



A. K. LABH & Co.
Company Secretaries
www.aklabh.com

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



CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS UNDER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

A. SHORT TITLE, APPLICABILITY AND COMMENCEMENT:

- (i) This Code of Conduct may be called 'The Code of Conduct to regulate, monitor and report Trading by Designated Persons of A. K. LABH & Co.' ('the Firm').
- (ii) This Code shall be applicable to all the Designated Persons and immediate relatives of designated persons of the Firm.
- (iii) This Code of Conduct may be modified by the Proprietor of the Firm from time to time to adopt best practices and to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (iv) The Minimum standards for code of conduct for intermediaries and fiduciaries to Regulate, Monitor and Report Trading by Designated Persons as stipulated vide Schedule C attached to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, in terms of Regulation 9(2)(1) of the said Regulations will be applicable in totality subject to the provisions as mentioned hereinafter.
- (v) This Code will be effective from April 1, 2019.

B. DEFINITIONS :

In this Code, unless the context otherwise provides:

- (i) "Act" means the Securities and Exchange Board of India Act, 1992, as amended from time to time and as applicable for the time being in force.
- (ii) "Client" means the Company or Companies, individual or individuals or any other form of entity or entities with whom the Firm has ever been associated in any manner for any professional assignment.
- (iii) "Code" means this Code of Internal Procedures and Conduct for Prevention of Insider Trading including any modification(s) or amendment(s) made thereto from time-to-time or any replacement made thereof by the Firm.
- (iv) "Firm" means A. K. LABH & Co., Company Secretaries.



- (v) "Compliance Officer" means the Proprietor of the Firm.
- (vi) "Connected Person" means any person who is or has been during the six months prior to the concerned act has been associated with the Firm, 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 an officer or an employee of the Firm or holds any position including a professional or business relationship between himself and the Firm whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (vii) "Designated Persons" means any person who is either:
- Employee
 - Proprietor / Partner of the Firm
 - Connected Person
 - Any other employee who will have access to or possess Unpublished Price Sensitive Information.

Note 1: Depending on the change in the scope of responsibility of an employee, the Proprietor of the Firm may exclude or include any employee from the list of Designated Person.

Note 2: In case any Designated Person separates from the services of the Firm due to superannuation/ resignation/termination etc. he/she shall continue to be considered as a Designated Person for a further period of 6 (six) months subsequent to the date of his/her separation from the Firm as envisaged under the Regulations.

- (viii) "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.
- (ix) "Immediate Relative" means Spouse, parents, sibling, children who is either financially dependent on the Designated Persons/ Connected Persons or consults such person for dealing in the securities of any Client.
- (x) "Insider" means any person who is:
- a connected person; or
 - in possession of or having access to unpublished price sensitive information;



- (xi) "Proprietor" means Atul Kumar Labh, Practising Company Secretary.
- (xii) "Regulations" means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendment made thereof.
- (xiii) "SEBI" means the Securities and Exchange Board of India.
- (xiv) "Unpublished Price Sensitive Information" means any information, relating to any securities of any Client, directly or indirectly, that is not generally available which upon becoming generally available during the course of professional assignment or association, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
- a) financial results;
 - b) dividends;
 - c) issue of securities of the said Client or buy-back of Securities by the said Client or any type of change in capital structure of the Client;
 - d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions of the Client
 - e) Any significant changes in policies, plans or operations of the Client;
 - f) Any proposed joint ventures / foreign collaboration of the Client;
 - g) changes in key managerial personnel of the Client.

C. POLICY :

1. No Designated Persons and immediate relatives of designated persons - when in possession of any unpublished price sensitive information about, or in relation to the Client or its securities shall:
 - Trade or deal in the securities of the said Client, either on his/her behalf or on behalf of any other person;
 - Communicate, provide or allow access to, or counsel, directly or indirectly, any unpublished information relating to the Client or any of its securities, to any other person, except on a need to know basis in furtherance of legitimate purposes in relation to the Client.



2. All designated persons and their immediate relatives shall conduct their trading in the securities of the Client only during or in a valid trading window as will be announced by the Client from time-to-time.
3. In case a person who has traded in securities of any Client while 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.
4. This Code is intended to mandate designated persons of the Firm to handle unpublished price sensitive information of any Client Company to formulate a code of conduct governing trading in securities by their designated persons.
5. If an inquiry has been initiated by a Client in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the designated employee of the Firm and the firm shall co-operate with the Client in connection with such inquiry conducted by the Client.
6. The Designated employees will have to make disclosures of his holding and trading in equity shares of any of the Client by himself or by immediate relatives to the Proprietor of the Firm preferably in advance but not later than 24 hours post transaction in any case.
7. Above trading by designated persons and/or their immediate relatives shall be subject to pre-clearance (Form – I) by the Proprietor of the Firm, if the proposed trade is above 100 shares or Rs. 2,500/- in value, in the securities of any Client Company.
8. Prior to approving any trades, the Proprietor shall seek declaration to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information of the Client Company. The Proprietor shall also have agreed to whether any such declaration is reasonably capable of being rendered inaccurate.
9. The pre-clearance approved trades need to be executed within seven trading days by the designated person and/or their immediate relatives, failing which fresh pre-clearance would be need for the trades to be executed.
10. The Proprietor of the Firm shall put in place an adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.
11. The internal controls shall include, *inter alia*, the following:



- a. Identification of the designated employees from time-to-time who may have the unpublished price sensitive information.
 - b. Identification of unpublished price sensitive information from time-to-time and maintenance of its confidentiality.
 - c. Placement of adequate restrictions on communication or procurement of unpublished price sensitive information.
 - d. Maintenance of structured digital database containing the names of such persons or entities as the case may be with whom unpublished price sensitive information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available, with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
 - e. Execution of confidentiality or non-disclosure agreements with all the persons with whom unpublished price sensitive information has been shared.
 - f. Process review at regular intervals to evaluate effectiveness of such internal controls.
12. The Proprietor shall ensure the compliance of the provisions of the Code from time-to-time.
13. The Designated Persons and their immediate relatives are advised and mandated to read and adhere to the “Code of Conduct to regulate, monitor and report Trading by Designated Persons” of the respective Client Company before making any trades in the securities of such Client Company.
14. Any contravention of this code would attract internal disciplinary actions by the Firm including wage freeze, suspension, recovery and clawback etc., as may be imposed and decided by the Proprietor.
15. In case of violation of this code Penalty prescribed under SEBI Act, 1992 shall be levied by SEBI in addition to all such other action as may be taken.
16. This Code has been formulated as per prevailing provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended). However, if, due to subsequent changes in the law, a particular part thereof may become inconsistent with the law, in such case the provisions of the law will prevail.



17. For all queries concerning this Code, any employee or connected person may contact the Proprietor of the Firm in this regard.

ANNEXURE

FORM - I

APPLICATION FOR PRE-CLEARANCE OF TRADING IN SECURITIES OF THE COMPANY

To
The Proprietor
A. K. LABH & Co.
Company Secretaries
40, Weston Street, 3rd Floor,
Kolkata – 700 013

Dear Sir,

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, and the Code of Internal Procedures and Conduct for Prevention of Insider in Securities (“Code”) of the Firm, I seek approval for purchase/sale/subscription of the Securities of the following Company (give description) as per the details given below:

Name, Designation & Emp. No.:

Department:

Date of becoming the Designated Person:

Name of the Company for which Pre-clearance has been sought :

Type of Security :

S. No.	No. of Securities held (including the Securities held by Immediate Relative as on the date of application)	Folio No. / DP ID & Client ID	Nature of new transaction for which approval is sought	Estimated number of Securities to be dealt
1	2	3	4	5

Estimated consideration value	Whether proposed transaction under self name or by Immediate Relative	Name of Immediate Relative, if transaction is made by Immediate Relative	Date of purchase / allotment	Previous approval no. and date of purchase/ allotment
6	7	8	9	10



UNDERTAKING

In this connection I solemnly confirm and declare that:

- a) I do not have access and/or have not received any "Unpublished Price Sensitive Information" up to the time of signing the undertaking;
- b) in case I have access to or receive Unpublished Price Sensitive Information after the signing of the undertaking but before the execution of the transaction, I shall inform you of any change in my position and that I shall refrain from Trading till the time such information becomes accessible to public on a non-discriminatory basis;
- c) I have not contravened the provisions contained in this Code.
- d) I shall hold the Securities of the Company for a minimum holding period of six months.
- e) I undertake to submit the necessary report within 1 (one) working day of execution of the transaction/ a "Nil" report, after the expiry of 1 (one) week from the date of the pre-clearance approval, if the transaction is not undertaken.
- f) I am aware that, I shall be liable to face penal consequences as set forth in this Code including disciplinary action under this Code, in case the above declarations are found to be misleading or incorrect at any time.
- g) I hereby undertake not to transact in Securities of the Company in the sanctioned period in case Trading Window is declared closed subsequently during such sanctioned period.
- h) I hereby made a full and true disclosure in the matter.

Pre-clearance may kindly be accorded in terms of provisions of this Code.

Capitalized terms used herein, unless defined herein, shall have the same meaning assigned to them in this Code.

Date
Place....

Signature
Name & Designation....
