contract	Contract	Buy	Sell

	Specifications	Notional Value	Number of units (contract*lot size)	Notional Value	Number of units (contract*lot size)	
15	16	17	18	19	20	21

Note: In case of options, notional value shall be calculated based on Premium plus strike price of options.

Name:

Signature:

Place:

FORM "E"

**FORM FOR THE CONTINUAL DISCLOSURE BY OTHER CONNECTED PERSONS PURSUANT TO
CLAUSE NO. 9(3) OF THE CODE**

To,

Date: _____

The Compliance Officer,
Dhanuka Realty Limited
5th Floor, The Solitaire, C-212 & 213,
Gautam Marg, Hanuman Nagar, Vaishali Nagar,
Jaipur 302021, Rajasthan India

Dear Sir,

Sub: Dealing in the equity shares of the Company

I _____ hereby inform that, I have acquired or disposed off on ___ day of
___ 2015, _____ equity shares of the Company of the market value of Rs. _____
during the period from _____ to _____ which is in excess of the monetary limit prescribed
Clause 9(3) of the Code of Conduct for prevention of Insider Trading.

Further, I am connected with your Company in the capacity of _____ or related with
Mr. _____ Promoter / Director / Key Managerial Personnel / Designated Employee of
your Company.

This is for your information and necessary actions.

Thanking you.

Signature:

Name:

FORM "F"

**APPLICATION BY PROMTER/ DIRECTOR/ KEY MANAGERIAL PERSONNEL / DESIGNATED
EMPLOYEE / OTHE CONNECTED PERSONS PURSUANT TO CLAUSE NO. 10(C) OF THE CODE
FOR PRE-APPROVAL OF TRADING PLAN**

To,

Date: _____

The Compliance Officer,
Dhanuka Realty Limited
5th Floor, The Solitaire, C-212 & 213,
Gautam Marg, Hanuman Nagar, Vaishali Nagar,
Jaipur 302021, Rajasthan India

Dear Sir,

Sub: Application for Pre-approval of Trading Plan

I _____ hereby inform that, I have gone through the Code of Conduct for prevention of Insider Trading and I seek you pre approval of the trading plan which I will execute as per the details given hereunder within twelve months after expiry of six months from the date of this application, if pre-approved by you.

Name of Promoter / Director / KMP / Designated Employee / Company / Connected person	Nature of Relationship	No. of Shares held as on Date of this application	No. of Shares to be purchased or disposed off.	Probable period for purchase or disposal.	Folio No./ DP ID, if any

I also declare that, I am not in possession of unpublished price sensitive information as defined in the Code. I further declare that, I will not deal in the equity shares of the Company during the closure of Trading Window as per the requirements of the Code.

I further confirm that, the violation of any of the provisions of the Code would subject me the penal provisions as per the Code.

I request you to approve my above referred Trading Plan at the earliest.

Signature _____

Name:

Designation:

ANNEXURE-I
[sub-regulation (1) of regulation 8]
CODE OF PRACTICE & PROCEDURE FOR FAIR DISCLOSURE

The code aims at prompt public disclosure of Unpublished Price Sensitive Information (UPSI) that would impact price discovery so as to make such information generally available. The disclosure shall be done no sooner than credible and concrete information comes into being. The code also covers the practices and procedures for fair disclosure of Unpublished Price Sensitive Information.

1. Uniform and universal dissemination of UPSI shall be ensured to avoid selective disclosure. In case of selective dissemination of UPSI inadvertently or otherwise, it shall be ensured promptly to make such information generally available.
2. The Company and Designated Persons” shall maintain confidentiality of all unpublished price sensitive information (UPSI) shall communicate the same purely on need to know basis and shall not communicate to any unauthorized person or on selective basis.
3. The Company shall promptly disclose UPSI once such credible and concrete information comes into being.
4. The Company shall disclose UPSI by making its prompt disclosure with sufficient and unambiguous details to the stock exchange on which its securities are listed. The company shall also disclose UPSI on its website.
5. In case the company finds that any UPSI has been disclosed selectively, inadvertently or otherwise, it shall promptly disclose and disseminate as soon as the circumstances permit such information to make it uniformly and non-discriminatorily available to the general public.
6. The Company designates its ‘Company Secretary’ as its Chief Investor Relations Officer and entrusts him with the function of dissemination and disclosure of UPSI. Whenever Company Secretary is not available Executive Director shall be the Chief Investor Relations Officer.
7. The Company shall ensure that no UPSI is shared with the analysts and researchers on a selective basis.
8. The Company shall ensure that its conferences with analysts and investors shall be open to participation by all analysts, shareholders and other investors.

9. The Company shall make transcripts or records of proceedings of its meetings with analysts/investor conferences and make the same accessible to all by uploading them on its website.
10. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
11. The following guidelines shall be followed while dealing with analysts and institutional investors:
 - (i) only public information to be provided; and
 - (ii) Company representative to be present at meetings with analysts, media persons and institutional investors.

Policy for determination of "**Legitimate purposes**"

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

- (i) The '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 the Regulations.
- (ii) The information shall be shared with any person on 'need to know' basis.
- (iii) Insiders shall share the UPSI with the external agencies only in the interest of the Company and/or in compliance with the requirements of the law.
- (iv) Sharing of information may be construed as insider trading even while it is in pursuit of compliance required or business interests of the Company in appropriate circumstances. The person who has the UPSI should ideally recuse himself from assigned task of the sharing the UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- (v) 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 in compliance with the Regulations. The Chief Investor Relations Officer shall ensure that such third party with whom the UPSI is shared, is also bound by non-disclosure or confidentiality agreements and the liabilities involved which shall mention the duties and responsibilities of such person with respect to such UPSI and the liabilities involved if such person misuses or uses such UPSI in breach of the Code or Regulations.

12. The Company shall enter the details of the person/s or entity/ies with whom UPSI is shared pursuant to the legitimate purpose in the Structured Digital database which shall include the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping to ensure non-tampering of the database.

ANNEXURE-II

[sub-regulation (1) of regulation 9]

MINIMUM STANDARDS FOR CODE OF CONDUCT FOR LISTED COMPANIES TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors but not less than once in a year.
2. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to “cross the wall”.
3. Designated Persons and immediate relatives of designated persons in the organisation shall be governed by an internal code of conduct governing dealing in securities.
4. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.

Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
6. 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 trades is above such thresholds as the board of directors may stipulate.

7. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
8. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
9. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. 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. Should 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

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

10. The code of conduct shall stipulate such formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.
11. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension etc., that may be imposed, by the persons required to formulate a code of conduct under sub-regulation (1) of regulation 9, for the contravention of the code of conduct.
12. The code of conduct shall specify that in case it is observed by the listed persons required to formulate a code of conduct under sub-regulation (1) of regulation 9, that there has been a violation of these regulations, they shall inform the Board promptly.
13. 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.

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.

14. Listed entities 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.