

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

### **Introduction:-**

The Securities and Exchange Board of India formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 and mandates every listed company to formulate a code of conduct on Prevention of Insider Trading, prohibiting communication or use of unpublished price sensitive information and monitor and report trading in securities of a company by Insiders.

In compliance with said Regulations the Company has promulgated this Code to set out the standards and regulate and/or monitor compliance of said Regulations by all the Insiders.

### **Definition: -**

- ♣ **“Board of Director”** means ‘Board of Directors’ of the Company.
- ♣ **“Code”** means this ‘Code of Conduct for Prevention of Insider Trading’ of the Company.
- ♣ **“Company”** means ‘Castle Traders Limited’.
- ♣ **“Connected Person”** means
  - holding company;
  - associate company;
  - subsidiary company;
  - employee or director thereof; and
  - immediate relative of connected persons;
- ♣ **“Designated Persons”** means and includes:
  - prompters of the Company;
  - directors of the Company and its subsidiaries;
  - key Managerial Personnel as defined under the Companies Act, 2013;
  - all employee of the Company and any of its subsidiaries who are in General Manager Grade and above;
  - employee(s) in the Secretarial, Legal, Finance, Accounts Department of the Company;
  - other persons as designated by the Board of Directors of the Company, from time to time; and
  - immediate relatives of persons covered above.
- ♣ **“Trading”** means and includes:-
  - subscribing,
  - buying,
  - selling,
  - dealing or
  - agreeing to subscribe, buy, sell, deal in securities of the Company and “Trade” shall be construed accordingly.

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### ♣ "Unpublished Price Sensitive Information" or "UPSI" means:-

any information, relating to the 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:

- declaration of financial results;
- declaration of dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- changes in key managerial personnel; and
- material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### ♣ Prohibition on insider trading

- insider shall not, directly or indirectly,
  - ◆ trade in securities that are listed or proposed to be listed when in possession of UPSI;
  - ◆ trade in securities of the Company except when the Trading Window is open and
  - ◆ the Insider is not in possession of UPSI.
- designated persons shall not Trade in the Company's securities when the trading window is closed.
- the time for commencement of closure of trading window shall be decided by the Company.
- the trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.

### ♣ Disclosure with regard to insider trading:-

- Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter 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.
- for the purpose of compliance with insider trading regulations, designated persons required to disclose to the company the number of such acquired or disposed of within two trading days of such transactions if the value of the securities traded whether in one transactions 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 and every company 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:-

- company whose securities are listed on a stock exchange 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 in such form and at such frequency as may be determined by the company in order to monitor compliance with these regulations.

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