# SAHAJ DIGITAL LIMITED

**(Formerly known as Jolly Plastic Industries Limited)**

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS**

**[Framed pursuant to Regulation 9(1) read with Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended up to date]**

## 1. PREAMBLE AND SCOPE

1.1 Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations") requires the board of directors of every listed company to formulate a code of conduct to regulate, monitor and report trading by its designated persons and the immediate relatives of designated persons, adopting the minimum standards set out in Schedule B to the PIT Regulations, without diluting the provisions of the PIT Regulations in any manner.

1.2 This Code of Conduct (the "Code") of Sahaj Digital Limited (the "Company") is to be read together with the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information framed under Regulation 8 read with Schedule A of the PIT Regulations, and with the Company's policy for determination of "legitimate purposes" forming part of that code.

1.3 Words and expressions used but not defined in this Code shall have the meanings assigned to them in the PIT Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the Companies Act, 2013, and the rules and regulations made thereunder. Any amendment, modification or clarification issued by the Securities and Exchange Board of India ("SEBI") in the PIT Regulations shall apply to this Code automatically. In the event of any inconsistency between this Code and the PIT Regulations, the PIT Regulations shall prevail.

## 2. DEFINITIONS

For the purpose of this Code, unless the context otherwise requires:

a. "Compliance Officer" means the Company Secretary of the Company, being a senior officer designated as such and reporting to the Board of Directors, who is financially literate and is capable of appreciating the requirements for legal and regulatory compliance under the PIT 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the PIT Regulations, under the overall supervision of the Board of Directors of the Company.

   Explanation: "Financially literate" means a person who has the ability to read and understand basic financial statements, that is, balance sheet, profit and loss account and statement of cash flows.

b. "Connected person" means:

   (i) any person who is or has been, during the six months prior to the concerned act, associated with the Company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the Company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access; and

(ii) 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, namely, (a) a relative of a connected person specified in sub-clause (i); (b) a holding company or associate company or subsidiary company; (c) an intermediary as specified in section 12 of the Securities and Exchange Board of India Act, 1992 or an employee or director thereof; (d) an investment company, trustee company, asset management company or an employee or director thereof; (e) an official of a stock exchange or of a clearing house or corporation; (f) a member of the 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 an employee thereof; (g) a member of the board of directors or an employee of a public financial institution as defined in section 2(72) of the Companies Act, 2013; (h) an official or an employee of a self-regulatory organisation recognised or authorised by SEBI; (i) a banker of the Company; (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his relative or a banker of the Company has more than ten per cent. of the holding or interest; (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) is also a partner; and (l) a person sharing household or residence with a connected person specified in sub-clause (i).

c. "Relative" means (i) spouse of the person; (ii) parent of the person and parent of the spouse; (iii) sibling of the person and sibling of the spouse; (iv) child of the person and child of the spouse; (v) spouse of a person listed at sub-clause (iii); and (vi) spouse of a person listed at sub-clause (iv).

d. "Immediate relative" means the spouse of a person, and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.

e. "Designated person" means the persons specified in Clause 3 of this Code.

f. "Generally available information" means information that is accessible to the public on a non-discriminatory basis, and shall not include unverified event or information reported in print or electronic media.

g. "Insider" means any person who is (i) a connected person; or (ii) in possession of or having access to unpublished price sensitive information. Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall also be considered an insider for the purposes of the PIT Regulations and this Code.

h. "Material financial relationship" means a relationship in which one person is a recipient of any kind of payment, such as by way of a loan or gift, from a designated person during the immediately preceding twelve months, equivalent to at least twenty-five per cent. of the annual income of such designated person, but shall exclude relationships in which the payment is based on arm's length transactions.

i. "Promoter" and "promoter group" shall have the meanings respectively assigned to them under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

j. "Trading" means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell or deal in any securities, and "trade" shall be construed accordingly.

k. "Trading day" means a day on which the recognised stock exchanges are open for trading.

l. "Unpublished price sensitive information" ("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 include, but is not restricted to, information relating to the following:

(i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business, and such other transactions; (v) changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor; (vi) change in rating(s), other than ESG rating(s); (vii) fund raising proposed to be undertaken; (viii) agreements, by whatever name called, which may impact the management or control of the Company; (ix) fraud or defaults by the Company, its promoter, director, key managerial personnel or subsidiary, or arrest of key managerial personnel, promoter or director of the Company, whether occurred within India or abroad; (x) resolution plan, restructuring or one-time settlement in relation to loans or borrowings from banks or financial institutions; (xi) admission of a winding-up petition filed by any party or creditors, and admission of an application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the Company as a corporate debtor, approval of a resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016; (xii) initiation of forensic audit, by whatever name called, by the Company or any other entity for detecting mis-statement in financials, misappropriation, siphoning or diversion of funds, and receipt of the final forensic audit report; (xiii) action(s) initiated or orders passed, within India or abroad, by any regulatory, statutory or enforcement authority or judicial body against the Company or its directors, key managerial personnel, promoter or subsidiary, in relation to the Company; (xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the Company; (xv) giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party, by the Company not in the normal course of business; and (xvi) granting, withdrawal, surrender, cancellation or suspension of key licences or regulatory approvals.

Explanation: For the identification of the events enumerated above as unpublished price sensitive information, the guidelines for materiality referred to in paragraph A of Part A of Schedule III and the materiality referred to in paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be specified by SEBI from time to time, shall be applicable. “Fraud” shall have the meaning assigned to it in Regulation 2(1)(c) of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and “default” shall have the meaning assigned to it in Clause 6 of paragraph A of Part A of Schedule III of the aforesaid Listing Regulations.

**3. DESIGNATED PERSONS**

3.1 In terms of Regulation 9(4) of the PIT Regulations, the Board of Directors, in consultation with the Compliance Officer, has specified the following persons as designated persons for the purpose of this Code, on the basis of their role and function in the organisation and the access that such role and function would provide to UPSI, in addition to seniority and professional designation:

a. all Directors of the Company, whether executive, non-executive or independent;

b. all promoters of the Company;

c. the Chief Executive Officer and Managing Director, and all employees up to two levels below the Chief Executive Officer of the Company and of its material subsidiaries, irrespective of their functional role in the Company or their ability to have access to UPSI;

d. all key managerial personnel, including the Chief Financial Officer and the Company Secretary;

e. employees of the Company and of its material subsidiaries designated on the basis of their functional role or access to UPSI in the organisation, including employees in the finance and accounts, secretarial, legal, investor relations, treasury, corporate planning and business development functions;

f. any support staff of the Company, such as information technology staff or secretarial staff, who have access to UPSI; and

g. such other person or class of persons as may be designated by the Board of Directors in consultation with the Compliance Officer from time to time.

3.2 The Compliance Officer shall maintain an up-to-date list of designated persons and shall place the same before the Board of Directors for review at least once in every financial year.

**4. APPLICABILITY**

This Code shall apply to all designated persons and to the immediate relatives of designated persons in respect of trading in the securities of the Company. The provisions of Clauses 5, 6 and 7 relating to communication, procurement and possession of UPSI shall apply to all insiders, including connected persons and persons who receive UPSI for a legitimate purpose.

**5. COMMUNICATION OR PROCUREMENT OF UPSI**

5.1 No insider shall communicate, provide, or allow access to any UPSI relating to the Company or its securities to any person, including other insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

5.2 No person shall procure from, or cause the communication by, any insider of UPSI relating to the Company or its securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

5.3 The expression “legitimate purposes” shall be construed in accordance with the policy for determination of legitimate purposes forming part of the Company’s Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an insider, and the Compliance Officer shall cause due notice to be given to such person to maintain the confidentiality of such UPSI in compliance with the PIT Regulations.

5.4 Notwithstanding Clauses 5.1 and 5.2, UPSI may be communicated, provided, allowed access to or procured in connection with a transaction that:

a. entails an obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, where the Board of Directors is of the informed opinion that the sharing of such information is in the best interests of the Company; or

b. does not attract the obligation to make an open offer under the said takeover regulations, but where the Board of Directors is of the informed opinion that the sharing of such information is in the best interests of the Company and the information that constitutes UPSI is disseminated so as 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.

5.5 For the purposes of Clause 5.4, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations, and such parties shall keep the information so received confidential and shall not otherwise trade in the securities of the Company when in possession of UPSI.

5.6 All information shall be handled within the organisation on a need-to-know basis. The Company shall follow appropriate Chinese Wall procedures to segregate the areas and functions that routinely have access to UPSI (the “inside areas”) from the remaining functions (the “public areas”). Employees in inside areas shall not communicate any UPSI to employees in public areas. In exceptional circumstances, an employee from a public area may be brought “over the wall” and given UPSI on a need-to-know basis, with the prior written approval of the Compliance Officer, following which such person shall be treated as a designated person for the relevant period and his name shall be entered in the structured digital database.

5.7 The Company shall have in place a process for how and when persons are brought “inside” on sensitive transactions. Every such person shall be made aware of the duties and responsibilities attached to the receipt of UPSI, and of the liability that attaches to the misuse or unwarranted use of such information.

## 6. STRUCTURED DIGITAL DATABASE

6.1 The Board of Directors shall ensure that a structured digital database is maintained containing the nature of the UPSI and the names of the persons who have shared the information as well as the names of the persons with whom the information is shared, along with the Permanent Account Number or any other identifier authorised by law where the Permanent Account Number is not available.

6.2 The structured digital database shall not be outsourced and shall be maintained internally with adequate internal controls and checks, such as time stamping and audit trails, to ensure non-tampering of the database. The entry of information not emanating from within the organisation may be made not later than two calendar days from the receipt of such information.

6.3 The structured digital database shall be preserved for a period of not less than eight years after the completion of the relevant transactions. In the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

6.4 The Compliance Officer shall be responsible for the maintenance, integrity and periodic review of the structured digital database.

## 7. RESTRICTION ON TRADING WHILE IN POSSESSION OF UPSI

7.1 No insider shall trade in the securities of the Company when in possession of UPSI. When a person who has traded in securities has been in possession of UPSI, his trades shall be presumed to have been motivated by the knowledge and awareness of such information in his possession.

7.2 An insider may prove his innocence by demonstrating the circumstances, including the following:

a. the transaction is an off-market inter-se transfer between insiders who were in possession of the same UPSI without being in breach of Regulation 3 of the PIT Regulations and both parties had made a conscious and informed trade decision, provided that such UPSI was not obtained under Regulation 3(3) of the PIT Regulations. Such off-market trades shall be reported by the insiders to the Company within two working days, and the Company shall notify the particulars of such trades to the stock exchange(s) on which the securities are listed within two trading days from the receipt of the disclosure or from becoming aware of such information;

b. the transaction was carried out through the block deal window mechanism between persons who were in possession of the UPSI without being in breach of Regulation 3 of the PIT Regulations and both parties had made a conscious and informed trade decision, provided that such UPSI was not obtained by either person under Regulation 3(3) of the PIT Regulations;

c. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;

d. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations;

e. in the case of non-individual insiders, (i) the individuals who were in possession of such UPSI were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such UPSI when they took the decision to trade; and (ii) appropriate and adequate arrangements were in place to ensure that the PIT Regulations are not violated and no UPSI was communicated by the individuals possessing the information to the individuals taking trading decisions, and there is no evidence of such arrangements having been breached; and

f. the trades were pursuant to a trading plan set up in accordance with Regulation 5 of the PIT Regulations and Clause 10 of this Code.

7.3 In the case of connected persons, the onus of establishing that they were not in possession of UPSI shall be on such connected persons.

**8. TRADING WINDOW**

8.1 Designated persons may execute trades in the securities of the Company subject to compliance with the PIT Regulations and this Code. A notional trading window shall be used as an instrument of monitoring trading by designated persons.

8.2 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 UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates. Provided that, in respect of UPSI not emanating from within the Company, the trading window may not be closed.

8.3 The trading restriction period shall be made applicable from the end of every quarter till forty-eight hours after the declaration of the financial results of the Company. The gap between the clearance of the accounts by the Audit Committee and the Board meeting shall be as narrow as possible and preferably on the same day, so as to avoid leakage of material information.

8.4 Designated persons and their immediate relatives shall not trade in the securities of the Company when the trading window is closed.

8.5 The timing for the re-opening of the trading window shall be determined by the Compliance Officer, taking into account various factors including the UPSI 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.

8.6 The trading window restrictions shall not apply in respect of:

a. the transactions specified in Clauses 7.2(a) to 7.2(d) and 7.2(f) of this Code, and in respect of a pledge of shares for a bona fide purpose such as the raising of funds, subject to pre-clearance by the Compliance Officer and compliance with the respective regulations made by SEBI;

b. transactions which are undertaken in accordance with the respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to a rights issue, further public issue, preferential allotment, or tendering of shares in a buy-back offer, open offer or delisting offer; and

c. transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

8.7 The Compliance Officer shall intimate the closure and re-opening of the trading window to all designated persons in advance, wherever practicable.

**9. PRE-CLEARANCE OF TRADES**

9.1 When the trading window is open, every designated person who intends to trade in the securities of the Company, either himself or through his immediate relatives, shall obtain the prior approval of the Compliance Officer where the value of the proposed trade, whether in one transaction or a series of transactions over any calendar quarter, exceeds Rs. 10,00,000 (Rupees ten lakh only) or such other threshold as may be stipulated by the Board of Directors from time to time.

9.2 An application for pre-clearance shall be made in the form prescribed by the Company, setting out the estimated number of securities proposed to be dealt in, the details of the depository and the security account concerned, and such other details as the Company may require, and shall be accompanied by an undertaking incorporating, inter alia, the following:

a. that the applicant does not have any access to, or possession of, any UPSI up to the time of signing the undertaking;

b. that in case the applicant has access to, or comes into possession of, any UPSI after the signing of the undertaking but before the execution of the transaction, he shall inform the Compliance Officer of the change in his position and shall completely refrain from trading in the securities of the Company until such information becomes generally available;

c. that he has not contravened this Code; and

d. that he has made a full and true disclosure in the matter.

9.3 Prior to approving any trade, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant is not in possession of any UPSI, and shall have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9.4 Trades which have been pre-cleared shall be executed within seven trading days of the approval, failing which fresh pre-clearance shall be necessary.

9.5 The designated person shall report to the Compliance Officer, in the prescribed form and within two trading days of the expiry of the period referred to in Clause 9.4, the details of the trades executed, or the fact that he has decided not to trade after securing pre-clearance, as the case may be.

9.6 Pre-clearance shall not be required for trades executed in accordance with an approved trading plan.

**10. TRADING PLAN**

10.1 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.

10.2 Such trading plan shall:

a. not entail commencement of trading on behalf of the insider earlier than one hundred and twenty calendar days from the public disclosure of the plan;

b. not entail overlap of any period for which another trading plan is already in existence;

c. set out the following parameters for each trade to be executed:

(i) either the value of the trade to be effected or the number of securities to be traded; (ii) the nature of the trade; (iii) either a specific date or a time period not exceeding five consecutive trading days; and (iv) a price limit, that is, an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the following range: for a buy trade, the upper price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent. higher than such closing price; and for a sell trade, the lower price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent. lower than such closing price; and

d. not entail trading in securities for market abuse.

10.3 The parameters in sub-clauses (i), (ii) and (iii) of Clause 10.2(c) shall be mandatorily mentioned for each trade, while the parameter in sub-clause (iv) shall be optional. The price limit shall be rounded off to the nearest numeral. The insider may make adjustments, with the approval of the Compliance Officer, in the number of securities and the price limit in the event of corporate actions relating to a bonus issue or stock split occurring after the approval of the trading plan, and the same shall be notified to the stock exchange(s) on which the securities are listed.

10.4 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the PIT Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan. The Compliance Officer shall approve or reject the trading plan within two trading days of the receipt of the trading plan and shall notify the approved plan to the stock exchange(s) on which the securities are listed on the day of approval.

10.5 The trading plan, once approved, shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to execute any trade in the securities outside the scope of the trading plan or to deviate from it, except due to permanent incapacity, bankruptcy or operation of law.

10.6 The implementation of the trading plan shall not be commenced if any UPSI in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation.

10.7 Where the insider has set a price limit for a trade under Clause 10.2(c)(iv), the trade shall be executed only if the execution price of the security is within such limit; if the price of the security is outside the price limit so set, the trade shall not be executed.

10.8 In the case of non-implementation, whether full or partial, of a trading plan, either for the reasons set out in Clause 10.5 or on account of the failure of execution of a trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:

a. the insider shall intimate the non-implementation to the Compliance Officer within two trading days of the end of the tenure of the trading plan, with the reasons therefor and supporting documents, if any;

b. upon receipt of such information, the Compliance Officer shall place the same, along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee at its immediate next meeting, and the Audit Committee shall decide whether such non-implementation was bona fide or not;

c. the decision of the Audit Committee shall be notified by the Compliance Officer on the same day to the stock exchange(s) on which the securities are listed; and

d. where the Audit Committee does not accept the submissions made by the insider, the Compliance Officer shall take action in accordance with Clause 15 of this Code.

10.9 Trading window norms and the requirement of pre-clearance shall not be applicable to trades carried out in accordance with an approved trading plan.

**11. CONTRA TRADE AND OTHER RESTRICTIONS**

11.1 A designated person who is permitted to trade shall not execute a contra trade, that is, an opposite or reverse transaction, in respect of any number of securities of the Company during the next six months following the prior transaction.

11.2 The Compliance Officer may grant relaxation from the strict application of the restriction in Clause 11.1 for reasons to be recorded in writing, provided that such relaxation does not violate the PIT Regulations.

11.3 Should a contra trade be executed, inadvertently or otherwise, in violation of Clause 11.1, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Securities and Exchange Board of India Act, 1992.

11.4 The restriction in Clause 11.1 shall not be applicable to trades pursuant to the exercise of stock options.

11.5 Designated persons shall not take positions in derivative transactions in the securities of the Company at any time, save to the extent permitted under applicable law.

**12. DISCLOSURES**

12.1 Initial disclosure. Every person, on appointment as a key managerial personnel or a director 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 such appointment or of becoming a promoter or member of the promoter group, to the Company within seven days of such event.

12.2 Continual disclosure. Every promoter, member of the promoter group, designated person and director of the Company shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction, if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rupees ten lakh only) or such other value as may be specified by SEBI.

12.3 The Company shall notify the particulars of such trading to the stock exchange(s) on which the securities are listed within two trading days of the receipt of the disclosure or of becoming aware of such information. The disclosure of incremental transactions after any disclosure under Clause 12.2 shall be made when the transactions effected after the prior disclosure cross the threshold specified in that clause.

12.4 The disclosures required under this Clause shall include those relating to trading by the immediate relatives of the person concerned and by any other person for whom such person takes trading decisions, and shall also include trading in derivatives of securities, the traded value of the derivatives being taken into account for this purpose.

12.5 Annual and one-time disclosures. Every designated person shall disclose to the Company, on an annual basis and as and when the information changes, the names and Permanent Account Numbers, or any other identifier authorised by law, of (a) his immediate relatives; (b) persons with whom such designated person shares a material financial relationship; and (c) the phone, mobile and cell numbers used by them. In addition, the names of the educational institutions from which the designated person has graduated and the names of his past employers shall be disclosed on a one-time basis.

12.6 Disclosures by other connected persons. The Company may, at its discretion, require any other connected person or class of connected persons to make disclosures of holdings and trading in the securities of the Company in such form and at such frequency as may be determined by the Company, in order to monitor compliance with the PIT Regulations.

12.7 All disclosures under this Clause shall be made in such form and manner as may be specified by SEBI from time to time. The disclosures so made shall be maintained by the Company for a minimum period of five years.

**13. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING**

13.1 The Chief Executive Officer or Managing Director, or such other analogous person of the Company, shall put in place an adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations to prevent insider trading, which shall include:

a. the identification, as designated persons, of all employees who have access to UPSI;

b. the identification of all UPSI and the maintenance of its confidentiality as required under the PIT Regulations;

c. adequate restrictions on the communication or procurement of UPSI;

d. the maintenance of lists of all employees and other persons with whom UPSI is shared, and the execution of confidentiality agreements with, or the service of notice on, all such employees and persons;

e. compliance with all other relevant requirements specified under the PIT Regulations; and

f. a periodic process review to evaluate the effectiveness of such internal controls.

13.2 The Board of Directors shall ensure that the Chief Executive Officer or the Managing Director, or such other analogous person, ensures compliance with Regulation 9 and Regulation 9A(1) and (2) of the PIT Regulations.

13.3 The Audit Committee shall review compliance with the provisions of the PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

13.4 The Company shall formulate written policies and procedures for inquiry in the case of a leak, or a suspected leak, of UPSI, which shall be approved by the Board of Directors. The Company shall initiate appropriate inquiries on becoming aware of any leak or suspected leak of UPSI and shall promptly inform SEBI of such leaks, inquiries and the results of such inquiries.

13.5 The Company shall have a whistle-blower policy and shall make its employees aware of such policy to enable them to report instances of leak of UPSI.

13.6 Where an inquiry has been initiated by the Company in a case of leak or suspected leak of UPSI, the relevant intermediaries and fiduciaries shall be required to co-operate with the Company in connection with such inquiry.

**14. REPORTING TO THE AUDIT COMMITTEE AND THE BOARD OF DIRECTORS; RECORDS**

14.1 The Compliance Officer shall report to the Board of Directors and, in particular, shall provide reports to the Chairman of the Audit Committee, or to the Chairman of the Board of Directors, at such frequency as may be stipulated by the Board of Directors, but in any event not less than once in a year, with regard to the implementation and operation of this Code.

14.2 The Compliance Officer shall maintain:

a. a register of pre-clearance of trading in securities, recording therein the name and designation of the applicant, the date and time of receipt of the application, the nature of the transaction, the number of securities, the consideration value, the name of the immediate relative where the transaction is in the name of such relative, and the date and details of the actual transaction;

b. records of all declarations, undertakings and disclosures given by designated persons and their immediate relatives, in the prescribed forms, for a minimum period of five years;

c. a record of the reporting of decisions not to trade after securing pre-clearance;

d. the list of designated persons, as updated from time to time; and

e. the structured digital database, in accordance with Clause 6 of this Code.

**15. SANCTIONS FOR CONTRAVENTION OF THE CODE**

15.1 Every designated person shall be responsible for compliance with this Code. Any designated person who trades in securities, or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.

15.2 Without prejudice to the powers of SEBI under the Securities and Exchange Board of India Act, 1992, a designated person who violates this Code shall be subject to such sanctions and disciplinary action as the Board of Directors or the Compliance Officer may determine, including wage freeze, suspension, recovery, ineligibility for future participation in employee stock option plans, and, in an appropriate case, termination of employment.

15.3 Any amount collected under Clause 15.2 shall be remitted to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Securities and Exchange Board of India Act, 1992.

15.4 Action taken by the Company under this Clause shall not preclude SEBI from taking any action in the case of a violation of the PIT Regulations.

**16. REPORTING OF VIOLATIONS**

In case it is observed by the Company or the Compliance Officer that there has been a violation of the PIT Regulations, the Company shall promptly inform the stock exchange(s) where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time.

**17. AMENDMENTS AND INTERPRETATION**

17.1 The Board of Directors may amend, modify or supplement this Code at any time, subject to the PIT Regulations. Any amendment to the PIT Regulations, or any circular, guideline or clarification issued by SEBI, shall be deemed to be incorporated in this Code with effect from the date on which such amendment, circular, guideline or clarification takes effect, and this Code shall stand modified accordingly.

17.2 The Compliance Officer shall be authorised to interpret the provisions of this Code and to prescribe, from time to time, the forms and formats required for applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, and reporting of the level of holdings in securities at such intervals as may be necessary to monitor compliance with the PIT Regulations.