



## **Prakash Industries Limited**

Regd. Office : 15 Km. Stone, Delhi Road, Hissar - 125044 (Haryana)  
Corporate Identity Number (CIN) – L27109HR1980PLC010724  
Email : pilho@prakash.com, Website: www.prakash.com

### **SCHEDULE B INSIDER TRADING- CODE OF CONDUCT FOR DESIGNATED PERSONS**

This Code of Conduct has been approved in compliance to the Regulation 9(1) of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 w.e.f. 1st April, 2019 by adopting the minimum standards set out in **Schedule B of the Regulations** in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

#### **1. APPLICABILITY OF THIS CODE**

This Code is applicable to the designated persons as may be specified by the Board of Directors and their immediate relatives.

#### **2. COMPLIANCE OFFICER**

Mr. Arvind Mahla, a senior officer of the Company shall be Compliance Officer for the purpose of administering the code of conduct and other requirements under these regulations. The Compliance Officer shall report to the Chairman of the Board of Directors of the Company once in a year.

#### **3. DETERMINATION OF DESIGNATED PERSONS**

The Board of Directors 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on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation, who shall be covered by this code.

#### **4. CODE OF CONDUCT FOR DESIGNATED PERSONS**

All designated persons shall be governed by this code of conduct governing dealing in securities.

To prevent the misuse of confidential information, The Company has laid down **Chinese Walls Procedures as follows**, which separate those areas of the Company that routinely have access to confidential information, considered "inside areas" from those which deal with sale / marketing / investment advice or other departments providing support services, considered "public areas".

- a) The employees in the inside area shall not communicate any Unpublished Price Sensitive Information(UPSI) to anyone in public area;
- b) The Company shall have process of maintaining securely, computer files containing confidential information and physical storage of documents relating to UPSI;
- c) All the UPSI is to be handled on "need to know basis", i.e., 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 the non- public information directly received by any employee should immediately be reported to the head of the department. In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

5. Designated persons may execute trades subject to compliance with SEBI Insider Trading Regulations 2015 as amended from time to time. The trading window shall be closed 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 closure shall be imposed in relation to such securities to which such UPSI relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
6. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.  
**(Annexure-1)**
7. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above Rs 10,00,000/(Rupees Ten Lakh only) in one transaction or series of transactions in one quarter as stipulated by the board of directors of the Company. The Board of directors may review the limit of preclearance.  
All such persons buy or sell securities and if the value of the securities likely to be traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten Lakh Only), should obtain pre-dealing approval from Compliance officer and for this purpose submit application for pre-dealing approval together with an undertaking as per **Annexure-2, 2A and 2B.**
8. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
9. The Pre-cleared trades have to be executed by the designated person within seven trading days, failing which fresh pre-clearance would be needed for the trades to be executed.
10. The designated person who is permitted to trade shall not execute a contra trade, within a period of six months from execution of preclearance trade. The compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.
11. Any contravention of this code of conduct and violation of provisions of Insider trading regulations by designated person may lead to actions i.e. the sanctions and disciplinary actions, including wage freeze, suspension, recovery, clawback etc., that may be imposed, by the Company on designated persons as per determination by the Board of Directors of the Company and its empowered committee in this regard.
12. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

- a) immediate relatives
- b) persons with whom such designated person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – 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 during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.]

### **DISCLOSURE REQUIREMENTS**

#### 1) Initial Disclosure:

- a. Every Promoter, member of the Promoter group, Key Managerial Personnel, director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days of these Rules taking effect as per **Form A** set out in **Annexure 3**.
- 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 and each of their Immediate Relatives shall disclose his / her holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as per **Form B** set out in **Annexure 4**.

#### 2) Continual Disclosure:

- a. Every Promoter, member of the Promoter group, designated person and employee, director of the Company and each of their Immediate Relatives 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 Rs. Ten lakhs as per **Form C** set out in **Annexure 5**.

#### 3) Disclosure to the Stock Exchange:

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

**# Adopted by Board of Directors through Resolution by Circulation dated.....**

**Annexure-1**

**DRAFT INTERNAL CIRCULAR FOR INTIMATING CLOSURE OF TRADING WINDOW**

**(to be circulated with Notice of each Board Meeting)**

Dated :

Subject: Urgent – Window Closing Notice (Insider Trading Restrictive period)

Dear All,

The Board meeting for approving ..... shall be held on..... 2019.

In view of this, as per the Company's Code of Practices and Procedures for Fair Disclosure and conduct for Regulating, Monitoring and Reporting of trading by Insiders, I request all of you to refrain from trading in the Company's shares with immediate effect till the expiry of 48 hours after the public announcement of ..... 2019 is made.

Any contravention of the above will be offence under the SEBI Act, 1992 Regulations and punishable with a penalty of Rs. 25 (Twenty-Five) crore or three times of the profit made out of the insider trading, whichever is higher.

I request all of you to go through the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended.

In case any clarifications required by you, please communicate at Arvindm@prakash.com.

Thanks for your co-operation in this regard,

**For Prakash Industries Limited**

**Arvind Mahla**  
**Company Secretary**

**DRAFT CIRCULAR (to be circulated to all)**

Dated : .....

Subject: Compliance with SEBI (Prohibition of Insider Trading Regulations,2015) as amended

Dear All,

Please furnish the Shareholding and Securities transactions of Prakash Industries Ltd held by you and immediate relatives as per details mentioned under as on 1st April, 2019:

1.	Name of the Employee		
2.	Designation		
3.	Number of Shares held as on date by Employee		
4.	Folio No. / DP ID / Client ID No.) of Employee		
3.	Number of Securities held as on date by Employee's Relative as on date		
a)	Name, Relation to Employee		
B	No. of Share held		
4.	Folio No. / DP ID / Client ID No.) of Employee's relative as on date		
5.	Securities Transactions or series of transactions details over any Calendar quarter starting from 15 <sup>th</sup> May 2015 to till date in excess of Rs Ten lakh rupees		(i)Purchase of securities No. of shares: Value of transactions: Quarter :  (ii) Subscription of securities No. of shares: Value of transactions: Quarter:  (iii )Sale of securities No. of shares: Value of transactions: Quarter

You are also required to submit disclosures to the Company in Form C (annexed as Annexure)

1) 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.

All Directors, designated employees are required to take pre-clearance approval from Compliance officer of the Company 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 as per format provided in Annexure-2 and Annexure-2A.

Further, when trading window is closed, request all of you to refrain from trading in the Company's shares with effect from announcement of Closure of trading window till the expiry of 48 hours after the public announcement of event/activity is made.

Any contravention of the above will be offence under the SEBI Act, 1992 Regulations and punishable with a penalty of Rs. 25 (Twenty-Five) crores or three times of the profit made out of the insider trading, whichever is higher.

I request all of you to go through the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015).

In case any clarifications required by you, please communicate at Arvindm@prakash.com.

The abovementioned information to be provided by all by 7th April 2019.

Thanks for your co-operation in this regard,

**For Prakash Industries Limited**

**Arvind Mahla**  
**Company Secretary**

**SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL  
(for designated employees)**

Date:

To,  
The Compliance Officer,  
**Prakash Industries Ltd,**  
Srivan, Bijwasan  
Delhi-110061

Dear Sir/Madam,

**Application for Pre-dealing approval in securities of the Company**

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 as amended and the Company's Code of Practices and Procedures for Fair Disclosure for Regulating, Monitoring and Reporting of trading by Insiders, 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		
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 form of undertaking signed by me

Yours faithfully

(Signature)

**DRAFT FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE  
APPLICATION FOR PRE-CLEARANCE APPROVAL**

To,

The Compliance Officer,  
**Prakash Industries Ltd,**  
Srivan, Bijawasan  
Delhi-110061

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

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015 as amended for regulating, monitoring and reporting of trading by Insiders) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as “Price Sensitive Information” as defined in the aforesaid regulation, 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.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within four days of execution of the transaction / a ‘Nil’ report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 trading days of the receipt of approval failing which I shall seek fresh pre-clearance.

I shall not execute contra trade within six month of the trading.

I declare that I have made full and true disclosure in the matter.

Date: Signature: \_\_\_\_\_

Name:

\* Indicate number of shares



**DRAFT FORMAT FOR PRE- CLEARANCE APPROVAL**

To

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Place : \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (Nos.) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within 7 trading days from today.

In case you do not execute the approved transaction / deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within one trading days from the date of transaction / deal.

In case the transaction is not undertaken a 'Nil' report shall be necessary.

In case any contra trade is executed within six month of the trading, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Company.

Yours faithfully,

For **Prakash Industries Limited**

**COMPLIANCE OFFICER**

Date :

**FORM A****SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms

*Note: In case of Options, notional value shall be calculated based on premium plus strike price of options*

**Name & Signature:**

Designation:

Date:

Place:

## ANNEXURE-4

**FORM B**

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a **director/KMP/Promoter**]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Name &

Signature:

Designation:

Date:

Place:

## FORM C

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual disclosure

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

Details of change in holding of Securities of Promoter, Employee or Director of the company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP / Director s/immediate relative to/other s etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public / rights/ preferential offer / off market/ Inter-se transfer , ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge / Revoke / Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc)					Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell	
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)

**Note:** In case of Options, notional value shall be calculated based on Premium plus strike price of options.