

# AGARWAL DUPLEX BOARD MILLS LIMITED

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

### 1. Introduction

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Company has adopted a “Code of Conduct for Prevention of Insider Trading”. The object of the code is to prevent dealing in securities of the Company by an insider (As defined in the Regulation) either on his own behalf or on behalf of the other, on the basis of the unpublished price sensitive information of the Company.

### 2. The Policy and Obligations

The Company endeavors to preserve the Confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company always tries and is committed to make transparency and fairness in dealing with all shareholders, stake holders and adherence to all applicable laws not only in their letters but in their spirits too.

Every Director and Designated employee of the Company has a duty to maintain confidentiality of all price sensitive information they access during course of his or her work at the Company. No Director/Executive Director/General manager and other designated employee may use his or her position or knowledge of the price sensitive information of the Company to gain personal benefit or for the benefit for any other party.

To maintain the above objective “**Agarwal Duplex Board Mills Limited**” has made the following code of conducts to be followed by all Directors (Executive, Non-Executive and Independent Directors)/Managers and other designated employee of the Company who have access to price sensitive information of the Company.

### 3. Applicability

This code shall apply to all Directors (Executive, Non-Executive and Independent Directors)/Managers and other designated employee of the Company who have access to price sensitive information of the Company.

### 4. Definitions

In this code, unless the context otherwise requires;

(i) “SEBI Act” means the Securities and Exchange Board of India Act, 1992.

(ii) “Regulations” means the SEBI (Prohibition of Insider Trading), 1992 as amended from time to time.

(iii) “The Company” means “**Agarwal Duplex Board Mills Limited**”

(iv) "Code" means the code specified by the "**Agarwal Duplex Board Mills Limited**" for prevention of Insider Trading, as modified from time to time.

(v) "Dealing in Securities" means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in the Securities of "**Agarwal Duplex Board Mills Limited**" by any person either as principal or Agent.

(vi) "Dependents" means Spouse, Dependent Parents, Dependent Children and any other person dependent on designated employees.

(vii) "Insider" means any person who,

a) Is or was connected with the Company or is deemed to have been connected with the Company and who is reasonably expected to have access to unpublished price sensitive information in respect of the Securities of the Company, or

b) Has received or has had access to such unpublished price sensitive information.

(viii) "Officer of the Company" means any person as defined in Companies Act, 1956 and 2013, including Auditor of the Company.

(ix) "Price Sensitive information" means any information that relates directly or indirectly to the Company and when, if published" is likely to materially affect the price of the Securities of the Company.

The following shall be deemed to be price sensitive information.

a) Periodical Financial Results of the Company

b) Intended declaration of dividend (both interim and final, if any)

c) Issue of Securities (by way of Public/Rights/Bonus etc.) or Buy- back off securities.

d) Any major expansion plans or execution of new projects

e) Amalgamation, mergers or takeovers

f) Disposal of whole or substantial part of the undertaking

g) Any significant changes in policies, plans, or operation of the Company

h) or any other decision, strategy of the management which can be considered as price sensitive information.

(x) "Designated Employees "means a person occupying any of the following position in the Company;

a) Officers comprising the top three tiers of the Company Management and all the employees in finance department.

b) The Employee designated by the Company to whom these trading restrictions shall be applicable keeping in mind the objective of the code of conduct.

- (xi) "Trading Window" means trading period for trading in the Company's Securities. All days shall be the trading periods except when trading window is closed.
- (xii) "Unpublished Information" means information which is not published by the Company or its agents and is not specific in nature. Speculative Reports in print or electronic media shall not be considered as published information.
- (xiii) "Working Day" means working day when the regular trading is permitted on concerned Stock Exchanges where securities of the Company are listed.

## **Model Code of Conduct for Prevention of Insider Trading**

### **PART-A**

#### **1.0 Compliance Officer,**

- 1.1 The Company has appointed a Compliance Officer who shall report to the Managing Director/Executive Director. At present Ms. Sarika Aggarwal has been appointed as Compliance Officer of the Company.
- 1.2 The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", Pre-clearing of designated employees and their dependents' trades (directly or through respective department heads as decided by the Company), monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of the Company.
- 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, 1992 and the Company's code of conduct.

#### **2.0 Preservation of "Price Sensitive Information"**

- 2.1 Employees/directors shall maintain the confidentiality of all price sensitive information. Employee/directors 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 the Company who need the information to discharge their duty.
- 2.3 Files containing confidential information shall be kept secure; computer files must have adequate security for being accessed.

#### **3.0 Prevention of misuse of "Price Sensitive Information"**

- 3.1 All Directors/officers and designated employees of the Company shall be subject to trading restrictions.

- 3.2 The trading window shall be closed until the publication or making public of the price sensitive information of the Company.
- 3.3 When the trading window is closed, the employees/directors shall not trade in the Company's securities in such period.
- 3.4 The trading window shall be opened 24hours after the disclosure of the price sensitive information in public domain.
- 3.5 All Directors/officers/designated employees of the Company shall conduct dealing in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.
- 3.6 In case of ESOP, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.
- 3.7 All Directors/officers/designated employees of the Company who intended to deal in the securities of the Company should take pre-clearance from the Company before entering into the transaction in respect of the securities of the Company.
- 3.8 For pre-clearance an application will be made by Directors/officers/designated employees to the Compliance Officer with an undertaking that;
- a) they do not have any access or receive "Price Sensitive Information' upto the signing of the undertaking.
  - b) in-case they have access or receives the "Price Sensitive Information" after the signing of the undertaking but before execution of the transaction , they shall inform Compliance Officer of the change in their position and would completely refrain from dealing in the securities until such price sensitive information is made public.
  - c) They have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
  - d) They have made full and true disclosures in the matter

#### 4. Other Restrictions

- 4.1 All the Directors/officers/designated employees shall execute their order in respect of securities of the Company 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.
- 4.2 All Directors/officers/designated employees shall hold their investments in securities for a minimum period of 30 days in order to be considered as being held for investment purpose. The holding period shall also apply to subscription in the primary market, the holding period would commence when the securities actually allotted.

4.3 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.

5. Reporting requirements for transaction in securities

5.1 All the Directors/officers/designated employees of the Company shall forward following details of their securities transactions including the statement of dependent family members to the Compliance Officer,

a) All holdings in securities of that Company by all Directors/officers/designated employees at the time of joining the Company.

5.2 The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Directors/officers/designated employees for a minimum period of three years.

5.3 Compliance Officer shall place before the Board or Committee thereof dealings in securities of the Company by Directors/officers/designated employees and their dependents and documents executed by them.

6.0 Penalty for the contravention of code of conduct

6.1 Any Directors/officers/designated employees who trades in securities of the Company, contravenes any provision of the code of conduct may be penalized and appropriate action may be taken by the Company.

6.2 All Directors/officers/designated employees violating code of conduct shall also be subject to disciplinary action by the Company which may include wage freeze, suspension etc.

6.3 The action by the Company shall not prohibit SEBI from taking any action in case of SEBI (Prohibition of Insider Trading) Regulations, 1992.

6.4 In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

**By order of the Board  
For Agarwal Duplex Board Mills Limited**

**Sd/-  
Director**