

**CODE OF CONDUCT FOR  
PREVENTION OF INSIDER TRADING  
AND  
CODE OF CONDUCT TO REGULATE, MONITOR  
AND REPORT  
TRADING IN SECURITIES  
OF  
AIROX TECHNOLOGIES LIMITED**

## 1. INTRODUCTION

In order to protect the interests of investors in general and to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof, the Securities and Exchange Board of India (“SEBI”) in exercise of the powers conferred on it under Section 30 read with clause (g) of sub-section (2) of section 11 and clause (d) and clause (e) of section 12A of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) has issued the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“the PIT Regulations”) which came into effect from May 15, 2015.

Regulation 8 and 9 of the PIT Regulations requires every listed company to frame code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the PIT Regulations, respectively.

Airox Technologies Limited (“Company”) endeavors to preserve the confidentiality and prevent the misuse of UPSI. The Company is committed to ensure transparency and fairness in dealing with all stakeholders and in ensuring adherence to all the applicable laws and regulations.

Accordingly, Company has framed this code including code of conduct to regulate, monitor and report trading in securities of the Company by its designated persons and immediate relatives of designated persons (collectively referred to as the “Code of Conduct” or “Code”) which is in line with the PIT Regulations and is effective from such a date as notified by the board of directors of the Company 20th May, 2022.

## 2. APPLICABILITY:

The Code is applicable to the following persons:

- Promoters including member(s) of Promoter group
- Directors
- Designated Persons
- Concerned Advisers/Consultants/Retainers of the Company
- Connected Persons

## 3. DEFINITIONS:

In this Code unless the context otherwise requires, the following words, expression and derivations there from shall have the meanings assigned to them as under:

**3.1 ‘Act’** means Securities and Exchange Board of India Act, 1992.

**3.2 ‘Board’** means the Board of Directors of the Company.

**3.3 ‘Code’** or **‘Code of Conduct’** shall mean this document code of conduct to regulate, monitor and report trading in securities of the Company by its designated persons and immediate relatives of designated persons.

**3.4 ‘Company’** means Airox Technologies Limited.

**3.5 ‘Compliance Officer’** means Company Secretary of the Company or in absence of Company Secretary, any senior officer, designated so or in absence of both, the Executive Director or such other senior officer, who is financially literate and is capable of appreciating requirements of legal and regulatory compliance under the PIT Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring and adherence to the rules for preservation of UPSI, monitoring of trades and the implementation of this Code of Conduct and Compliance officer shall function and carry out his responsibilities under the overall supervision of the Board.

Explanation – for the purpose of this Code of Conduct “financially literate” shall mean a person, who has ability to read and understand basic financial statement like balance sheet, statement of profit and loss, cash flow statement etc.

**3.6 ‘Concerned Adviser / Consultants / Retainers’** of the Company means such advisers or consultants or retainers or professionals who in the opinion of the Company may have access to UPSI.

**3.7 ‘Connected Person’** means:

**3.7.1** 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 director, officer or an employee 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 UPSI or is reasonably expected to allow such access.

**3.7.2** Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,

**3.7.3** an immediate relative of connected persons specified in clause (i); or

**3.7.4** a holding company or associate company or subsidiary company; or

**3.7.5** an intermediary as specified in Section 12 of the Act or an employee or director thereof; or

**3.7.6** an investment company, trustee company, asset management company or an employee or director thereof; or

**3.7.7** an official of a Stock Exchange or of clearing house or corporation; or

**3.7.8** 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

**3.7.9** a member of the Board or an employee, of a public financial institution as defined in Section 2 (72) of the Companies Act, 2013; or

**3.7.10** an official or an employee of a self-regulatory organization recognized or authorized by the SEBI; or

**3.7.11** a banker of the Company; or

**3.7.12** a concern, firm, trust, Hindu undivided family, company or association of persons where in a director of the Company or his immediate relative or banker of the Company, has more than ten percent, of the holding or interest.

**3.8 ‘Designated Person(s)’** shall mean and include:

**3.8.1** All Directors of the Company and their secretaries;

**3.8.2** Officers in the Senior Management of the company i.e., Leadership Team; Key Managerial Personnel,

**3.8.3** Company Secretary Department, Central Finance Department including Financial/ Business Counsels, Tax Department-Direct and Indirect, Information Technology Department, Sourcing Department, Marketing Department and as such other employees or Departments as may be notified from time to time.

**3.8.4** All Promoters and Promoter Group of the Company.

**3.8.5** Employees of the Company designated based on their functional role or access to UPSI.

**3.8.6** Employees of the Material Subsidiary, if any, designated based on their role or access to

unpublished price sensitive information.

**3.8.7** Employees up to two levels below Managing Director.

**3.8.8** Employees up to two levels below the Managing Director of the Material Subsidiary.

**3.8.9** Any other person as may be determined and informed by the Compliance Officer from time to time.

**3.9** **‘Director’** means a Member of the Board of Directors of the Company.

**3.10** **‘Derivatives’** includes –

**3.10.1** a right to call or delivery or a right to make a delivery at a specified price and within a specified time of a specified number of shares / debentures or other securities of the Company

**3.10.2** any contract which derives its value from the prices or index of prices of underlying securities of the Company.

**3.11** **‘Employee’** means every employee of the Company including the Directors in the employment of the Company.

**3.12** **‘Generally available Information’** means information that is accessible to the public on a non-discriminatory basis.

**3.13** **‘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 insecurities

**3.14** **‘Insider’** means any person who is a Connected Person; or is in possession of or having access to UPSI;

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

It is clarified that any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “Insider” for the purpose of this Code and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the PIT Regulations.

**3.15** **‘Key Managerial Person (KMP)’** means the person as defined in Section 2(51) of the Companies Act, 2013 including any amendment or modification thereto and such other officer(s) named in the offer documents to be filed or filed with the SEBI and other persons as may be designated by the Board from time to time.

**3.16** **‘Legitimate purpose’** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), bankers, legal adviser(s), auditors, staff members of the audit firm conducting the audit, insolvency professional(s) or other adviser(s) or consultant(s), and such other person as may be decided by the Audit Committee, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.

The Legitimate Purpose shall also inter alia include sharing of the UPSI in relation to the following: a) Sharing the information upon an action, subpoena or order of a court of competent jurisdiction; b) Sharing the information for any requirement of legal process, regulation or governmental order, decree or as per applicable laws, rules and regulations; c) Sharing of information for the purposes of obtaining regulatory licenses and approvals etc.; d) Sharing of such information as may be determined by the Audit Committee from time to time.

- 3.17 'Listing Regulations'** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) as amended from time to time.
- 3.18 'Material Facts'** means the materiality of a fact depends upon the circumstances. A fact is considered "material", if it is likely to affect the market price of the securities; upon coming into public domain. Material information can be positive or negative and can relate to virtually any aspect of the business of a Company or its holding company, subsidiary company or affiliates or to any type of security, debt or equity. Examples of material information include (but are not limited to) facts concerning:
- 3.18.1** Dividends;
  - 3.18.2** Corporate earnings or earnings forecasts;
  - 3.18.3** Business performance developments, such as number of customers; mergers or acquisitions; major litigation; significant borrowings or financing; defaults on borrowings; and bankruptcies,
  - 3.18.4** Issues of securities or buyback of securities;
  - 3.18.5** Any major expansion plans or execution of new projects;
  - 3.18.6** Amalgamation, mergers or takeovers;
  - 3.18.7** Disposal of whole or substantial part of the undertaking; and
  - 3.18.8** Any significant changes in policies, plans or operations of the Company.
- 3.19 'Material Subsidiary'** means a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.
- Explanation** - The Company shall formulate a policy for determining 'material' subsidiary.
- 3.20 'Need to know'** means the UPSI shall be disclosed only to those who need the information to discharge their duty and/or legal obligations by virtue of their respective role and function, whose possession of such UPSI will not give rise to a conflict of interest or appearance of misuse of the information.
- 3.21 'Non-public Information'** Information is "non-public" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors by distribution to Stock Exchanges where Company's shares are listed or through such media as press and television, journals or similar broad distribution channels or the press media in India and abroad. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.
- 3.22 'Promoter' and/ or 'Promoter Group'** shall have same meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment thereof.
- 3.23 '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.
- 3.24 'SEBI'** means Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992.
- 3.25 'PIT Regulations'** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time including any statutory modification hereof.
- 3.26 'Stock Exchange'** shall mean any recognized stock exchange(s) on which Company's securities are listed.
- 3.27 'Specified'** means specified by the SEBI in writing.
- 3.28 'Takeover Regulations'** means Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

**3.29** ‘**Trading**’ means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities of the Company whether directly or through any Portfolio Management Scheme or otherwise and ‘trade’ shall be construed accordingly.

**3.30** ‘**Trading Day**’ means a day on which the recognized Stock Exchanges are open for trading;

**3.31** ‘**Unpublished Price Sensitive Information**’ or ‘**UPSI**’ means any information, relating to the 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:

**3.31.1** financial results;

**3.31.2** dividends;

**3.31.3** change in capital structure;

**3.31.4** mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and

**3.31.5** changes in key managerial personnel(KMP)

Words and expressions used and not defined in this Code but defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Act, 1992 (15 of 1992), Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under (including any statutory modifications or re-enactment thereof) shall have the meanings respectively assigned to them in those legislation.

**3.32** In this Code unless there is anything repugnant in the subject or context words importing the masculine gender shall be taken to include females and vice versa. In addition, words in the singular shall include the plural and vice versa.

#### **4. COMMUNICATION OR PROCUREMENT OF UPSI:**

**4.1.** Notwithstanding anything contained in this Code, an UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would –

**4.1.1.** 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 sharing of such information is in the best interests of the Company;

**4.1.2.** not attract the obligation to make an open offer under the Takeover Regulations but where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitute UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.

**4.1.2.1.** For the purpose of clause a. 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, except for the purpose of a. above, and shall not otherwise trade in securities of the Company when in possession of UPSI.

**PROHIBITION ON DEALING, COMMUNICATING OR COUNSELLING ON MATTERS RELATING TO INSIDER TRADING**

No Insider shall –

- either on his own behalf, or on behalf of any other person, trade in securities of the Company when in the possession of any Unpublished Price Sensitive Information; and
- communicate, counsel or procure, directly or indirectly any Unpublished Price Sensitive Information to any person. However, these restrictions shall not be applicable to any communication required in furtherance of Legitimate Purposes or performance of duties or discharge of legal obligations.

To prevent the misuse of confidential information, the Company has laid down Chinese Wall procedures which separate those areas of Company that routinely have access to confidential information, considered "inside areas" from those which provide support services and teams of sales and marketing, considered "public areas". The employees in the inside area shall not communicate any Unpublished Price Sensitive Information to anyone in public area. All the non-public information directly received by any employee should immediately be reported to the head of the department. 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

**5. TRADING WINDOW:**

5.1. All Designated Persons including their Immediate Relatives shall deal in the securities of the Company only when the trading window is open. No Designated Persons including their Immediate Relatives shall deal in the securities when the trading window is closed. It is the duty of the Designated Persons to inform the Immediate Relative regarding the closure of trading window and ensure that they do not deal in the securities of the Company.

5.2. The trading window will remain closed during the following periods:

Sr. No.	Details of Unpublished Information	Period of Closure of Window	
		Commencing From	Ending On
1.	Declaration of Financial Results (Quarterly/Half Yearly/Annual)	The close of the quarter/ half year/ year.	48 hours after the declaration of Financial Results for the respective quarter/ half year/ year as the case may be.
2.	Proposal on any matter which has a bearing on the price of security is considered. Example: Recommendation of Dividend / Interim Dividend / Bonus Shares / Right Shares/ Further Issue of Shares/ Amalgamation/ Merger /Takeover, proposal in respect of significant expansion plans, any changes in policies, plans or operations etc.	Date on which the Company sends intimation to the Stock Exchange advising the date of the Board meeting.	48 hours after the information becomes Generally Available/ submitted to the Stock Exchange.
3.	Proposal on buyback of shares is considered.	date on which the Company sends intimation to the Stock Exchange advising the date of the Board meeting.	48 hours after the information becomes Generally Available/ submitted to the Stock Exchange.

5.2.1. In addition to the above, the Compliance Officer may, declare the Trading Window closed,

on an “as-needed” basis for any reason.

5.2.2. Trading Window shall be also closed for the Designated Person or class of Designated Persons when the Compliance Officer determines that the Designated Persons or class of Designated Persons can reasonably be expected to have possession of unpublished price sensitive information either due to being part of any special project or otherwise.

5.2.3. The Trading Window shall be opened not earlier than 48 hours after the information becomes generally available or when it is finally decided to abandon the project.

5.3. The Compliance Officer will notify the Designated Persons about closure and opening of trading window and also inform the Stock Exchanges.

5.4. The trading window restrictions mentioned hereinabove shall not apply in respect of:

5.4.1. transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of the PIT Regulations and 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 the respective regulations made by the SEBI

5.4.2. transactions which are undertaken in accordance with respective regulations made by the 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 buyback offer, open offer, delisting offer.

## **6. PRE-CLEARANCE OF TRADES:**

6.1. All Designated Persons who intend to deal in the Securities of the Company directly or indirectly or through their immediate relatives when the trading window is open and where the market value of proposed trades is above \_\_\_\_\_, or any other threshold as may be specified by the Board from time to time, should take pre-clearances of the transaction from the Compliance Officer.

6.2. The requirement of obtaining Pre-Clearance approval will also be applicable where the Designated Person intends to pledge the shares of the Company as a collateral security for any purpose including but not limited to loans & guarantee.

6.3. The Whole-Time Directors and KMPs of the Company are prohibited under Section 194 of the Companies Act, 2013 from taking positions in derivatives.

6.4. However, no Designated Person (including dealings through their Immediate Relatives or Portfolio Managers) shall be entitled to apply for pre-clearance of any proposed trade, if such Designated Person is in possession of Unpublished Price Sensitive Information even if the trading window is not closed.

6.5. The pre-clearance procedure shall be as given below:

6.5.1. An application complete in all respects should be made in the prescribed Form in Annexure 1.

6.5.2. An undertaking as per Annexure 2 shall be executed in favor of the Company by the Designated Person.

6.5.3. The Compliance Officer after satisfying himself that the application and undertaking are in order and the proposed trade will not breach the SEBI (PIT) Regulations or this Code of Conduct shall pre-clear the trades within three (3) working days from receipt of application and undertaking complete in all respects. Annexure 3.

6.5.4. The Designated Persons shall execute their trade in respect of securities of the Company within Seven (7) Trading days after the approval of pre-clearance is given.



- 6.5.5. If the trade is not executed within the aforesaid Seven (7) days, the designated person must obtain fresh pre-clearance by following the aforesaid procedure above.
- 6.5.6. The designated persons must report to the Compliance Officer the details (contract note) of the trade executed within Three (3) working days of the execution of the trade. In case the transaction is not undertaken a Nil Report must be submitted to the Compliance Officer within three(3) working days from the expiry of the aforesaid Seven (7) trading days whichever is later- Annexure 4.
- 6.5.7. The Designated Person shall not execute / deal in a contra trade for any number of securities (even when the value of securities to be dealt is less than for a period of six (6) months from the execution of the trade in point (iv) & (v) above.

**Contra trade means:** In case the Designated Person pre-clears for buying securities of the Company, he cannot enter into a sale of securities of the Company for a period of Six (6) months from the date of execution of buy order and *vice-versa*.

IT MAY BE NOTED THAT 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 SEBI FOR CREDIT TO INVESTOR PROTECTION AND EDUCATION FUND SET UP BY SEBI.

- 6.5.8. The Compliance Officer may waive at his discretion the sale of securities necessitated due to personal emergency before the six months period mentioned above. The Compliance Officer may take necessary undertakings and declarations and seek appropriate information as he deems necessary from the designated person before granting the relaxation.

In case of other circumstances, the Compliance Officer in consultation with Managing Director on a case to case basis may grant relaxation from the strict application of the holding period of Six (6) months. The Compliance Officer may take necessary undertakings and declarations and seek appropriate information as he deems necessary from the designated person before granting the relaxation.

- 6.5.9. The waiver from the strict application under clause (viii) will have to be in writing giving reasons thereof.

## **7. REPORTING BY THE COMPLIANCE OFFICER:**

- 7.1. The Compliance Officer shall furnish to the Board of Directors and in particular, shall provide to the Chairperson of Audit Committee, if any, or to the Chairperson of the Board of Directors at such frequency as may be stipulated by the Board of Directors, the following details:
- 7.1.1. Pre-clearance sanctioned or rejected;
- 7.1.2. Details of transactions done pursuant to pre-clearance including those cases where no transaction has been executed after securing pre-clearance along with the reasons;
- 7.1.3. Details of relaxation, if any from the strict requirements under this Code;
- 7.1.4. Disciplinary actions, if any taken by Managing Director/Whole-time Director pursuant to this Code;
- 7.1.5. Disclosures under the SEBI PIT Regulations, if any;
- 7.1.6. Trading plans, if any presented for approval;
- 7.1.7. Other relevant information for each calendar quarter

The Compliance Officer shall place the aforesaid details at the first Meeting of the Board of Directors held after the close of the calendar quarter.

## **8. DISCLOSURES UNDER SEBI PIT REGULATIONS AND THIS CODE:**

8.1. The disclosure to be made by any person under this Code shall include those relating to trading by immediate relative(s) of such person and by any other person for whom such person takes trading decisions. This disclosure of trading in securities shall also include trading in derivatives and traded value of the derivatives shall be taken into account for the purpose of this Code.

### **8.2. Initial and Continual Disclosures**

8.2.1. Every person on appointment as a Director or a Key Managerial Personnel of the Company or upon becoming a Promoter or a member of the Promoter Group shall disclose his holding of securities of the Company as on the date of appointment or becoming a Promoter or a member of the Promoter Group, to the Company, within seven days of such appointment or becoming a Promoter or member of the Promoter Group. Such disclosure shall be made in the format prescribed under the Regulations, as amended from time to time and set out in Annexure 5.

8.2.2. Every Promoter, Member of the Promoter Group, Designated Person and Director shall furnish in the prescribed form (Annexure 6) to the Compliance Officer the details of their holding of securities and transactions in the securities of the Company on an annual basis.

8.2.3. If the value of the securities traded, whether in one transaction or series of transaction over any calendar quarter, aggregates to a traded value in excess of rupees Ten (10) Lakhs, the Promoter, Member of the Promoter Group, Designated Person and Director shall disclose to the Company the number of such securities acquired or disposed of within Two (2) trading days of such transaction in the form prescribed by SEBI. It is clarified that any incremental transactions after any disclosure under this clause shall be made when the transactions effected after the prior disclosure cross the threshold specified herein. The Company shall notify the particulars of such trading to the Stock Exchanges within Two (2) days of receipt of the disclosure or from becoming aware of such information.

### **8.3. Disclosures by other Connected Persons**

The Compliance Officer may after considering the facts, circumstances and appropriateness, require the connected person or class of connected persons to whom the Company has to provide unpublished price sensitive information in the course of its business, to furnish the details of holdings and trading in securities of the Company as per Annexure 5 & 6 in order to monitor compliance with the PIT Regulations.

8.4. Each Designated Person and connected person shall ensure that their respective wealth managers, portfolio managers or similar persons do not trade in the securities of the Company on behalf of any Designated Person or connected person, unless such Designated Person or connected person is permitted to trade in the securities of the Company in accordance with this Code.

## **9. TRADING PLANS:**

9.1. A Designated Person or an Insider shall be entitled to formulate a Trading Plan 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.

9.2. Such Trading Plan shall:

9.2.1. Not entail commencement of trading earlier than Six (6) months from the public disclosure of the plan;

- 9.2.2. Not entail trading for the period between the Twentieth (20) trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
  - 9.2.3. entail trading for a period of not less than Twelve (12) months;
  - 9.2.4. not entail overlap of any period for which another trading plan is already in existence;
  - 9.2.5. 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; and
  - 9.2.6. not entail trading in securities for market abuse.
- 9.3. The Compliance Officer upon receipt of Trading Plan will review the trading plan to assess whether the plan would have any potential for violation of these Regulations provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan, provided further that 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 Compliance Officer will 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.
- 9.4. The Compliance Officer will endeavor to approve the Trading Plan within Seven (7) working days of receipt of the Trading Plan together with necessary undertakings and declarations.
- 9.5. The Trading Plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- 9.6. The implementation of the Trading Plan shall not be commenced, if any Unpublished Price Sensitive Information in possession of the designated person/insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of the SEBI PIT Regulations.
- 9.7. Upon approval of the Trading Plan, the Compliance Officer will notify the plan to the Stock Exchange(s) on which the securities are listed.

#### **10. DISCLOSURE OF TRADING BY DESIGNATED PERSONS OR INSIDERS:**

- 10.1. All Designated Persons or Insiders including such person's immediate relatives and by any other person for whom such person takes trading decisions must disclose to the Compliance Officer of the Company.
- 10.2. The Disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of derivatives shall be taken into account, provided that trading in derivatives of securities is permitted by any law for the time being in force.
- 10.3. The disclosures shall be maintained by the Company for a minimum period of Five (5) years from the date of the filing thereof.

#### **11. DEALING IN CASE OF SUSPECTED LEAK OR LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI):**

- 11.1. Inquiry for Leakage of UPSI

All UPSI shall be handled on a need-to-know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer /Company Secretary /Chairman and Managing Director in advance.

In case any UPSI is leaked or is suspected to be leaked by any insider, the Ethics & Compliance Task Team consisting of Compliance Officer, Company Secretary, Chief Financial Officer and/ or Managing Director of the Company will investigate the matter and collect / gather the evidences and will report to the Chairman of Audit Committee. Chairman of the Audit Committee will thereafter convene the meeting of the Audit Committee depending on severity of the matter.

#### 11.2. Process for inquiry

All the matters concerning leak of UPSI or suspected leak of UPSI, will be thoroughly investigated by the Compliance Officer and may at his discretion, consider involving external investigators for the purpose of the investigation.

The Compliance Officer may ask the concerned insider to remain present for investigation, discussion etc. and for such investigation, he may ask for personal Bank Account Statement or such other details or documents as it deems fit.

#### 11.3. Powers of the Compliance Officer

##### 11.4. The powers of Compliance Officer for inquiry under this clause are as under.

- 11.4.1. To investigate the matter
- 11.4.2. To ask concerned insider for personal presence, examination, cross examination etc.
- 11.4.3. To call for personal information/documents from insider
- 11.4.4. To file complaint, if required, before police authority / Designated cell under Information Technology Act, 2000
- 11.4.5. To retain the documents gathered during investigation
- 11.4.6. To report to the Audit Committee

##### 11.5. Report to the Audit Committee for appropriate action

The Compliance Officer will report to the Chairman of the Audit Committee and upon receipt of report by Chairman, he will convene Meeting of the Audit Committee, depending on severity of the matter. The Audit Committee based on such report decides the suitable action including but not limited to withholding of salary /termination of employment / monetary penalty.

## 12. DIGITAL DATABASE OF RECIPIENT OF UPSI

12.1. The Compliance Officer shall be responsible to maintain a Structured Digital Database of such persons or entities as the case may be with whom information is shared under the PIT Regulation, which shall contain the following information:

- Name of such recipient of UPSI;
- Name of the Organization or entity to whom the recipient represent
- Postal Address and E-mail ID of such recipient
- Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.
- Nature of UPSI

12.2. The Compliance Officer shall also be responsible to ensure that such databases shall be maintained internally with adequate internal controls and checks such as time stamping and audit trials to ensure non-tampering of such database.

12.3. Designated Persons shall disclose names and PAN or other identifier authorized by law, of the following persons on annual basis and as and when the information changes:

- Designated person him/herself
- Immediate relatives of Designated Person
- Persons with whom such Designated Person(s) has a material financial relationship
- Phone/cell numbers which are used by them

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 (12) 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.

Further, the Designated Person(s) shall furnish annually or within 30 days of being designated as a Designated Person, the name(s) of educational institutions from which Designated Person(s) have graduated and name(s) of their past employers to the Compliance Officer.

- 12.4. The Board shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

### **13. CONSEQUENCES OF DEFAULT / PENALTIES FOR CONTRAVENTION**

- 13.1. Every Designated Person shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his / her immediate Relatives).
- 13.2. The Designated Person, who violates this Code shall, in addition to any other penal action that may be taken by the Company pursuant to the law, also be subject to disciplinary action including termination of employment, suspension, wage freeze, non-participation in future employee stock option or any other appropriate action as may be imposed by the Audit Committee / Board.
- 13.3. In case, any non-adherence is observed, the Compliance Officer shall cause an internal enquiry and if non-compliance is established, he shall report to the Chairman/ Managing Director / CEO and after further inquiry or investigation or direction, the Chairman / Managing Director / CEO will decide further course of action including reporting to the Board of Directors.
- 13.4. Action taken by the Company for violation of this code against any Designated Person will not preclude the SEBI from initiating any action for violation of the Regulations or any other applicable laws, rules, directions, etc. Accordingly, in addition to the action taken by the Company, the person violating this Code and Regulations will also be subject to action by SEBI.
- 13.5. In case the Board of Directors of the Company observed and determined that there has been violation of this code and Regulations, it is mandatory for the Board to promptly inform the stock exchange(s) where the Company’s securities are traded, in such form and such manner as may be specified by the SEBI from time to time, about such violation, as per the Regulations and any amount collected for such violation shall be remitted to SEBI to the Investor Protection and Education Fund (IPEF) administered by SEBI under the Act.
- 13.6. As per the Section 15G and 24 of the Act, Insider, who violate the PIT Regulations, are liable to a penalty that may be imposed by SEBI which shall not be less than Rs. 10 Lakhs but which may extend to Rs. 25 Crores or 3 times the amount of profit made out of the Insider Trading, whichever is higher and shall also punishable with imprisonment for a term extending to 10years or a fine up to Rs. 25 Crores or with both.
- 13.7. As per Section 11(C) (6) of the Act, if any person without justifiable reason, refuse to co-operate in any investigation by SEBI with respect to Insider Trading, then he shall be punishable with an imprisonment for a term extending up to one year, or with fine up Rs. 1 Crore or with both, and also with further fine up to Rs. 5 Lakhs for every day of such non co-operation.

13.8. As per Section 11(4) (b) of the Act, SEBI is also empowered to pass directions to such insider not to deal in the concerned securities in any particular manner and/or prohibit him from disposing of the concerned securities and/or declaring the concerned transaction(s) of securities as null and void, restraining the insider from communicating or counseling any person to deal in Securities.

13.9. When a person who was 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. This onus is on the insider to prove that they are innocent.

13.10. Any violations under the PIT Regulations and this Code will be reported by the Compliance Officer to SEBI.

#### **14. ROLE OF COMPLIANCE OFFICER IN PREVENTION OF INSIDER TRADING:**

14.1. The Compliance Officer shall be responsible for setting forth policies, procedures and monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre clearing and monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.

14.2. The Compliance Officer shall report to the Board of Directors/ Stakeholders' Committee / Audit Committee (by whatever name called), the changes in Designated Persons, the details of trading plans received, pre-clearance given and / or any violation of the PIT Regulations reported.

14.3. The Compliance Officer shall maintain a record of the Designated Persons and any changes made in the list of Designated Persons.

14.4. The Compliance Officer shall assist all the persons in addressing any clarification regarding this Code and the PIT Regulations.

14.5. The Compliance Officer shall report to the Audit Committee/Board of Directors any amendment to SEBI (PIT) Regulations, 2015 and accordingly this Code will be amended by Audit Committee/Board of Directors depending upon the effect of proposed amendment.

#### **15. AMENDMENTS:**

The Board may, at any time, modify, alter and amend the provisions of this Code by giving notice of such modification, alteration and amendment to the Designated Persons.

Cautionary Statement: The Code is the internal policy of the Company to prevent Designated Persons and Connected Persons who are considered by the Company to be insiders of the Company for the purposes of the Regulations, for prevention of insider trading. It is however the responsibility of each Designated Person and Connected Person to ensure compliance with the provisions of the Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or Connected Person, of the Regulations or other related laws.

**ANNEXURE 1**

**SPECIMEN OF APPLICATION FOR PRE-CLEARANCE APPROVAL**

Date:

To,

The Compliance Officer  
D-27, 5<sup>th</sup> Floor,  
Empire Mall Pvt Ltd (PTC), Chikalhana,  
Aurangabad 431006, Maharashtra

Dear Sir/Madam,

Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase / sale / subscription of Equity shares/ stock derivatives of the Company as per details given below:

1	Name of the applicant	
2	Designation	
3	Number of Securities held as on date	
4	Folio No. / DPID/ Client Id	
5	The Proposal is a) Purchase of Securities b) Subscription to Securities c) Sale of Securities	
6	Proposed date of dealing in securities	
7	Estimated number of securities proposed to be acquired/subscribed/sold	
8	Price at which the transaction is proposed (if off market)	
9	Current Market Price (as on date of application)	
10	Whether the proposed transaction will be through Stock Exchange or off – market	
11	Folio No/ DPID/CLID where the securities will be credited /debited – (applicable for off market)	
12	Stock Derivative- lot size as notified given by exchanges a) Stock Future – No. of units, Price & Expiry Date b) Stock Option- No. of units, Put/ Call, Strikeprice & Expiry Date	
13	PAN and Mobile No.	

I enclose herewith the form of undertaking signed by me.

Yours faithfully

\_\_\_\_\_  
(Signature of Employee)

Emp.

No:

[●]

## ANNEXURE 2

### FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE UNDERTAKING

Date: [●]

To,

The Compliance Officer  
D-27, 5<sup>th</sup> Floor,  
Empire Mall Pvt Ltd (PTC), Chikalhana,  
Aurangabad 431006, Maharashtra

I, \_\_\_\_\_, of the Company residing at \_\_\_\_\_, am desirous of dealing in \_\_\_\_\_\* shares of the Company/ stock derivatives as mentioned in my application dated for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within three (3) days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within seven (7) days of the receipt of approval failing which I shall seek pre-clearance.

I declare that I have made full and true disclosure in the matter.

Date:

Signature: \_\_\_\_\_

\* Indicate number of shares/units (contracts lot size)



**ANNEXURE 3**

**FORMAT FOR PRE- CLEARANCE ORDER**

To,  
Name: [●]  
Designation:[●]  
Place: [●]

This is to inform you that your request for dealing in\_(nos.) shares of the Company/ stock derivative as mentioned in your application dated\_\_\_\_\_is approved. Please note that the said transaction must be completed on or before\_\_\_\_\_(date) that is within days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,

For [●]

\_\_\_\_\_  
Compliance Officer

Date: [●]

Encl.: Format for submission of details of transaction

**ANNEXURE 4**

**FORMAT FOR DISCLOSURE OF TRANSACTIONS**

(To be submitted within 3 days of transaction / dealing in securities of the Company)

To,

The Compliance Officer  
D-27, 5<sup>th</sup> Floor,  
Empire Mall Pvt Ltd (PTC), Chikalthana,  
Aurangabad 431006, Maharashtra

I hereby inform that I

- have not bought /sold/ subscribed any securities of the Company
- have bought/sold/ subscribed to\_\_securities as mentioned below on\_\_(date)

Name of holder	No. of securities dealt with	Bought/sold/subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction)

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. *(Applicable in case of purchase / subscription).*

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date: [●]

\_\_\_\_\_  
Name: [●]

Designation:

[●]

**ANNEXURE 5**

**FORMAT FOR INITIAL DISCLOSURE OF SECURITIES**

Date: [●]

To,

The Compliance Officer  
D-27, 5<sup>th</sup> Floor,  
Empire Mall Pvt Ltd (PTC), Chikalhana,  
Aurangabad 431006, Maharashtra

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of securities held in the Company as on \_\_\_\_\_ (date of designated person).

Details of securities held by me:

Type of Securities	No. of securities held	Folio No	Beneficiary A/c Client ID

Details of dependent(s):

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Procedures and Conduct for Prevention of Insider Trading, I hereby declare that I have the following dependents and immediate relatives:

Sl. No.	Name of the dependent/ and immediate relatives	Relation with Director / Officer / Designated Employee	PAN, Phone No./Mobile No.

Details of securities held by dependent(s)/immediate relatives:

Name of Relative	Relationship	Type of securities	No. of Securities held	Folio No.	Beneficiary A/c Client ID

Date: [●]

\_\_\_\_\_  
Name: [●]

**ANNEXURE 6**

**DISCLOSURE OF CHANGE IN SHAREHOLDING**

To,

The Compliance Officer,  
D-27, 5<sup>th</sup> Floor,  
Empire Mall Pvt Ltd (PTC), Chikalthana,  
Aurangabad 431006, Maharashtra

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of change in holding of securities of the Company:

Name, PAN No. & address of shareholder	No. of securities held before the transaction	Receipt of allotment advice/ acquisition of /sale of securities	Nature of transaction & quantity			Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed
			Purchase	Sale	Others		

Details of change in securities held by dependent family members:

Name, PAN No. & address of shareholder	No. of securities held before the transaction	Receipt of allotment advice/ acquisition of /sale of securities	Nature of transaction & quantity			Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed
			Purchase	Sale	Others		

I/We declare that I/We have complied with the requirement of the minimum holding period of six months with respect to the securities purchased/sold.

I hereby declare that the above details are true, correct and complete in all respects.

Date: [●]

\_\_\_\_\_  
Name: [●]