

Code of Conduct for Prevention of Insider Trading

1.0 Compliance Officer

1.1 The Company has appointed the Chief Financial Officer (CFO)/Company Secretary as Compliance Officer, who shall report to the Managing Director.

1.2 The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' and their dependents' trades, through their respective Division Heads, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board.

Explanation: For the purposes of this Code:

- (i) "Designated employee" shall include the Directors, Departmental Heads, Selected employees working in the Finance and Secretarial department and any other employee specially identified by the management as having access to the price sensitive data of the Company.
- (ii) "Price Sensitive Information" means any information which relates directly or indirectly to a company and which if published is likely to materially affect the prevailing market price of the Company's Equity Shares;

The following shall be deemed to be "Price Sensitive Information" :

- (a) Periodical financial results of the Company;
 - (b) Intended declaration of dividends (both interim and final);
 - (c) Issue or buy-back of Equity Shares;
 - (d) Any major expansion plans or execution of new projects;
 - (e) Amalgamation, mergers or takeovers;
 - (f) Disposal of the whole or substantial part of the Undertaking;
 - (g) Any significant changes in the policies, plans or operations of the Company.
- 1.3 The Personnel Department shall keep the Compliance Officer posted as regards any change in the status of the designated employees by virtue of any change in their job description/ resignation/transfer. Compliance Officer shall maintain a record of such designated employees and any change made to their list.
- 1.4 The Compliance Officer shall assist all employees in addressing any clarifications regarding the Equity Shares and Exchange Board of India

(Prohibition of Insider Trading) Regulations, 1992 and the Company's Code of Conduct.

2.0 Preservation of "Price Sensitive Information"

2.1 All the Directors and Designated Employees shall maintain confidentiality of all Price Sensitive Information. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Equity Shares.

2.2 Need to know

2.2.1 All Price Sensitive Information should be handled on a "need to know" basis, i.e. Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty. Herein duty is cast on each Departmental Head to maintain sufficient control while sharing Price Sensitive information with their peers & junior colleagues in the Department.

2.3 Limited access to confidential information

2.3.1 Files containing confidential information shall be kept secured. Computer files must have adequate security of login and password, etc.

3.0 Prevention & misuse of "Price Sensitive Information"

3.1 All Directors and designated employees of the Company shall be subject to trading restrictions as enumerated below :

3.2 Trading window

3.2.1 The trading in the Company's Equity Shares shall be permitted during a trading period, to be called "Trading Window". The trading window shall be closed from the day the intimation has been given to the local stock exchange as regards to consideration of any matters referred to in paragraph 3.2.3 and which has remained unpublished. Herein duty is cast on the Compliance Officer to simultaneously give an intimation to all the Directors, Officers & Designated Employees as regards to consideration of these matters.

3.2.2 When the trading window is closed, the Directors, Officers and Designated Employees shall not trade in the Company's Equity Shares during such period.

- 3.2.3 The trading window shall be, inter-alia, closed at the time of:
- a) Declaration of Financial results (quarterly, half-yearly and annually)
 - b) Declaration of dividends (interim and final)
 - c) Issue of Equity Shares by way of public / rights/ bonus etc
 - d) Any major expansion plans or execution of new products
 - e) Amalgamation, mergers, takeovers and buy-back
 - f) Disposal of whole or substantially the whole of the Company's Undertaking
 - g) Any changes in policies, plans or operations of the Company
- 3.2.4 The trading window shall open after 24 hours of the information referred to in para 3.2.3 is made public.
- 3.2.5 All Directors / Designated employees of the Company shall conduct all their dealings in the Equity Shares of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's Equity Shares during the periods when the trading window is closed, as referred to in para 3.2.3 or during any other period as may be specified by the Company from time to time.
- 3.2.6 In case of Employees' Stock Option Purchase Scheme (ESOPs), exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs is not allowed when the trading window is closed.

3.3 **Pre-clearance of trades**

- 3.3.1 All Directors / Designated Employees of the Company who intend to deal in the Equity Shares of the Company above the threshold limit of the value of Rs 5,00,000/- or 25,000 equity shares or 1% of the total shareholding or voting rights of the Company, whichever is lower, should pre-clear the transactions as per the pre-dealing procedure described hereunder. Herein the threshold limit shall be construed taking into account the value/volume of shares traded in a span of 7 continuous days of trading on the Exchange.
- 3.3.2 An application may be made in this regard, to the Compliance Officer indicating the estimated number of Equity Shares that the Director / Designated employee intends to deal in, the details as to the depository with which he has a security account, the details as to the Equity Shares in such depository mode and such other details as may be required by any rule made by the Company in this behalf.
- 3.3.3 An 'Undertaking' shall be executed in favour of the Company by all Directors, Designated employees of the Company incorporating, inter alia, the following clauses, as may be applicable:

“That the director/designated employees do not have any access or has not received “Price Sensitive Information” up to the time of signing the Undertaking”.

“That in case the director / designated employee has access to or receives “Price Sensitive Information” after the signing of the Undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the Equity Shares of the Company till the time such information becomes public”.

“That he/ she has not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time”.

“That he/ she has made a full and true disclosure in the matter”.

4.0 Other restrictions

- 4.1 All Directors / Designated employees shall execute their order in respect of Equity Shares of the Company within one week after the pre-clearance approval is given. If the order is not executed within one week after such approval, the director/officer/designated employees must pre-clear the transaction again.
- 4.2 All Directors / Designated employees shall hold their investments in Equity Shares for a minimum period of 30 days in order to be considered as being held for investment purposes. The holding period shall also apply to subscription in the primary market (Initial Public Offers (IPO's)). In the case of IPO's, the holding period would commence when the Equity Shares are actually allotted.
- 4.3 In case the sale of Equity Shares 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.

5.0 Reporting Requirements for transactions in Equity Shares

5.1 All Directors / Designated employees of the Company are required to forward following details of their Equity Shares transactions, including the statement of dependent family members, to the Compliance Officer:

- a) All holdings in Equity Shares at the time of joining the company;
- b) Quarterly statement of any transactions in Equity Shares;
- c) Reporting of trades where pre-clearance is also required; and
- d) Annual statement of all holdings in Equity Shares.

For the purposes of this Code, “dependent family members” means the spouse, parents and/or minor children of the Directors / Designated employees and includes any other member of the family wholly or mainly dependent on them for support and maintenance.

5.2 The Compliance Officer shall maintain records of all statements/declarations in the appropriate form given by Directors / Designated employees for a minimum period of 3 years.

5.3 The Compliance Officer shall place before the Managing Director on a Quarterly basis all details of dealing in Equity Shares by Directors / Designated employees of the Company and the accompanying documents that such persons have executed under the pre-dealing procedure as envisaged in this Code.

6.0 Penalty for contravention of Code of Conduct

6.1 Any Director / Designated employee who trades in Equity Shares or communicates any information for trading in Equity Shares, in contravention of this Code of Conduct is liable to be penalised and appropriate action shall be taken by the Company.

6.2 Directors / Designated employees of the Company who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension and ineligibility for future participation in employee stock option plan.

6.3 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

7.0 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

7.1 In case it is observed by the Company / Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI shall be informed by the Company, to proceed with its code of prosecution. In this regard, duty is cast on each employee to report to the Compliance Officer any knowledge of the violation of the code or its purported violation.