

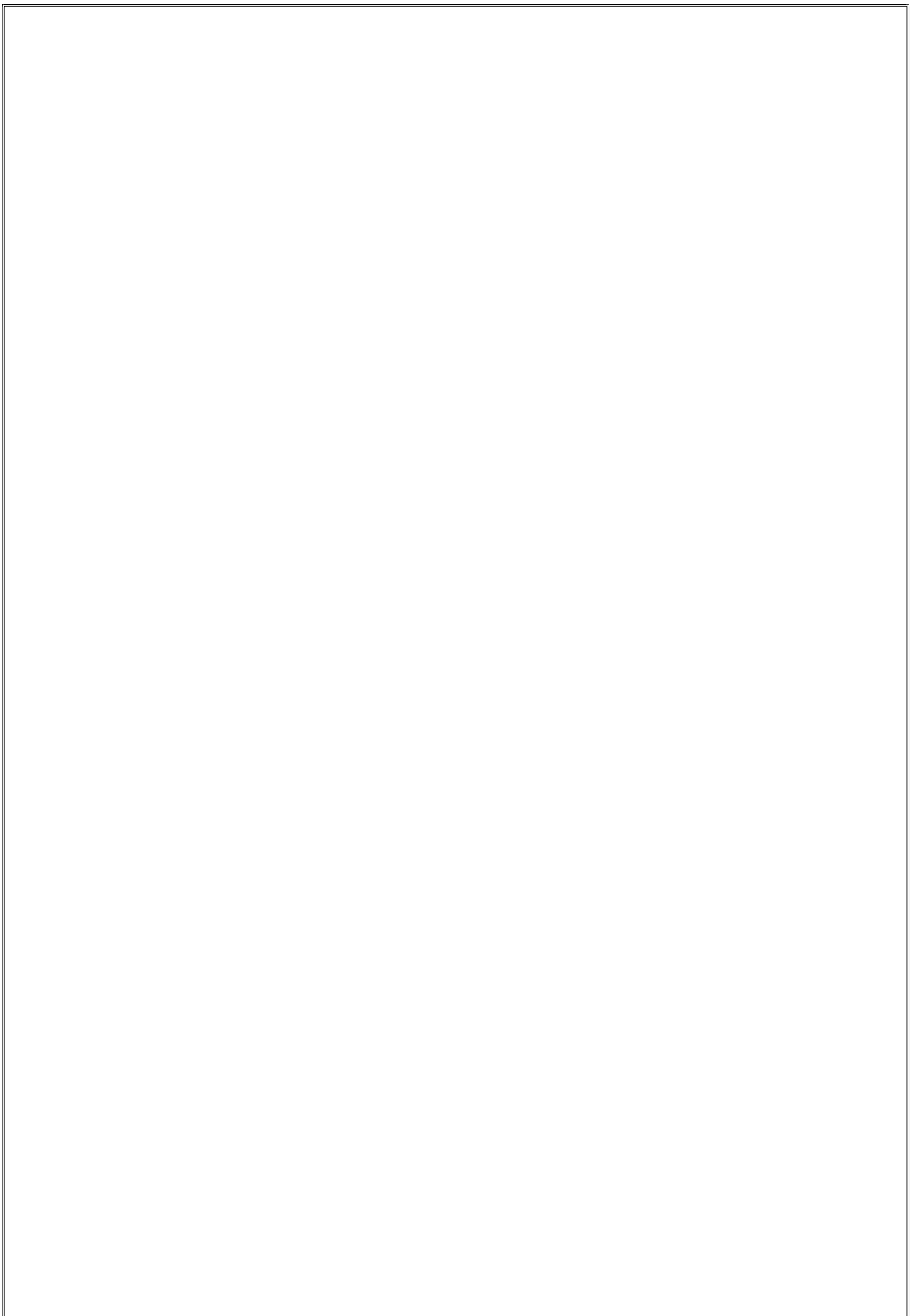


# PRIMA INDUSTRIES LIMITED

CIN: L15142KL1994PLC008368

CODE OF CONDUCT TO REGULATE,  
MONITOR AND REPORT TRADING BY  
DESIGNATED PERSONS  
&  
CODE OF PRACTICES AND PROCEDURES  
FOR FAIR DISCLOSURE OF  
UNPUBLISHED PRICE SENSITIVE  
INFORMATION

<b>INDEX</b>		
<b>CLAUSE</b>	<b>PARTICULARS</b>	<b>PAGE NOS.</b>
	<b>PREAMBLE</b>	
<b>PART - A</b>		
	CODE OF CONDUCT	
	PURPOSE	
	APPLICABILITY	
	DEFINITIONS	
	CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING	
	DETERMINATION OF DESIGNATED PERSONS	
	PRESERVATION OF UPSI	
	TRADING RESTRICTIONS WHEN IN POSSESSION OF UPSI	
	TRADING RESTRICTIONS	
	TRADING WINDOW AND WINDOW CLOSURE	
	PRE- CLEARANCE OF TRADES	
	OTHER RESTRICTIONS	
	TRADING PLAN	
	REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES	
	PENALTY FOR INSIDER TRADING	
<b>PART - B</b>		
	CORPORATE DISCLOSURE POLICY	
	RESPONDING TO MARKET RUMOURS	
	SUBMISSION OF DISCLOSURES & PRESCRIBED FORMS	
	COMMUNICATION AND AMENDMENTS	
	INTIMATION TO SEBI IN CASE OF VIOLATION OF THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATION 2015	
	GENERAL	
	Annexure 1 - APPLICATION FOR PRE- CLEARANCE	
	Annexure 2 - UNDERTAKING TO BE ACCOMPANIED WITH APPLICATION FOR PRE- CLEARANCE	
	Annexure 3 - PRE- CLEARANCE APPROVAL LETTER	
	Annexure 4 - CONFIRMATION OF TRADE	



## **CODE OF CONDUCT AND FAIR DISCLOSURE**

### **1. Introduction**

“Prima Industries Limited” (the Company) endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. The Company is committed to transparency, fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations in force.

The Securities Exchange Board of India (Insider Trading) Regulations, 2015, as amended up to date, make it mandatory for every Listed Company to lay down a Code of Conduct for Prevention of Insider Trading.

Every Director and other Designated Persons of the Company has a duty to safeguard the confidentiality of all information obtained during the course of his or her employment at the Company. No Director and other Designated Persons may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

### **2. The purpose of this Code is to formulate:**

- (i) A Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives towards achieving compliance with the Regulations; and
- (ii) A Code of Practice and Procedure for Fair Disclosure of unpublished price sensitive information that would be followed by the Company in order to adhere to the principles set out in the Regulations.
- (iii) A Policy for Determination of Legitimate Purposes as a part of this Code

Words and expressions used and not defined here but defined in the SEBI (Prohibition of Insider Trading) Regulations 2015, shall have the meanings assigned to them in those Regulations.

### **3. Applicability**

The code shall apply to all designated persons and immediate relative of designated person.

### **4. Definitions**

**“Act”** means the Securities and Exchange Board of India (SEBI) Act, 1992 (15 of 1992), Rules framed thereunder and any amendments thereto;

**“Board of Directors”** or “Board” means the collective body of the Directors of the Company;

**“Code”** means this Code of conduct to Regulate, Monitor and Report trading by the Designated Persons and immediate relatives of Designated Persons and Code of practices and procedures for Fair Disclosure of Unpublished Price Sensitive Information as modified from time to time.

**“Company”** means Prima Industries Limited

**“Compliance Officer”** means Company Secretary of the Company and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

**“Connected Persons”** means any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including

- a. by reason of frequent communication with its officers or
  - b. by being in any contractual, fiduciary or employment relationship or
  - c. by being a Director, Officer or an employee of the Company or
  - d. holds any position including a professional or business relationship between himself and the Company whether temporary or permanent,
  - e. Persons in contractual, fiduciary or advisory relationship with the Company i.e, consultants, retainers, auditors, law firms, analysts etc.
- that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

**“Deemed Connected Person”** means the persons falling within the following categories unless the contrary is established,

- a. Immediate relative of Connected Persons
- b. Holding Company or Associate Company or Subsidiary Company
- c. Intermediary as specified in Section 12 of the Act or an Employee or Director thereof
- d. Investment Company, Trustee Company, Asset Management Company, Employee or Director thereof
- e. Official of a Stock Exchange or of Clearing House or Corporation
- f. 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
- g. 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. Official or an employee of a self-regulatory organization recognized or authorized by the Board
- i. Banker of the company

j. Concern, firm, trust, Hindu Undivided Family, Company or Association of Persons wherein a director of a Company or his Immediate Relative or Banker of the Company, has more than ten per cent of the holding or interest

**“Designated Person”** means a person occupying any of the following positions in the Company:

- a. Board of Directors of the Company;
- b. Chief Executive Officer (CEO) and employees of the company up to 2 levels below CEO level of the Company; Key Managerial Personnel (KMP’s) as per Companies Act, 2013
- c. all the employees in Accounts, Finance, legal and Secretarial department;
- d. All its promoters and promoters group;
- e. All employees who have access to possession of Unpublished Price Sensitive Information.
- f. Any other employee as may be determined and informed by the Compliance Officer from time to time;
- g. Employees of Material Subsidiary companies of listed company designated as Manager and above;
- h. other persons as designated by the Board of Directors in consultation with Compliance Officer of the Company, from time to time; and
- i. Immediate relative of (a) to (h) above and have access to UPSI.

**“Director”** means a member of the Board of Directors of the Company from time to time.

**“Employee”** means every employee of the Company including the Directors in the whole-time employment of the Company.

**“Generally available information”** means information that is accessible to the public on a non - discriminatory basis.

**“Immediate Relative”** means 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.

“Insider” means any person who is,

- a. a connected person; or
- b. in possession of or having access to unpublished price sensitive information;

*Explanation: As per Reg 3 (2B) of the regulation, any person who is in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.*

***“Legitimate purpose”*** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

***“Officer of the Company”*** means any person as defined under Section 2 (59) of the Companies Act, 2013 including an auditor of the company. Section 2(59) of the Companies Act, 2013 provides that “Officer of a Company” includes any director, manager or key managerial personnel or any person in accordance with whose directions or instructions the Board of directors or any one or more of the directors is or are accustomed to act.

***“Price Sensitive Information”*** means any information that relates directly or indirectly to Company and securities and which, if published, is likely to materially affect the price of securities of Company.

The following shall be deemed to be included but not restricted to as **“price sensitive information”**:

- a) Periodical Financial Results of the Company
- b) Intended declaration of dividend (both interim and final, if any)
- c) Issue of securities (by way of Public/ Rights/ Bonus etc.) or Buy-back of securities or any change in capital structure.
- d) Any major expansion plans or execution of new projects.
- e) mergers, de-mergers, acquisitions, De-listings, disposals and expansion of business and such other transactions
- f) Disposal of whole or substantial part of the undertaking
- g) changes in key managerial personnel
- h) Any Significant changes in plans or operations of the Company;

***“Promoters/ Promoter Group”*** means the Promoters/ Promoter Group as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and as amended from time to time.

***“Regulations”*** means the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;

***“Securities”*** shall have the same meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund;

***“Stock Exchange”*** shall mean BSE Limited and any other stock exchange(s) on which the securities of the Company are listed for the time being.

***“Trading”*** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe such as pledging, buy, sell, deal in any securities of the Company and “trade” shall be construed accordingly.

***“Trading Day”*** means a day on which the recognized stock exchanges are open for trading;

***“Trading Window”*** means trading period for trading in the Company’s Securities. All days shall be the trading periods except when trading window is closed.

***“Unpublished Price Sensitive Information (UPSI)”*** defined as any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to the items as enumerated in “Price Sensitive information”.

## **5. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

### **COMPLIANCE OFFICER**

1. Company Secretary shall be the Compliance Officer for the purpose of this Code. The Compliance Officer shall designate a Senior Official of the Company to act as Compliance Officer in his absence.
2. The Compliance Officer shall be responsible for setting forth the policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades, pre-clearance of trades to be entered into by the Designated Persons and the implementation of this Code under the overall supervision of the Board of Directors of the Company.
3. The Compliance Officer shall intimate Designated Persons, about Closure of Trading Window etc. from time to time. The trading window shall be closed from the end of every quarter till 48 hours after the declaration of financial results. Such closure shall be imposed in relation to such securities to which such UPSI relates. In other cases, the Compliance Officer shall decide the closing and re-opening of the trading window. Designated Persons and their Immediate Relatives shall not trade in securities when the trading window is closed.
4. The timing for 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 48 hours after the information becomes generally available.
5. The Compliance Officer shall assist Designated Persons and their Immediate Relatives in addressing any clarifications regarding SEBI (Prohibition of Insider Trading) Regulations, 2015 and this Code of Conduct.
6. The Compliance Officer shall maintain a record of the Designated Persons and their Immediate Relatives and any changes made in the list of Designated Persons.



7. The Compliance Officer shall oversee the entire corporate disclosures. He shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and co-coordinating disclosure of Price Sensitive Information to Stock Exchanges, Analysts, Shareholders and Media and educating staff on disclosure policies and procedure. Information/disclosure/dissemination may normally be approved in advance and if information is accidentally disclosed without prior approval, the person responsible may inform the Compliance Officer, immediately, even if the information is not considered price sensitive.
8. The Compliance Officer shall make the employees of the Company aware of their duties and responsibilities attached to the receipt of inside information and the liabilities attached to misuse or unwarranted use of such information under this Code.
9. The Compliance officer shall report on insider trading to the Board of Directors of the Company and in particular, shall provide the reports to the Chairman of Audit Committee, immediately on the next Board/Audit Committee meeting on becoming aware of such insider trading.

#### **6. RESPONSIBILITY OF MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER**

The Managing Director / Chief Executive Officer of the Company shall formulate/amend this Code with the approval of the Board of Directors of the Company to regulate, monitor and report trading by its designated persons and their Immediate relatives towards achieving compliance with SEBI (Prohibition on Insider Trading) Regulations, 2015 (“PIT Regulations”), adopting the minimum standards set out in Schedule B of PIT Regulations, as may be amended from time to time, without diluting the provisions of its regulations in any manner.

#### **7. DETERMINATION OF DESIGNATED PERSONS**

The Board of Directors shall in consultation with the Compliance Officer of the Company, shall determine the list of designated persons on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation, who shall be covered by this Code.

#### **8. PRESERVATION OF UPSI**

1. All Designated Employees and Connected Persons shall maintain the confidentiality of price sensitive information. All information shall be handled within the organization on a need-to-know basis and no UPSI shall be communicated to any person including insiders except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations.

“**Need-to-know**” basis means that UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

All non-public information directly received by any employee should immediately be reported to the Head of the Department.

2. No insider shall communicate, provide or allow access to any UPSI, relating to the Company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
3. No Designated Person shall pass on any UPSI to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.
4. Notwithstanding anything contained in the Code, the UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - (i) 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 the sharing of such information is in the best interests of the Company;
  - (ii) 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 the 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 sharing of such information 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. All Designated Persons will have to keep the files containing confidential information relating to UPSI fully secured. Computer files must be kept with adequate security with login and password etc.

## **9. TRADING RESTRICTIONS WHEN IN POSSESSION OF UPSI**

1. No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of UPSI.
2. When a person who has traded in securities has been in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.
3. Trading in securities of the Company by an insider is allowed if such transaction is an off market inter-se transfer between insiders who were in possession of the same UPSI without being in breach of Clause 5 of this Code and both the parties had made a conscious and informed decision.
4. Such off-market trades shall be reported by the insiders to the Company within two working days. Every Company shall notify the particulars of such trades to the Stock Exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

## **10. TRADING PLANS**

1. An Insider shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.
2. The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.
3. 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. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Insider shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, falls between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results.

## **11. TRADING RESTRICTIONS**

All directors, key managerial personnel and designated persons of the Company and immediate relatives of designated persons shall be subject to trading restrictions as enumerated below: -

## **12. TRADING WINDOW AND WINDOW CLOSURE**

The period prior to declaration of unpublished price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Key Managerial Personnel and Designated Persons will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Directors, Key Managerial Personnel and Designated Persons of the Company and their immediate relatives will have to forego the opportunity of trading in the Company's securities.

The Directors, Key Managerial Personnel and Designated Persons of the Company and their immediate relatives shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors,

accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

a) The trading window shall be, inter alia, closed at the time of :-

- 1) Declaration of Financial results
- 2) Declaration of dividends
- 3) Issue of securities.
- 4) Any major expansion plans or execution of new projects
- 5) Amalgamation, mergers, takeovers and buy-back
- 6) Disposal of whole or substantially whole of the undertaking
- 7) Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
- 8) Commencement of any new commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;
- 9) Developments with respect to changes in pricing / realisation on services arising out of changes in government policy;
- 10) Litigation / dispute with a material impact;
- 11) Revision of credit ratings assigned to any debt or equity instrument of the Company;
- 12) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

- b) The Compliance Officer shall also close the trading window when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- c) The trading window shall be opened 48 (Forty Eighty) hours after the unpublished price sensitive information becomes generally available.
- d) Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.
- e) The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

## **15. PRE - CLEARANCE OF TRADES**

All Designated Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is above 50,000 shares or up to Rs. 10 Lakhs (market value) or 1% of total shareholding, whichever is less, should pre-clear the transaction. The pre-dealing procedure shall be hereunder:

- i) An application may be made in the prescribed Form (Annexure 1) to the Compliance Officer indicating the estimated number of securities that the Designated Person intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.
- ii) An undertaking (Annexure 2) shall be executed in favour of the Company by such Designated Person incorporating, inter alia, the following clauses, as may be applicable:
  - a) That the Designated Person does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
  - b) That in case the Designated Person has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
  - c) That he/she has not contravened the Code of Conduct for prevention of insider trading as notified by the Company from time to time.
  - d) That he/she has made a full and true disclosure in the matter.
- iii) All Designated Persons shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. The Designated Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed.
- iv) If the order is not executed within seven days after the approval is given, the Designated Person must pre-clear the transaction again.
- v) All Designated Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

In case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

- vi) The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

#### **OTHER RESTRICTIONS**

1. The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.
2. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.
3. The Compliance Officer shall maintain records of all the declarations given by the Designated Persons under this Code for a minimum period of 5 years.

### **16. PENALTY FOR INSIDER TRADING**

- 1) An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be, terminated.
- 2) Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, ineligibility for future participation in the Company's stock option plans or termination, etc. Any amount collected under this clause shall be remitted to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Securities and Exchange Board of India Act, 1992.

Any violation of these Rules shall be informed promptly by the Compliance Officer to all the Stock Exchanges where the securities of the Company are listed.

### **17. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

#### **1. Initial Disclosure**

- a) Every Promoter, member of promoter group, Key Managerial Personnel, Director, Officers, Designated Persons of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in FORM A prescribed by SEBI in pursuant to Regulation 7 (1) (a) read with Regulation 6 (2).
- b) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or member of promoter group

shall disclose his holding of securities of the Company as on the date of appointment or becoming a Promoter or member of promoter group, to the Company within seven days of such appointment or becoming a Promoter or member of promoter group. Such Disclosure shall be in FORM B prescribed by SEBI in pursuant to Regulation 7 (1) (b) read with Regulation 6 (2).

## **2. Continual Disclosure**

- a) Every Promoter, member of 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 ₹ 10 Lakhs.

The disclosure shall be made within 2 working days of:

- (i) the receipt of intimation of allotment of shares, or
- (ii) the acquisition or sale of shares or voting rights, as the case may be.

Note: Disclosure of incremental transactions shall be made when transactions effected after the prior disclosure cross the threshold specified above.

## **3. Disclosures by Other Connected Person**

The Compliance officer on his discretion may require any other Connected Person or class of Connected Persons to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as may be determined by the Compliance Officer in order to monitor compliance with this Regulations / Code. Such disclosure shall be in FORM D prescribed by SEBI in pursuant to Regulation 7 (3).

## **18. DISSEMINATION OF PRICE SENSITIVE INFORMATION**

18.1. No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.

18.2. Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors.

18.3. The following guidelines shall be followed while dealing with analysts and institutional investors:

- a) Only public information to be provided;
- b) At least two Company representatives are present at meetings with analysts, media persons and institutional investors;

c) Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding; and

d) Simultaneous release of information after every such meet.

## **19. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT**

19.1. Every Designated Persons and Immediate Relatives of Designated Persons who trades in securities or communicates any information for trading in securities in contravention of this Code of Conduct will be penalized and appropriate action will be taken against them by the Company after giving reasonable opportunity to them to show cause.

19.2. All the employees and Designated Persons violating this Code of Conduct shall also be subject to disciplinary action, as approved by the Managing Director of the Company, which may include wage or salary freeze, suspension, recovery, claw back, withholding of increment in salary/promotions, ineligibility of future participation in stock options, etc.

19.3. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015 as amended from time to time.

19.4. In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, by the Designated Persons, the Company shall inform the Board, at the earliest.

### **PART - B**

#### **CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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



## **1. CORPORATE DISCLOSURE POLICY**

- 1.1. Uniform and universal dissemination of UPSI shall be ensured to avoid selective disclosure. In case of selective dissemination of UPSI inadvertently or otherwise, it shall be ensured promptly to make such information generally available
- 1.2. The Chief Finance Officer shall be the Chief Investor Relations Officer (CIRO) of the Company under this Code to deal with dissemination of information and disclosure of UPSI.
- 1.3. CIRO / any other authorized person shall ensure that the information shared with analysts and research personnel is not UPSI and that the principles such as, equality of access to information, calls and meetings with analysts etc. are being followed.
- 1.4. CIRO shall ensure development of best practices to make transcripts or records of proceedings of meetings with analysts / other investor relations conferences available on the official website to ensure official confirmation and documentation of disclosures made.
- 1.5. The CIRO or any officer authorized by the Managing Director shall be invited to meetings / conferences organized by the Company with the analysts / institutional investors. Apart from CIRO, no person, except those authorized by the Managing Director shall disclose any information relating to the Company's Securities to analysts and institutional investors.
- 1.6. In line with the Company practice, the Authorised Person who makes official communication shall ensure release of all official press releases simultaneously to Stock Exchanges and media with a copy to CIRO and Company Secretary. These press releases shall also be posted on the website of the Company.
- 1.7. The Authorised Person who makes official communication shall ensure appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities / stock exchanges in consultation with Head of the concerned department to which the news report / market rumor pertains and the CIRO.
- 1.8. Company Secretary shall ensure that disclosures of shareholding pattern as required under Listing Agreement with Stock Exchanges are made in a timely and adequate manner.
- 1.9. Company Secretary shall ensure that disclosure with regard to quarterly & annual financial results, dividend and record date/book closure, etc., as required under SEBI (LODR) Regulations, 2015 are made in a timely and adequate manner.
- 1.10. Appointment of Directors shall be promptly disclosed to the Stock Exchanges. With regard to other changes in KMP, the same shall be disclosed to the Stock Exchanges on the date of such change taking place. However, trading window shall not be closed in this regard unless Compliance Officer decides otherwise
- 1.11. The Board may, if deemed fit, advice any additional disclosure with respect to decision on any agenda item placed before the Board. Company

Secretary shall ensure prompt disclosure of the same in accordance with Board's directions.

1.12. Any other material event having bearing on the performance / operations of the Company as well as price sensitive information pertaining to any specific function / division / unit shall be promptly reported to CIRO by concerned functional head or unit / division head. Compliance Officer after taking approval of Managing Director shall communicate the same to Stock Exchanges, under intimation to CIRO.

1.13. It shall be ensured that all UPSI shall be handled within the Company on a need-to know basis and shall not be communicated, provided or allowed access to, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. Sharing of UPSI for legitimate purposes shall be subject to the prior approval of the Compliance Officer under this Code.

*Explanation: "Legitimate Purpose" shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.*

Persons in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with these regulations

The Board of Directors of the Company shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared for legitimate purposes under this Code along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

## **2. RESPONDING TO MARKET RUMOURS**

2.1. The Company shall have clearly laid down procedures for responding to any queries or requests for verification of market rumors by exchanges.

2.2. The official designated for corporate disclosure shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

## **3. SUBMISSION OF DISCLOSURES AND PRESCRIBED FORMS**

All submissions, forms etc., envisaged in this Code should be addressed to the Compliance Officer and forwarded to the Secretarial Department of the Company at its Corporate Office, for administrative purpose and taking appropriate action.

The Secretarial Department shall acknowledge the receipt of declaration/form.

#### **4. COMMUNICATION AND AMENDMENTS**

This Code be communicated to each Designated Persons, Connected Persons and Directors by email or by hand and will be displayed in the website of the company.

The Board of Directors shall have the full authority to amend or modify these guidelines and waive any procedural requirements of the Policies subject to the guidelines issued by SEBI from time to time.

#### **5. INTIMATION TO SEBI IN CASE OF VIOLATION OF THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

In case it is observed by the Company and / or Compliance Officer that there has been a violation of these Regulations, SEBI shall be informed promptly by the Company

#### **6. GENERAL**

Employees are advised to pursue the Code and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, and acquaint themselves with all the provisions.

Subsequent modification(s) / amendment (s) to SEBI (Prohibition of Insider Trading) Regulations, 2015 shall automatically apply to this Code.

Cochin

Date...

Managing Director

.....

### **Annexure - 1**

#### **APPLICATION FOR PRE- CLEARANCE**

Date:

To,

The Compliance Officer  
Prima Industries Limited  
Door No. V/679C,  
Industrial Development Area,  
Edayar - 683 110, Cochin

Dear Sir/ Madam

Sub: Application for pre – Clearance of trade in securities of Prima Agro Limited

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct to Regulate, Monitor and Report Trading Designated Persons & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, I seek approval to purchase / sale / subscription of \_\_\_\_\_ equity shares of the Company as per details given below:

1	Name of the Applicant	
2	Designation, if any	
3	Number of Securities held as on date	
4	Folio No/ DP ID/ Client ID No.	
5	The proposal is for	a) Purchase of Securities b) Subscription of 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	
9	Current market price (As on date of application)	
10	Whether the proposed transaction will be through stock exchange or off-market deal	
11	Folio No. / DP ID / Client ID no. where the securities will be credited / debited	

I enclose herewith the undertaking signed by me.  
Yours faithfully,

\_\_\_\_\_  
(Signature)

## Annexure 2

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

To,

Compliance Officer

Prima Industries Limited, Kochi

I, ..... (Name and Designation) residing at .....

am desirous of dealing in ..... \*shares of the Company as mentioned in my application dated ..... for pre-clearance of the transaction.

As required by the Internal Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015 of Muthoot Capital Services Limited, I hereby state that:

a) I have no access to nor do I have any information that could be construed as “Unpublished Price Sensitive Information” as defined in the Code upto the time of signing this undertaking;

b) In the event that, I have access to or received any information that could be construed as “Unpublished 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.

c) I have not contravened the provisions of the Code of Conduct for Prohibition of Insider Trading as notified by the Company from time to time.

d) I have made full and true disclosure in the matter.

Date:

Signature:

Name:

\*Indicate number of shares.

**Annexure 3**

**PRE-CLEARANCE APPROVAL LETTER**

Date:

To,

Name :

Emp. No :

Designation :

Sub: Pre-clearance approval for trading in shares of Prima Agro Limited

With reference to your application dated ..... seeking approval for undertaking certain transactions in the equity shares of the Company, please be

informed that you are hereby permitted to undertake the said transaction(s). You may buy/sell in not more than .....equity shares of the Company pursuant to this approval letter.

This approval is being issued relying on the various declarations and indemnities made by you in your said application.

This approval letter is valid till ..... (i.e. for 7 trading days) If you don't execute the approved transaction / deal on or before this date, you would have to seek fresh pre-clearance approval before executing any transaction / deal. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction /deal.

Yours Truly,  
For Prima Industries Limited  
Compliance Officer

Annexure 4

CONFIRMATION OF TRADE

To,  
Compliance Officer  
Prima Industries Limited, Kochi

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 the 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 5 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:

Signature:

Name:

Designation: