

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES OF THE COMPANY

Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) requires a listed company to formulate code of conduct to regulate, monitor and report trading by its employees and other connected persons. Towards achieving compliance with the said Regulations, Board of Directors of Muthoot Vehicle & Asset Finance Limited (MVFL) has adopted this MVFL Code of Conduct to regulate, monitor and report trading in Securities of the company (the “Code”)

This Code shall be read together with Code of practices and procedures for fair disclosure of unpublished price sensitive information of MVFL, and shall be subject to requirement under the Regulations, and all provisions of the Regulations shall be followed and complied by the Company, Designated Persons and employees with utmost responsibility.

It is clarified that these Rules are pursuant to and in furtherance, and not in derogation, of the laws applicable to insider trading in India.

1. APPLICABILITY

1.1 This Code is made pursuant to the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (hereinafter referred to as ‘the SEBI Regulations’ / ‘the Regulations’) and have been framed based on the Model Code specified in Schedule B to the SEBI Regulations without diluting the provisions of the Regulations in any manner.

1.2 The purpose of this Code is to:

1.2.1.1 Prohibit the communication of unpublished price sensitive information except for legitimate purposes, performance of duties or discharge of legal obligations;

1.2.1.2 Prohibit trading in the securities of the Company while in possession of unpublished price sensitive information;

1.2.1.3 Enable disclosure of trading by Insiders; and ensure appropriate, fair and timely disclosure of unpublished price sensitive information.

1.2.1.4 Initiate inquiry/ investigation in case of leak or a suspected leak of unpublished price sensitive information.

1.2.1.5 Take disciplinary / penal / corrective actions, if so required, in case of any violation of the Rules

1.3 This Code is mainly applicable to

1.3.1. Insiders including Designated Persons (defined hereinafter) and

1.3.1. Immediate Relatives of the persons stated in 1.3.1 above

2. DEFINITIONS

2.1 “Act” means the Securities and Exchange Board of India Act, 1992 (15 of 1992);

2.2 “Company” means Muthoot Vehicle & Asset Finance Limited or MVFL

2.3 “Committee means the Audit Committee of the Board or such other Committee as may be nominated by the Board for the purpose of these Rules.

2.4 “Compliance Officer” means the Company Secretary for the purposes of the SEBI Regulations, who shall work under the guidance of the Whole time Director, Chief Executive Officer and the Chief Financial Officer and report to the Board of Directors.

2.5 “Connected person” means any person who is or has during the six (6) months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including the following, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access:

- 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.

2.6 “Deemed to be a Connected Person” - The persons falling within the following categories shall be deemed to be connected persons unless the contrary is established

- i. an immediate relative of connected persons specified in clause 2.5 or
- ii. a holding company or associate company or subsidiary company or
- iii. an intermediary as specified in section 12 of the Securities and Exchange Board of India Act, 1992 or an employee or director thereof or
- iv. an investment company, trustee company, asset management company or an employee or director thereof or
- v. an official of a stock exchange or of clearing house or corporation or
- vi. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof or
- vii. 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 or
- viii. an official or an employee of a self-regulatory organization recognised or authorized by the SEBI or
- ix. a banker of the company or
- x. a 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;

2.7 “Designated Person”(s) means:

- i. All Promoters, Directors & Key Managerial Personnel;
- ii. All employees in the rank of Executive Director, Chief General Manager, and CEOs / Heads of various business divisions such as Personal Loan, Business Loan, and Corporate Loan;
- iii. All employees in the rank of Deputy General Manager and above in the following functions:
 - a. Finance Department
 - b. Treasury Department
 - c. Accounts & Taxation Department
- iv. All employees in the rank of General Manager and above in the following functions:
 - a. Internal Audit Department
 - b. Legal Department
 - c. Investor Relations
 - d. Corporate Communications
 - e. IT Department
 - f. Business Performance Development
- v. All employees in the Company Secretarial Department;

- vi. All Personal Secretaries/Executive Assistants, of persons mentioned under clause 2.7 (i) and 2.7 (ii) if they are employees of the Company.
 - vii. Such other employees/persons as may be designated by the Board or the Committee or the Whole time Director and Chief Executive Officer of the Company from time to time, to whom these trading restrictions shall be applicable, keeping in mind the objectives of this Code.
- 2.8 “Employee” means an employee of Muthoot Vehicle & Asset Finance Limited and shall include any trainees and temporary staff.
- 2.9 “Generally Available Information” means information that is accessible to the public on a non-discriminatory basis
- 2.10 “Immediate relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

Note : It is hereby clarified that “Spouse” of a person will be considered immediate relative irrespective of whether he/she is financially dependent or consults such person in taking decisions relating to trading in securities.

2.11 “Insider” means any person who is:

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information;

2.12 “Key Managerial Personnel” or “KMP” means

- i. Managing Director (MD)
- ii. Whole time Director (WTD)
- iii. Chief Executive Officer (CEO)
- iv. Chief Financial Officer (CFO)
- v. Company Secretary
- vi. Such other officer as may be designated by the Board as KMP and
- vii. Such other officer as may be prescribed under the Companies Act 2013

2.13 “Officer” 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.

2.14 “Prohibited Period” means

- i. In respect of announcement of Quarterly/Half Yearly/ Yearly Financial Results by the Company - The period commencing from the end of every quarter and ending forty-eight hours after the financial results for the respective half year/year, as the case may be, is made generally available by the Company or such other period as may be specified by the Compliance Officer from time to time after consultation with the CEO and CFO or as may be directed by the Board or the Committee.
- ii. In respect of UPSI other than (i) above - Such period as the Compliance Officer, after consultation with the CEO and CFO or as directed by the Board or the Committee, declares as a prohibited period, when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive

information. Such prohibited period shall end 2 trading days after the unpublished price sensitive information is made generally available by the Company.

- 2.15 "SEBI Regulations" means the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
- 2.16 "Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- 2.17 "Unpublished price sensitive information" (UPSI) means 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, 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 and such other transactions;
 - (v) changes in key managerial personnel

Interpretation

Words and expressions not defined in this Policy shall have the same meaning as contained in the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations), Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder.

3. RESTRICTION ON COMMUNICATION AND TRADING BY INSIDERS

3.1 RESTRICTION ON COMMUNICATION OR PROCUREMENT OF UPSI

- 3.1.1 No insider shall communicate, provide, or allow access to any UPSI, relating to the Company or its 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.
- 3.1.2 No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or its securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3.1.3 A policy for determination of "legitimate purpose" is covered under the code of practices and procedures for fair disclosure of unpublished price sensitive information.
- 3.1.4 Insiders should handle the UPSI with care and deal with the UPSI when transacting their business on a "need to know" basis. "Need to know" basis would infer disclosure of UPSI only to those within or outside the Company who need the information to discharge their duty and whose possession of such information will not, in any manner, give rise to a conflict of interest or likelihood of the misuse of the information.
- 3.1.5 UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-
- a. entail an obligation to make an open offer under the SEBI Takeover Regulations where the Board is of informed opinion that the sharing of such UPSI is in the best interests of the Company;
 - b. not attract the obligation to make an open offer under the SEBI Takeover Regulations but where the Board is of informed opinion that the sharing of such UPSI is in the best interests of the Company and the information that constitutes UPSI is disseminated to be

made generally available at least two (2) trading days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts to rule out any information asymmetry in the market.

- 3.1.6 For purposes of clause 3.1.5., the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of Clause 3.1.5., and shall not otherwise trade in securities of the company when in possession of UPSI.

3.2 PROHIBITION ON TRADING WHILE IN POSSESSION OF UPSI

- 3.2.1 No Insider shall trade in the securities of the Company listed or proposed to be listed when in possession of UPSI.
- 3.2.2 In the case of Connected Persons, the onus of establishing that they were not in possession of UPSI, shall be on such Connected Persons.
- 3.2.3 Trading in the securities of other companies - While discharging their role, employees may become aware of any UPSI relating to the Company's clients, customers, suppliers or joint ventures. Such employees shall not deal in the securities of such client, customers, supplier or joint venture companies if they possess any UPSI in relation to that other company.

For example, if a person is aware that the Company is close to or is negotiating a significant/material investment or any corporate structuring transaction or an alliance with another company or any contract or transaction which qualifies to be UPSI, he should not deal in the securities of either MVFL or of the other company.

3.3 PROHIBITION ON TRADING DURING PROHIBITED PERIOD

- 3.3.1 Designated Persons/class of designated persons (including their immediate relatives) shall not deal in the securities of the Company during the Prohibited Period or sell shares allotted upon exercise of such stock options.
- 3.3.2 The restrictions in the Prohibited Period shall not be applicable to the following transactions:
- 3.3.2.1 off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of this Code or SEBI Regulations and both the parties have made a conscious and informed trade decision.

Provided that such unpublished price sensitive information is not obtained under 3.1.5 of this Code.

Provided further that such off-market trades shall be reported by the insiders to the Company within two working days. The Company shall notify the particulars of such trades to the stock exchanges within two trading days from receipt of the disclosure or from becoming aware of such information;

- 3.3.2.2 transaction carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of this Code and the SEBI Regulations and both the parties have made a conscious and informed trade decision;

Provided that such unpublished price sensitive information is not obtained by either person under 3.1.5 of this Code

- 3.3.2.3 transaction carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;
- 3.3.2.4 transaction undertaken pursuant to the exercise of stock options issued by the Company;
- 3.3.2.5 the trades are pursuant to a trading plan set up as per the SEBI Regulations;
- 3.3.2.6 pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance in accordance with 3.5 of this Code; and
- 3.3.2.7 Transactions undertaken in accordance with the respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buyback offer, open offer, delisting offer.

3.4 MINIMUM HOLDING PERIOD/OPPOSITE TRANSACTION

- 3.4.1 Designated Persons (including their immediate relatives) who buy or sell securities shall not enter into an opposite transaction during the next 6 (six) months following the prior transaction (hereinafter called “Opposite Transaction”). However, the restriction on Opposite Transaction shall not apply to:
 - a) the exercise of options granted under ESOP Plan announced by the Company from time to time;
 - b) the sale of shares acquired under ESOP Plan, provided that the Designated Person is not in possession of UPSI at the time of such sale. However, once the shares acquired under the ESOP Plan are sold by the person, any subsequent purchase (other than exercise of ESOPs) will be subject to the aforesaid restriction of Opposite Transaction.
 - c) buy back offers, open offers, rights issues, Further Public Offers, bonus, exit offers etc.
- 3.4.2 The Compliance Officer or WTD and CEO/CFO or the Committee, as the case may be, is empowered to grant relaxation from the strict application of the minimum holding period, for reasons to be recorded in writing in this regard, based on an application made by the Designated Person, provided such waiver does not violate the SEBI Regulations.
- 3.4.3 In case an Opposite Transaction is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the applicable law.
- 3.4.4 Designated Persons (including their immediate relatives) shall not take positions in derivative transactions in the securities of the Company at any time.
- 3.4.5 Designated Persons (including their immediate relatives) are strictly prohibited from entering into speculative transactions in the securities of the Company.

3.5 PRE CLEARANCE OF TRADES

- 3.5.1 Every Designated Person (including his immediate relative) who intends to trade in the securities of the Company, shall seek pre-clearance of transactions(s) before entering into such transaction(s) as per the pre-clearance procedure described hereafter, 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 Lacs.

- 3.5.2 In case of stock options (ESOPs), exercise of options is allowed without preclearance. However, the sale of shares allotted on exercise of stock options would require pre clearance
- 3.5.3 The pre-clearance needs to be approved and obtained as under:
- All Pre-clearance application needs to be applied to the Compliance Officer;
 - The Pre-clearances will be approved jointly by either the CEO or CFO and Compliance Officer of the Company.
- 3.5.4 The Designated Persons may trade in the Company's Securities only after obtaining preclearance of the proposed transactions from the Compliance Officer by submitting an application and declaring that they are not in possession of any price sensitive information.
- 3.5.5 Any oral request from the Designated Persons under this Code and/or oral confirmation for trading in Securities of the Company is not acceptable and shall not be regarded as a valid request or approval for trading in Securities of the Company.
- 3.5.6 Designated Person can trade only upto the number of Securities for which the approval is granted by the Compliance Officer. Any trade which is in excess of number of Securities for which approval has been granted or which is of a kind different from what has been approved, is not permissible. The same will require a fresh approval as provided in the Code.
- 3.5.7 The approval shall be granted within 7 (seven) trading days or such further time from the date of acknowledgement of application for pre-clearance. In exceptional circumstances, approval may not be given if there are reasons to believe that the proposed transaction is on the basis of possession of any unpublished price sensitive information. There shall be no obligation to give reasons for any withholding of approval.
- 3.5.8 Designated Persons who seek pre-clearance shall execute the trade(s) in respect of securities of the Company within 7 (seven) trading days from the date of the approval for pre-clearance or such shorter period as may be specified in the pre-clearance approval. If the transaction is not executed within the time specified in the pre-clearance approval, the person shall pre-clear the transaction again for executing the trade
- 3.5.9 Designated Persons who have dealt in the securities of the Company after obtaining preclearance as aforesaid, shall within 2 (two) trading days of such trading, inform the actual details of their transaction(s) to the Compliance Officer.
- 3.5.10 Designated Persons who have not traded in the securities of the Company after obtaining pre-clearance shall within 2 (two) trading days from the last date accorded for trading in the pre-clearance approval, inform to the Compliance Officer about his/her decision of not trading in the securities.
- 3.5.11 Designated Persons (including their immediate relatives) trading in the securities of the Company below or at the threshold limit as approved under 3.5.6 shall within 2 (two) trading days of such trading inform to the Compliance Officer details of the trading.

3.6 DISCLOSURE AND REPORTING REQUIREMENTS

- 3.6.1 Disclosures required to be made under this Code or SEBI Regulations shall include those relating to the trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.

3.6.2 INITIAL DISCLOSURE

- 3.6.2.1 Any person who becomes a Designated Person, or a member of Promoter Group shall disclose the following to the Compliance Officer, as on the date of becoming a Designated Person, within 7 (Seven) days of his/her so becoming a Designated Person.
- i. His/her Permanent Account Number, contact details, educational institutions of graduation and name of the past employer(s);
 - ii. Name, Permanent Account Number or any other identifier authorized by law and contact details of his/her immediate relatives;
 - iii. Name, Permanent Account Number or any other identifier authorized by law and contact details of persons with whom he/she shares a material financial relationship and
 - iv. the number of securities of the Company held by him/her and his/her immediate relatives.

The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding 12 (twelve) months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

3.6.3 CONTINUAL DISCLOSURE

- 3.6.3.1 Every Designated Person shall affirm to the Compliance Officer, the details given by him as per 3.6.1 on an annual basis within 30 (thirty) days after the close of the financial year.
- 3.6.3.2 Every Designated Person shall inform to the Compliance Officer of any change in the details given by him stated above under clause 3.6.2.1 or clause 3.6.3.1 within 30 (thirty) days of such change
- 3.6.3.3 Every Designated Person shall disclose to the Company, in the format prescribed under the SEBI Regulations, the number of such securities acquired or disposed of within two (2) 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 Rupees Ten (10) Lacs.

For avoidance of doubt, it is clarified that the disclosure obligation under Clause 3.6.3.3 is in addition to the pre-clearance obligation and disclosure obligation set out in Clause 3.5.

3.6.4 DISCLOSURE BY OTHER CONNECTED PERSONS

The Compliance Officer may at his discretion require any other Connected Person or Deemed to be Connected Person to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as he deems fit in order to monitor compliance with this Code and the SEBI Regulations.

- 3.6.5 The disclosures to be made by any person under Clause 3.6 shall include those relating to trading by such person’s immediate relatives, and by any other person for whom such person takes trading decisions.

4. TRADING PLANS

- 4.1 The SEBI Regulations contain provisions enabling an Insider to formulate trading plan(s) and present it to the Compliance Officer pursuant to which trades may be carried out on his behalf in accordance with such plan. The provisions enable the formulation of a trading plan by an Insider to enable him to plan for trades to be executed in future.
- 4.2 The provision intends to give an option to persons who may be perpetually in possession of UPSI and enabling them to trade in securities in a compliant manner.
- 4.3 Insiders desiring to formulate Trading Plan(s) may do so in accordance with the provisions of the SEBI Regulations.

5. COMPLIANCE OFFICER

5.1 In addition to the duties provided under the SEBI Regulations and this Code, the Compliance Officer shall have the following duties/powers:

- i. The Compliance Officer shall report to the Board and in particular to the Chairman of the Committee at such frequency as may be required by the Board.
- ii. The Compliance Officer shall promptly bring to the notice of the Board of Directors any instances of violation under the Code
- iii. The Compliance Officer shall maintain all records under this Code and the SEBI Regulations for a minimum period of five (5) years.
- iv. The Compliance Officer shall notify the Stock Exchanges within two (2) trading days of receipt of disclosure or becoming aware of any trading in the securities of the Company by any Designated Person(s) including their immediate relatives in excess of the thresholds prescribed under clause 3.5
- v. The Compliance Officer shall assist all employees in addressing any clarifications regarding SEBI Insider Regulations and this Code.
- vi. The Compliance Officer shall ensure that prohibited period is intimated to all concerned at least 24 hours before the commencement of the said period.
- vii. The Compliance Officer shall promptly inform SEBI of any instances of violation of the SEBI Regulations after consultation with the Committee.

5.2 ALTERNATE COMPLIANCE OFFICER

5.2.1 During the temporary absence of the Compliance Officer, the Committee or the MD & CEO may appoint/ designate any other person to be an 'Alternate Compliance Officer' who shall act as the Compliance Officer for the purpose of these Rules and the SEBI Regulations, during such temporary absence of the Compliance Officer.

6. NOTICE OR CONFIDENTIALITY & STRUCTURED DIGITAL DATABASE

6.1 NOTICE OR CONFIDENTIALITY

- 6.1.1 Any person in receipt of UPSI in furtherance of a legitimate purpose shall be considered as an insider for the purpose of these Rules and the SEBI Regulations;
- 6.1.2 The Designated Persons and Employees, sharing UPSI in furtherance of legitimate purposes, shall issue a due notice or enter into a confidentiality / non-disclosure agreement with such insider to maintain confidentiality of the UPSI in compliance with these Rules and the SEBI Regulations.

6.2 STRUCTURED DIGITAL DATABASE

- 6.2.1 The Designated Persons and employees, sharing UPSI in furtherance of legitimate purposes, shall inform to the Compliance Officer, the Name and Permanent Account Number or such other identifier authorized by law or such other details, as may be required, of such persons or entities with whom UPSI is shared under these Rules;
- 6.2.2 The details so obtained shall be maintained in a digital database with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

7. CHINESE WALL PROCEDURES

- 7.1 All Designated Persons must maintain the confidentiality of all UPSI coming into their possession or control. To comply with this confidentiality obligation, the Designated Persons shall not:
- I. pass on any UPSI to any person directly or indirectly by way of making a recommendation for the trading in the securities of the Company; or
 - II. disclose UPSI to their family members, friends, business associates or any other individual, or
 - III. discuss UPSI in public places, or
 - IV. disclose UPSI to any Employee who does not need to know the information for discharging his or her duties, or
 - V. recommend to anyone that they may undertake trading in the securities of the Company while being in possession, control or knowledge of UPSI, or
 - VI. be seen or perceived to be trading in the securities of the Company on the basis of UPSI.
- 7.2 Files containing UPSI shall be kept secure under lock and key. Computer files must have adequate security of login and password etc. All Designated Persons must follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time-to-time in consultation with the person in charge of the information technology function. Each department shall nominate a member of the department who shall be responsible to ensure compliance with this clause.

8. PENALTY FOR CONTRAVENTION

8.1 ACTION BY THE COMPANY

- 8.1.1. An Insider who deals in the securities in contravention of the provisions of these Rules, shall be guilty of insider trading.
- 8.1.2 Any violation under these Rules shall attract disciplinary action by the Company.

8.1.3 An Insider who violates the provisions of these Rules or SEBI Regulations shall be liable to following penal/disciplinary actions by the Company:

| Sl. No. | Categories of Non-Compliances | Penal/ Disciplinary Actions that may be taken by the Board of Directors |
|---------|--|---|
| A | Substantive Non-Compliances: | An amount up to the higher of the following: two times the amount of gain made or loss avoided or Rs.1,50,000 and / or Termination from service. |
| 1 | Trading during Prohibited Period | |
| 2 | Trading on the basis of UPSI | |
| 3 | Undertaking Opposite transactions/ Derivative Transactions | |
| 4 | Making recommendation directly or indirectly on the basis of UPSI | |
| 5 | Communication of UPSI in violation of these Rules or the SEBI Regulations. | |
| 6 | Trading without seeking pre-clearance of trades | |
| B | Procedural Non-Compliances: | |
| 1 | Non Reporting/Delayed reporting of transactions required to be reported post trading. | Warning Notice for the first instance of non-compliance. For every repeated act - a fine up to Rs. 25,000. |
| C | Any other Non - Compliances (e.g. Sharing of UPSI without issuing due notice or a due notice or enter into a confidentiality agreements, Delay in filing of Initial/continual disclosures etc.) | Penalty as decided by the Audit Committee, based on the circumstances of each case |

8.1.4 In addition to the above penalties/actions, the Insider who violates these Rules, shall be liable for such other disciplinary action by the Company which may include salary freeze, suspension, recovery, claw back, ineligibility for future participation in employee stock option plans, stock appreciation rights, etc. Any amount collected with respect to the same shall be remitted to the Board for credit to the Investor Education and Protection Fund administered by the Board under the Act.

8.1.5 The above actions of Company will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such the defaulting Insider.

8.1.6 All cases of Substantive Non-Compliances as defined in clause 8.1.3.(A), Procedural Non-Compliances as defined in 8.1.3.(B) and any other Non-Compliances as defined in 9.1.3.(C) hereinabove involving any Insider, other than cases referred to in clause 8.1.8., hereinafter, shall be reported to the Board of Directors and the Board of Directors shall adjudicate all such matters involving the Designated Person(s), other than those referred to in clause 8.1.8.

8.1.7 Board of Directors may levy penalty within the specified limits and it may take appropriate disciplinary/remedial action against the defaulting Insider and the decision of and the action taken by Board of Directors shall be final and binding upon the defaulting Insider.

8.1.8 All cases of Substantive Non-Compliances as defined in clause 8.1.3.(A) and Procedural Non-Compliances as defined in 8.1.3.(B) and any other Non-Compliances as defined in 8.1.3.(C) hereinabove involving the following persons shall be reported to and adjudicated by the Board of Directors which may levy penalty within the specified limits and/or take appropriate disciplinary/remedial action against the defaulting Insider and decision of the Board of Directors shall be final and binding upon such person:

- i. Promoter
- ii. Director or KMP
- iii. Senior management personnel

8.2 ACTION BY STATUTORY AUTHORITIES

In the event of violation of the Companies Act, 2013 or the SEBI Regulations, no penalty levied or other action taken by the Company will preclude the SEBI or other appropriate authority(ies) from taking action under the relevant legislations.

9 INQUIRY/INVESTIGATION AND REPORTING OF ACTUAL OR SUSPECTED LEAK OF UPSI

- 9.1 On receipt of a complaint, the BOARD OF DIRECTORS shall take cognizance of the same and promptly nominate an Investigation Team (“Team”) as it may deem fit, to conduct a preliminary inquiry pertaining to instance of actual leak/ suspected leak of UPSI as reported in the complaint. The BOARD OF DIRECTORS may also engage an external investigator / advisor to assist / conduct an inquiry.
- 9.2 Within one week of completion of the preliminary inquiry, the Team shall submit its report to the BOARD OF DIRECTORS containing details of the alleged leak/ suspected leak and whether such complaint is prima facie genuine or frivolous.
- 9.3 Based on the findings of the preliminary inquiry, if the BOARD OF DIRECTORS has a reason to believe that there is an actual leak or a suspected leak of UPSI. The BOARD OF DIRECTORS shall proceed with the final inquiry by directing the Team and/ or the external agency, as the case may be, to conduct the same.
- 9.4 Within one week of the completion of the final inquiry, the Team/ external agency shall submit its report to the BOARD OF DIRECTORS containing its final findings regarding the reported complaint.
- 9.5 Within one week of submission of the report by the Team/ external agency on its findings of the final, The Compliance Officer shall promptly inform the SEBI regarding the actual or suspected leak of UPSI, inquiry / investigation conducted thereon and results thereof.

10. GENERAL

- 10.1 These Rules would be subject to revision/ amendment in accordance with the applicable laws.
- 10.2 The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of the Rules.
- 10.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under these Rules, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and the Rules shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
