

# Code of Conduct for Prohibition of Insider Trading

[Under the SEBI (Prohibition of Insider Trading) Regulations, 2015  
Applicable to the Directors/Officers/Designated Employees and Connected Persons]

## STEWARTS AND LLOYDS OF INDIA LIMITED

This code may be called as code of conduct of Stewarts and Lloyds of India Limited( S&L) for prevention of Insider Trading. This Code can be modified/amended/alterd by Directors/Compliance Officer authorized by the Board. But in case of any statutory modification or amendment or alteration of the provisions of SEBI (Prohibition of Insider Trading), Regulations 2015, the newly modified / amended / altered provisions of the Regulation shall be placed before the Board of Directors of S&L and the same shall be implemented effective from the date of approval of the same by the Board.

### 1. PREAMBLE

**Insider trading means** dealing in securities of a listed company traded on any Stock Exchange in India by insiders which term includes Directors, Officers and Designated Employees of the Company based on or when in possession of unpublished price sensitive information (UPSI).

The SEBI, as part of its efforts to protect the interest of investors in general, had issued the SEBI (Prohibition of Insider Trading) Regulations, 2015, under the powers conferred on it by the SEBI Act, 1992, which is made applicable to all the listed companies. The Regulations prohibits insider trading.

### 2. APPLICABILITY

This code shall be applicable to all the Directors, Officers, and Designated Employees of S&L and their relatives

### 3. DEFINITIONS

- (a) **Act** means the Securities & Exchange Board of India Act, 1992;
- (b) **Board of Director** means the Board of Directors of S&L
- (c) **Body Corporate** means a body corporate as defined under Sub section 11 of Section 2 of the Companies Act, 2013
- (d) **The Company** means Stewarts and Lloyds of India Limited (S&L)
- (e) **Compliance Officer** The Officer appointed by the Board of Directors of S&L for the purpose of these regulations from time to time.
- (f) **Code** means this Code of Conduct for Prevention of Insider Trading including modifications made thereto from time-to-time.
- (g) **Trading** means and includes subscribing, buying, selling or agreeing to subscribe, buy, sell or deal of securities. Of S&L.
- (h) **Promoter** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof
- (i) **Designated Employees** shall mean and include :-
  - i. Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary(CS)
  - ii. General Manager and above of S&L;
- (j) **Officer** shall mean and include —
  - i. Statutory, Secretarial and Internal Auditor .
  - ii. Person occupying the position as an officer or an employee in the Company or holds a position involving a professional or business relationship between himself and S&L whether temporary or permanent and who may reasonably be expected to have an access to unpublished price sensitive information in relation to that company.
  - iii. Any other person as decided by the Board of Directors of S&L.
- (k) **Director** means Directors on the Board of S&L both Executive and Non-Executive, Independent and Non Independent.
- (1) **Insider** means any person who,
  - i. is or was connected with S&L or is deemed to have been connected with S&L and who is reasonably expected to have access to unpublished price sensitive information in respect of S&L, or

- ii. has received or has had access to such unpublished price sensitive information.
- (m) **unpublished price sensitive information** 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, delisting, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and
  - (vi) material events in accordance with the listing agreement.
- (n) **Regulation** means Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015 as amended from time to time.
- (m) **Securities** shall mean the Equity Shares of Rs. 10/- each of S&L and such other securities of S&L issued from time to time as may be specified by the Board or the Managing Director or the CEO as the case may be of S&L.
- (o) **Trading Window** means a trading period for trading in the Company's Securities as specified by the Company from time to time. All days shall be the Trading Period except those days specified in Clause 2.5 hereunder.
- (p) **Trading day** means a day on which the recognized stock exchanges are open for trading;
- (q) **Connected person** means,- As defined in SEBI (Insider Trading) Regulation, 2015
- (r) **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;

#### 4. CODE

##### 1. Chief Investor Relations Officer

- 1.1 S&L has appointed the Company Secretary as the Compliance Officer who shall report to the Board of Directors.
- 1.2 The Compliance Officer of the Company shall act as Chief Investor Relations Officer ("CIRO") under the new Insider Trading Regulations, 2015. The CIRO is authorized by the Company to ensure proper and timely dissemination of information and disclosure of unpublished price sensitive information.
- 1.3 The Compliance Officer shall maintain a record of the designated employees and any changes made in the list of designated employees.
- 1.4 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the company's code of conduct.

##### 2. Preservation of Price Sensitive Information.

- 2.1 Directors, Officers, Designated Employees and Connected Persons shall maintain the confidentiality of all Price Sensitive Information. Directors, Officers and Designated Employees and Connected Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- 2.2 Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within S&L who need the information to discharge their duty.
- 2.3 Files containing confidential information shall be kept secured. Computer files must have adequate security of login and password etc.

2.4 All Directors, Officers and Designated Employees of S&L and Connected Persons shall be subject to trading restrictions as enumerated below.

**i. When the trading window is closed, the Directors, Officers, Designated Employees and Connected Persons shall not trade in the company's securities in such period.**

**ii. The trading window shall be, inter alia closed at the time:**

- a. Declaration of financial results (quarterly, half-yearly and annually).
- b. Declaration of dividends (interim and final).
- c. Issue of securities by way of public/rights/bonus etc.
- d. Any major expansion plans or execution of new projects.
- e. Amalgamation, mergers, takeovers and buy-back.
- f. Disposal of whole or substantially whole of the undertaking.
- g. Any changes in policies, plans or operations of the Company.
- h. And any other matter which is likely to be price sensitive.

**iii. Closure of trading window shall commence 12 days before the date of meetings of Board of Directors of S&L are held to consider any of the items referred hereinabove, unless decided otherwise by the Board.**

**iv. The trading window shall be re-opened 48 hours after the information referred hereinabove, is made public.**

**v. Any director/officer/designated employee of S&L and Connected Person shall conduct all his/her dealings in the securities of S&L only during trading window is open.**

**2.6 All Directors, Officers and Designated Employees shall not engage in dealing in securities, whether on their own account or on behalf of the Dependent and shall ensure that their Dependent shall also not engage in Dealing in Securities on their own account, if such Director, Officer or Designated Employee is in possession of any unpublished price sensitive information.**

### **3. Trading Plan**

3.1 An insider shall formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

3.2 Insider shall submit trading plan before six months from commencement of trading.

3.3 Insider shall not enter into the transaction between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by of the securities and the second trading day after the disclosure of such financial results.

3.4 If another trading plan is already in existence no other plan shall not be accepted covering the same time period.

3.5 Insider in his trading plan shall set out number of Securities to be traded along with the nature of the trade and time gap between the trade and dates on which such trade shall be effected.

3.6 Compliance officer shall review the trading plan, approve and monitor the implementation of the plan.

3.7 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.

3.8 The Insider shall not execute the aforesaid trading plan if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event Insider shall execute trading plan when such information shall become public.

3.9 After approval the trading plan Compliance Officer shall inform the BSE & NSE about the approved trading plan and the same will be broadcast on Company's website.

3.10 Insider shall submit trading plan along with the declaration and application in "**Annexure- 1 to 3**" or any other format specified by SEBI or BSE.

#### **4. Pre-clearance of trades**

4.1 All Directors, Officers, Designated employees of S&L and Connected Persons who intend to deal in the securities of S&L should pre-clear the transaction as per the pre-dealing procedure as described hereunder.

4.2 An application may be made in prescribed format (Annexure 2) to the Compliance Officer indicating the estimated number of shares that the Insider intends to deal in, the depository with which he/she has an account and the details as to his/her shareholding before and after the intended transaction.

4.3 An undertaking (Annexure 3) shall be executed in favour of the company by such directors, officers, designated employees incorporating, inter alia, the following clauses, as may be applicable :

- a) That the director, officer, designated employee does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
- b) That in case the employee, director, officer 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 S&L from time to time.
- d) That he/she has made a full and true disclosure in the matter.

#### **5. Other restrictions**

5.1 All directors, officers, designated employees, their dependents and Connected Persons shall execute their order in respect of securities of S&L within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the directors, officers, designated employees must pre-clear the transaction again.

5.2 All directors/ officers/ designated employees who buy or sell any number of shares of S&L 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 directors/ officers/designated employees shall also not take positions in derivative transactions in the shares of S&L at any time.

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

5.3 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/ her reasons in this regard.

#### **6. Reporting requirements for transactions in securities Initial Disclosures**

6.1 Every promoter, key managerial personnel and director of S&L whose securities are listed on any recognised stock exchange shall disclose his latest holding of Securities of S&L mentioning date of holding as on 15<sup>th</sup> May 2015 taking effect, to the Company within thirty days of these CODE taking effect;

6.2 Every person on appointment as a key managerial personnel or a director of S&L or upon becoming a promoter shall disclose his holding of securities of S&L as on the date of appointment or becoming a promoter, to S&L within seven days of such appointment or becoming a promoter to Compliance Officer.

#### **Continual Disclosures.**

6.3 Every promoter, employee and director of S&L shall disclose to S&L 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 ten lakh rupees or such other value as may be specified by SEBI time to time.

6.4 Compliance Officer of S&L shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

**Disclosures by other connected persons.**

6.5 Disclosures shall be made as per the SEBI (Insider Trading) Regulation, 2015

6.6 Compliance Officer shall maintain records of all the declarations in the appropriate form given by directors , officers, designated employees for a minimum period of three years.

**7. Penalty for contravention of code of conduct**

7.1 Any Director, Officer, Designated Employee who trades in securities or communicates any Information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by S&L.

7.2 The action by S&L shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

8. In case it is observed that there has been a violation of SEBI ( Prohibition of Insider Trading ) Regulation, 2015 SEBI shall be informed by S&L.

9. Disclosure on Public Domain:

This Code of practices and procedures for fair disclosure of unpublished price sensitive information and amendment thereof will be published on the Company's website and every amendment thereto shall be promptly intimated to the Stock Exchanges where the securities are listed. This Code has been approved by the Board at it's meeting held on 5<sup>th</sup> May 2015

(Annexure-1)

**Trading' Plan**

(Under Code of Conduct of the Company read with SEBI Insider Trading regulation, 2015)

To,

The Compliance Officer

Stewarts and Lloyd of India Limited

41 Chowringhee Road,Kolkata -700 071

Dear Sir /Madam

Ref: DP's name DP ID

CLIENT ID

Name of insider Address

Your approval is solicited for proposed Trading Plan for purchase & sale of securities of the Company in physical / demats form. I am furnishing details of trade to be made in six month after approval of the proposed trading plan:- •

<b>SL No.</b>	<b>Nature of Trade</b>	<b>Number of Securities to be</b>	<b>Time intervals between Two</b>	<b>Date of propose trade</b>

1. I confirm that I do not have access to the unpublished price sensitive information and also have not received unpublished price sensitive information till today;

2. that in case I have access to the price sensitive information or receives it after approving the trading plan I shall inform the change and refrain from dealing in securities till the information becomes public;
3. that I have not contravened the code of conduct for prevention of insider trading as notified by the Company
4. that whatever is stated above is true and correct to the best of my knowledge and nothing has been concealed.

Yours truly

Signature

Name.....

Designation .....

Employee Code no .....

(Annexure-2)

### **Application for pre clearance of trade**

(Under Code of Conduct of the Company read with Insider Trading regulation, 2015)

To,

The Compliance Officer

Stewarts and Lloyds of India Limited

41 Chowringhee Road, Kolkata-700 071

Dear Sir /Madam

Ref: DP's name DP ID/CLIENT ID

Name of insider

Address

Your approval is solicited for purchase/sale of securities of the Company in physical / demats form.

I state on solemn affirmation:

1. that I am Director/Officer/Designated Employee of the Company who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company;
2. that I intend to purchase/sale (state, No. of securities) securities of the Company in physical/demat form immediately on receipt of clearance for trade;
3. that I am aware of the code of conduct for Prohibition of Insider Trading **(PIT)** and that the provisions are applicable to me.
4. that I do not have access to the unpublished price sensitive information and also have not received unpublished price sensitive information till today;
5. that in case I have access to the price sensitive information or receives it after signing this undertaking, I shall inform the change and refrain from dealing in securities till the information becomes public;
6. that I have not contravened the code of conduct for prevention of insider trading as notified by the Company
7. I will hold/not repurchase such equity shares/listed securities for a minimum period of thirty days from the date of purchase/sale.

8. In case of non-execution of transaction by me within 7 trading days from the date of permission for purchase/sale, I will again take the clearance for the same.

9. that whatever is stated above is true and correct to the best of my knowledge and nothing has been concealed.

Yours truly

Signature

Name .....

Designation .....

Employee Code no.....

(Annexure-3)

### UNDERTAKING

I \_\_\_\_\_ aged \_\_\_\_\_ about \_\_\_\_\_ years, Son of \_\_\_\_\_  
\_\_\_\_\_ working in the capacity of \_\_\_\_\_ in Stewarts and Lloyds of India Limited, 41  
Chowringhee Road, Kolkata-700 071 (hereinafter referred to as 'Company') do hereby solemnly declare and undertake as under:

1. that I am working with the company with effect from \_\_\_\_\_
2. that as on date I do not possess/own any shares of the company or I have purchased \_\_\_\_\_ nos. of shares of the Company from open market. (strike out which is not applicable)
3. that I have received and read the Company's code of conduct and agree to comply with the Company's code of conduct and ethics from time to time.
4. that I do not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
5. In the event that I have access to or receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction for which approval is sought, I shall inform the compliance officer of the Company of the change in my position and that I would completely refrain from dealing in the securities of the company till the time such information becomes public.
6. that I shall not communicate, counsel or procure directly and indirectly any unpublished Price Sensitive Information (PSI) as mentioned in Company's code of conduct to any person who while in possession of such unpublished PSI & shall keep the confidential information which is in my possession secured.
7. that I shall provide Initial disclosure about shareholding in the requisite form to the compliance officer of the Company.
8. that I shall undertake to seek pre-clearance of the compliance officer for any securities transaction and shall make an application, submit required forms duly filled and signed.
9. that I shall give annual statement of shareholding in Company's securities by 30th April of every year along with my dependent.
10. that I have not contravened the code of conduct for prevention of insider trading as notified by the Company and shall be fully liable in any event of contravention/ noncompliance of the same.
11. That I have made a full and true disclosure in the matter

Signature Date .....

.....

Name

.....

Place

.....

Emp. Code

.....