



RAJGOR CASTOR DERIVATIVES LIMITED

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UNPUBLISHED PRICE SENSITIVE INFORMATION**

1. Introduction

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the '**Regulations**') mandates the listed companies to frame a Code of Practices and Procedures for fair and timely dissemination of unpublished price sensitive information. Accordingly, Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been approved and implemented by the Board of Directors of the Company.

2. Definitions

- **“Compliance Officer”** means any senior officer, designated so and reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified in the SEBI (Prohibition of Insider Trading) Regulations, 2015, under the overall supervision of the Board of Directors of the Company.

Explanation – For the purpose of this regulation, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

- **“Connected Person”** shall have the meaning given to it under Regulation 2(d) of the Regulations (as mentioned below) and shall also include the promoters and their directors and key managerial personnel:

"Connected person" means:

- a. any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - b. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:
 - i. an immediate relative of connected persons specified in clause (i); or
 - ii. a holding company or associate company or subsidiary company; or
 - iii. an intermediary as specified in section 12 of the Act 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 Board; 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.
- **“Contra Trade”** means a trade or transaction which involves buying or selling any number of shares of the Company and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.

- **“Designated Persons”** means:
 - a. Directors and KMPs;
 - b. All Employees and such other persons of the listed company and its material subsidiaries, intermediary or fiduciary designated by Compliance officer in consultation with the Managing Director, on the basis of their functional role or access to unpublished price sensitive information in the organization;
 - c. Chief Executive Officer and Employees comprising the top two tiers of the Company’s Management and material subsidiary as per their respective organization structure viz: President, Executive Vice President (s) and Vice President(s);
 - d. All promoters of the company and promoters who are individuals or investment companies for intermediaries or fiduciaries;
 - e. Any support staff of the company, intermediary or fiduciary such as IT staff or secretarial staff who have access to unpublished price sensitive information as may be identified by the Compliance Officer in consultation with the Managing Director;
 - f. Immediate Relatives of aforesaid persons.

Whereas fiduciary relation means relationship with accountancy firms, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, Analyst, banks, professionals or other advisors or consultants.

- **“Director”** means a member of the Board of Directors of the Company.
- **“Employee”** means every employee of the Company (whether working in India or abroad) including the Directors in the employment of the Company.
- **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis, such as information published on websites of stock exchanges.

- **“Immediate Relative”** means the spouse of the Designated Person, and includes parent, sibling and child of such Designated Person or of the spouse, who are either financially dependent on the Designated Person or consults the Designated Person in taking decisions relating to trading in securities.
- **“Insider”** means any person who is a Connected Person or in possession of or having access to UPSI. “Promoter” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- **“Key Managerial Personnel”** shall have the meaning assigned to it under the Companies Act, 2013.
- **“Legitimate purpose”** shall include sharing of UPIS 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.
- **“Leak of UPSI”** shall refer to such act/ circumstance(s) by virtue of which an UPSI is made or becomes generally available before its official publication or announcement or formal circulation in public domain and which shall also include any attempt thereof.
- **“Officer”** shall have the meaning assigned to it under the Companies Act, 2013.
- **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2[2018] or any modification thereof;
- **“Promoter group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- **“Specified Persons”** means all Directors, Employees and Connected Persons of the Company (including all Designated Persons).
- **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, pledge, unpledge, deal in the Company’s securities either directly or through portfolio management services, and “trade” shall be construed accordingly
- **“Trading Day”** means a day on which the recognized stock exchanges are open for trading.
- **“Trading in Securities”** means and includes an act of subscribing to, buying, selling, dealing or agreeing to subscribe to, buy, sell or deal in any Securities of the Company and “trade” shall be construed accordingly.

- **“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 Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:
 - a. Financial results;
 - b. Dividends;
 - c. Change in capital structure;
 - d. Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - e. Changes in key managerial personnel;
- **“Whistle Blower”** means an employee who reports instance of leak of Unpublished Price Sensitive Information in terms of this Code.
- **“Whistle Blower Policy”** to means a policy adopted by the Company in terms of Section 177(9) of the Companies Act, 2013 & Regulation 22 of SEBI Listing Regulations, 2015.

All terms used in this Code but not defined hereinabove shall have the meanings ascribed to them under the Regulations.

3. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Compliance officer:

The Board of the Company shall appoint the Company Secretary as the Compliance Officer to ensure compliance and for effective implementation of the Regulations and also this Code across the Company.

The Company Secretary shall ensure that this Code including amendments thereof, shall be formulated by Chief Executive Officer or the Managing Director and approved by the Board of Directors of the Company.

The Compliance Officer shall report to the Board of the Company. The Company Secretary shall hold the position of the Compliance Officer so long as he/ she remains the Company Secretary of the company. In the event of the office of the Company Secretary falling vacant till such time a successor is appointed, the Managing Director shall, in the interim period act as the Compliance Officer.

In order to discharge his/ her functions effectively, the Compliance Officer shall be adequately empowered and provided with adequate manpower and infrastructure to effectively discharge his/ her function. In the performance of his/ her duties, the Compliance Officer shall have access to all information and documents relating to the Securities of the Company.

The Compliance Officer shall act as the focal point for dealings with SEBI in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.

Duties of the Compliance Officer:

The Compliance Officer shall be responsible for:

- setting forth policies in relation to the implementation of the Code and the Regulations in consultation with the Board/ Audit Committee;
- prescribing procedures for various activities referred to in the Code;
- compliance with the policies and procedures referred hereinabove;
- monitoring adherence to the rules for the preservation of UPSI;
- grant of pre-trading approvals to the Designated Persons for trading in the Company’s Securities by them/ their Immediate Relatives and monitoring of such trading.

- implementation of this Code under the general supervision of the Audit Committee and the overall supervision of the Board of the Company.

The Compliance Officer shall maintain a record (either manual or in electronic form) of the Designated Persons and their Immediate Relatives and changes thereto from time-to-time.

The Compliance Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and this Code. The Compliance Officer shall place status reports before the Chairman of the Audit Committee, detailing Trading in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-trading procedure prescribed under the Code once in a financial year.

4. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

Specified Persons shall maintain the confidentiality of all UPSI coming into their possession or control. To comply with this confidentiality obligation, the Specified Persons shall not:

- a. communicate, provide or allow access of UPSI to any person directly or indirectly, including by way of making a recommendation for the purchase or sale of Securities of the Company unless such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; or
- b. discuss UPSI in public places; or
- c. disclose UPSI to any Employee who does not need to know the information for discharging his or her duties; or
- d. recommend to anyone that they may undertake Trading in Securities of the Company while being in possession, control or knowledge of UPSI; or
- e. be seen or perceived to be Trading in Securities of the Company while in possession of UPSI.

Need to Know

The Specified Persons who are privy to UPSI, shall handle the same strictly on a “Need to Know” basis. This means the UPSI shall be disclosed only to those persons who need to know the same in furtherance of a legitimate purpose, the course of performance or discharge of their duty and whose possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of the information.

Limited access to confidential information

Specified Persons privy to confidential information shall, in preserving the confidentiality of information, and to prevent its wrongful dissemination, adopt among others, the following safeguards:

- files containing confidential information shall be kept secure;
- computer files must have adequate security of login through a password;
- 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.

Trading Window

Other than the period(s) for which the Trading Window is closed as prescribed hereunder, the same shall remain open for Trading in the Securities of the Company. Unless otherwise specified by the Compliance Officer, the Trading Window for Trading in Securities of the Company shall be closed for the Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons are reasonably expected to have UPSI, including for the following purposes:

- a. declaration of financial results;
- b. declaration of dividends;
- c. change in capital structure;
- d. Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. For Board meetings to be held for consideration of quarterly/ annual financial results: Starting from end of the relevant quarter and till 48 hours after the declaration of financial results.
- g. For any other Board meeting in which confidential matter(s) having impact on the price of the securities of the Company, is discussed.

All the Designated Persons shall strictly conduct all their Trading in the Securities of the Company only when the Trading Window is open and no Designated Persons shall trade in the Securities of the Company during the period the Trading Window is closed or during any other similar period as may be specified by the Compliance Officer from time-to-time.

The gap between clearance of accounts by Audit Committee and Board Meeting should be as narrow as possible preferably on the same day to avoid leakage of material information.

5. MECHANISM FOR PREVENTION OF INSIDER TRADING

- a. The Company Secretary shall be responsible to have adequate and effective system of internal controls including identification of employees who have access to unpublished price sensitive information and list of all the employees and other persons with whom unpublished price sensitive information is shared by the Company.
- b. The Company Secretary shall be responsible for:
 - i. Identification of all the unpublished price sensitive information and maintenance of its confidentiality,
 - ii. Adequate restrictions are placed on communication or procurement of unpublished price sensitive information,
 - iii. Maintenance of database of names of such persons or entities as the case may be with whom unpublished price sensitive information is shared and confidentiality agreements is signed and notice is served to all such employees and persons;
 - iv. Shall review compliance under these regulations on periodical basis and update the Audit Committee at least once in a financial year.

6. PROHIBITION ON INSIDER TRADING

An Insider shall not, directly or indirectly:

- i. Trade in securities of the Company that are listed or proposed to be listed when in possession of UPSI;
- ii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI;

- iii. Provide advise/ tips to any third party on trading in Company's securities while in possession of UPSI; and
- iv. An insider who has ceased to be associated with the Company shall not, for a period of six months from date of such cessation, directly or indirectly trade in the Company's Securities while in possession of UPSI.

Trading in Securities of other companies: No Insider may, while in possession of UPSI about any other public company gained in the course of employment with the Company,

- i. trade in the securities of the other public company,
- ii. tip or disclose such material non-public information concerning that company to anyone, or
- iii. give trading advice of any kind to anyone concerning the other public company.

No Insider may take positions in derivative transactions in the securities of the Company at any time. The restriction specified above may not apply to:

- a. A transaction that is an off-market inter-se transfer between Insiders who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and
- b. Trades pursuant to a Trading Plan setup in accordance with these Rules and SEBI Regulations.

When a person has traded in securities 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.

7. DISCLOSURES REQUIREMENTS:

A. DISCLOSURES BY PROMOTERS, MEMBERS OF PROMOTER GROUP, DIRECTORS AND KEY MANAGERIAL PERSONNEL TO THE COMPANY

a) Initial Disclosures

On appointment as Key managerial personnel or a director of the Company or upon becoming the promoter or member of the promoter group, such person shall provide disclosure of his holding of securities of the Company to the Compliance Officer within seven days of such appointment or becoming promoter or member of the promoter group.

b) Continual Disclosures

Every promoter, member of the promoter group, designated person and director of every company shall disclose, within 2 trading days, to the Compliance Officer, the number of securities acquired or disposed of, whether one transaction or in series of transactions over any calendar quarter and the value of such transactions is in excess of Rs 10 lakhs or such other value as may be specified.

B. DISCLOSURES BY COMPANY TO STOCK EXCHANGES

The Compliance Officer of the Company shall notify the particulars of such trading to the Stock Exchange within two trading days of receipt of the disclosure or from becoming aware of such information.

C. DISCLOSURES BY OTHER CONNECTED PERSON

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

D. FAIR DISCLOSURE OF UPSI

- a. The Company shall promptly disclose the UPSI that would impact discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
 - b. Disclosure of UPSI shall be uniform and universal to avoid any selective disclosure.
 - c. If any UPSI is disclosed selectively, inadvertently or otherwise, such information shall be disseminated promptly to make such information generally available.
 - d. Compliance Officer shall ensure that any information shared with analysts and research personnel shall not be UPSI.
- a. On receipt of any market rumours or news report by the Company, same shall be provided to Compliance Officer on immediate basis. Compliance Officer in consultation with Managing Director or Chairman, shall verify such market rumours or news report and shall provide appropriate and fair responses to stock exchange(s).

8. POLICY FOR INQUIRY IN CASE OF LEAK OF UPSI

The Board of Directors of the Company have adopted the Policy on Whistle Blower so that the employees of the company have a secure mechanism to report any concerns which inter-alia includes actual, suspected or planned leakage of any UPSI involving a Designated/ connected persons/intermediary of the Company.

Any employee of the Company has a right to report any such concerns through this policy, knowing fully well that such an act of whistle blowing on his/ her part would not lead to any discrimination against him/ her.

Inquiry into an instance of leak or suspected instance of Leak of UPSI shall be initiated, in accordance with the Investigation process provided under the Whistleblower Policy of the Company, by the Compliance Officer. The details of the leaks, inquiries and the results of the enquiries shall be informed to the Board promptly as required under the law.

9. PROTECTION TO EMPLOYEES

The Company shall not retaliate, in any form, including by way of discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any Employee who reports in good faith any alleged insider trading violations to Securities Exchange Board of India (*"the Informant"*), in accordance with the Informant mechanism introduced vide SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 dated September 17, 2019.

AMENDMENT

Any change in the Policy shall be approved by the Board of the Company. The Board shall have the right to withdraw and/ or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

DISSEMINATION OF THE CODE

The policy shall be hosted on the website of the Company i.e. <https://www.rajgorcastor.com>.

This said Policy shall be effective from the date of listing of securities on stock exchange.