

## **IFL INSIDER TRADING CODE**

**(A Code to Regulate, Monitor and Report Trading by Designated Persons)**

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## Introduction

*“Insider Trading”*, as the term suggests, is trading in securities while in the possession of certain information that is not generally available to the public, which can materially impact the share price, known to them only or have an access to the same and not to the general body of shareholders, and thus make a profit or avoid loss.

Insider trading is not only unethical and immoral but also illegal as it fuels illegitimate speculation in the share prices on the Stock Exchanges. Such a profiteering by Insiders by misusing confidential information available to them by virtue of their position or connection with the Company erodes investors' confidence in the integrity of the management of a company and adversely impacts the capital markets.

SEBI vide its Circular No. LD-NRO/GN/2014-15/21/85, dated January 15, 2015, had notified SEBI (Prohibition of Insider Trading) Regulations, 2015 (*“Regulations”*), to be effective from May 15, 2015. Further, SEBI has notified amendments to the said regulations vide a notification dated December 31, 2018 introducing further changes to the existing provisions and introduction of new systems for better monitoring and control of the trading by the Insiders.

Regulation 9 contained in Chapter – IV of SEBI (Prohibition of Insider Trading) Regulation, 2015, provides for the formulation of a ‘Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders’.

This IFL Insider Trading Code (hereinafter referred to as the *“Code”*) is being introduced primarily to incorporate the amendments notified by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and replace the erstwhile *“Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders”* to be effective from April 01, 2019.

### 1. Definitions

- 1.1 *“Act”* means the Securities and Exchange Board of India Act, 1992;
- 1.2 *“Board”* means the Board of Directors of the Company;
- 1.3 *“Code”* shall mean this IFL Insider Trading Code as amended from time to time;
- 1.4 *“Company”* means Indergiri Finance Limited;
- 1.5 *“Committee”* means the Ethics and Inquiry Committee as explained in Rule 7 of this Code.
- 1.6 *“Compliance Officer”* means Company Secretary or such other senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations designated so and reporting to the Board of Directors and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of Trades and the implementation of the codes

specified in the Regulations under the overall supervision of the Board of Directors of the Company;

1.7 **“Closure of Trading Window”** means the period of seven days prior to the date of Board meeting / meeting of any Committee of the Board determined for the purpose of considering the approval of Financial statements / results and/or any UPSI taken up for discussion or approval in the said meeting up to the date of announcement of the said UPSI or unaudited and/or audited annual results and 48 hours thereafter;

1.8 **“Connected Person”** means:

(i) any person who is or has during the six months prior to the concerned act been associated with the 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 UPSI or is reasonably expected to allow such access.

(ii) 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,

- (a) an Immediate Relative of Connected Persons specified in sub-rule (i); or
- (b) a Holding Company or Associate Company or Subsidiary Company; or
- (c) an Intermediary as specified in Section 12 of the Act or an employee or Director thereof; or
- (d) an Investment Company, Trustee Company, Asset Management Company or an Employee or Director thereof; or
- (e) an Official of a Stock Exchange or of Clearing House or Corporation; or
- (f) 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
- (g) 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
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i) a Banker of the Company; or
- (j) a concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a Director of the Company or his Immediate Relative or Banker of the Company, has more than ten per cent, of the holding or interest;

1.9 **“Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent;

1.10 **Designated Person(s)** means the collective reference to the following:

- (i) All Specified Persons;
- (ii) the Directors, Insiders, the Designated Persons, the Promoters and members of the Promoter Group of the Company;
- (iii) Immediate Relatives of all of the aforesaid;
- (iv) Employees of Intermediaries, Fiduciaries designated on the basis of their functional role or access to the UPSI in the organization by their Board of Directors along with their Immediate Relatives.
- (v) Employees of Material Subsidiaries designated on the basis of functional role or access to UPSI in the organization along with their Immediate Relatives.
- (vi) All the promoters of Intermediaries or Fiduciaries along with their Immediate Relatives.
- (vii) Chief Executive Officer (“CEO”), or any other Director/Officer holding such similar position as that of a CEO, and employees upto two levels below the CEO of Intermediaries, Fiduciaries, and Material Subsidiaries along with their Immediate Relatives.
- (viii) Any support staff of the Company, Intermediaries or Fiduciaries such as IT staff or secretarial staff who have access to UPSI along with their Immediate Relatives.

- 1.11 “**Director**” means a member of the Board of Directors of the Company;
- 1.12 “**Employee**” means every employee of the Company including the Directors in the employment of the Company;
- 1.13 “**Fiduciaries**” shall mean and include all person or entities having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants, advisors etc.
- 1.14 “**Generally available Information**” means information that is accessible to the public on a non-discriminatory basis;
- 1.15 “**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;
- 1.16 “**Insider**” means any person who is:
- (i) a Connected Person; or
  - (ii) in possession of or having access to Unpublished Price Sensitive Information;
- 1.17 “**Key Managerial Person**” means person as defined in Section 2(51) of the Companies Act, 2013;
- 1.18 “**Promoter**” 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;
- 1.19 “**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.

- 1.20 **"Regulations"** shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto;
- 1.21 **"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;
- 1.22 **"Specified Persons"** shall include:
- i) every employee in the grade of Vice President and above;
  - ii) every employee in the Finance, Accounts, Compliance and Legal, Investor Relations, Human Resources and the IT ("Information Technology") Departments; and
  - iii) any other employee as may be determined and informed by the Compliance Officer from time to time;
- 1.23 **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- 1.24 **"Trading"** means and includes the following:
- i) Subscribing, Buying, Selling, Dealing, or agreeing to Subscribe, Buy, Sell or Deal in any securities, and "Trade" shall be construed accordingly;
  - ii) Pledging of the securities of the Company including revocation/invocation of the pledge
  - iii) a gratuitous transfer of any securities of the Company;
  - iv) trading in the Securities of the Company through a Portfolio Management account whether discretionary or otherwise and on the basis of investment advice rendered by any other investment advisor.

However, these rules shall not apply for dealings in Mutual Funds or any other dealings as may be exempted under Regulations, from time to time.

- 1.25 **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;
- 1.26 **"Unpublished Price Sensitive Information"** ("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:
- i. Financial Results;
  - ii. Dividends if any;
  - 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;

Words and expressions used and not defined in this Code shall have the same meaning as contained in the SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Substantial Acquisition of

Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations framed thereunder (as amended from time to time).

## **2. Role of Compliance Officer**

- 2.1 The Company Secretary of the Company shall be *de facto* Compliance Officer for the purpose of this Code and Regulations.
- 2.2 The Compliance Officer shall report on Insider Trading (as reported to the Company by the relevant Designated Person(s) to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee on quarterly basis.
- 2.3 The Compliance Officer shall address all the clarifications as may be sought by any Designated Person regarding the Regulations and the Code.

## **3. Preservation of “Unpublished Price Sensitive Information”**

Designated Persons shall maintain the confidentiality of all UPSI of the Company. Designated 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. The following practices should be followed in this regard:

### **3.1 Need-to-know**

UPSI is to be handled by Designated Persons who are privy to such information on a “need to know” basis, i.e., Price Sensitive Information should be disclosed only to those 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 information. The sharing of information shall be in accordance with the “Legitimate Purpose” as defined in the Company’s Code of Practices and Procedures for Fair Disclosures of UPSI.

### **3.2 Limited access to confidential information**

Designated Persons shall ensure that the files containing confidential information shall be kept secure. In the case of files and information maintained under electronic format, such files and information shall have adequate security such as login and password.

### **3.3 UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction which would:**

- entail an obligation to make an open offer under the Takeover Regulations where the Board is of the opinion that the proposed transaction is in the best interests of the Company; or
- not attract the obligation to make an open offer under the Takeover Regulations but where the Board is of the opinion that the proposed transaction is in the best

interests of the Company and the information that constitute UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board may determine.

However, the Board may require the parties to execute agreements of confidentiality and non-disclosure obligations and such parties shall keep information so received confidential and shall not otherwise Trade in securities of the Company when in possession of UPSI.

#### **4. Trading Plan**

4.1 An Insider shall be entitled to formulate a trading plan for dealing in Securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out on his/her/its behalf in accordance with such plan.

4.2 Trading Plan shall

- (i) not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
- (ii) not entail Trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second Trading Day after the disclosure of such financial results;
- (iii) entail Trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of Trades to be effected or the number of Securities to be traded along with the nature of the Trade and the intervals at, or dates on which such Trades shall be effected; and
- (vi) not entail Trading in Securities for market abuse.

4.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Further, pre-clearance of Trades shall not be required for a Trade executed as per an approved trading plan.

Furthermore, Trading Window norms and restrictions on contra Trade shall not be applicable for Trades carried out in accordance with an approved trading plan.

4.4 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.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any UPSI and the said



information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such UPSI becomes generally available information.

- 4.5 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

## **5. Trading Restrictions**

### **5.1 Trading Window and Window Closure**

Designated persons of the Company shall be subject to trading restrictions as enumerated below:

- i. The trading period, i.e. the trading period of the stock exchanges, called 'Trading Window', is available for trading in the Company's securities.
  - ii. During the Closure of Trading Window period, the Designated Persons shall not Trade in the Company's securities in such period.
  - iii. All Designated Persons shall conduct all their dealings 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 the trading window is closed, as referred to in sub-rule (ii) above or during any other period as may be specified by the Company from time to time.
  - iv. In case of ESOPs if any, exercise of option is allowed in the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs is not allowed when Trading Window is closed.
  - v. Notwithstanding anything mentioned in this rule or the definition of "Closure of Trading Window", the Trading Window shall be closed discretionarily when the Compliance Officer determines that a Designated person or class of Designated persons can reasonably be expected to have possession of UPSI;
  - vi. The Trading Window may be reopened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.
- 5.2 The Compliance Officer shall intimate the Closure of Trading Window to all the Designated Persons of the Company (by sending emails to the emailids provided by the Designated Persons to the Company, by sending the requisite intimation to the Stock Exchanges where Securities of the Company are listed and displaying such intimation on the website of the Company), when it is determined 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.
- 5.3 The Compliance Officer after taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the Trading Window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.
- 5.4 The Trading Window restrictions shall also be applicable to all the Fiduciaries assisting or advising the Company.

## 6. Pre-clearance of Trades

- 6.1 All Designated Persons, who intend to deal in the Securities of the Company when the Trading Window is open and if the value of the proposed Trades is equivalent to or exceeding Rupees 10 (ten) Lakhs (Trade value), shall pre-clear the transaction from the Compliance Officer. In case of Compliance Officer, the pre-clearance approval shall be accorded by the Chairman of the Company.
- 6.2 However, no Designated Person shall be entitled to apply for pre-clearance of any proposed Trade if such person is in possession of UPSI even if the Trading Window is not closed and hence is not allowed to Trade.
- 6.3 **Pre-clearance Procedure:**

The pre-dealing procedure shall be hereunder:

- (i) An application may be made in the annexed Form A (Part-I) to the Compliance Officer indicating the estimated number of securities that the Designated Person intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any policy made by the Company in this behalf.
- (ii) An undertaking as per annexed Form A (Part-II) shall be executed in favour of the Company by such Designated Person incorporating, *inter alia*, the following clauses, as may be applicable:
  - a. That the Designated Person does not have any access or has not received "UPSI" up to the time of signing and submission of the undertaking to the Compliance Officer.
  - b. That in case the Designated Person has access to or receives "UPSI" after the signing / submission of the undertaking but before the execution of the transaction he/she/it shall immediately inform the Compliance Officer of the change in the position and that he/she/it shall completely refrain from dealing in the Securities of the Company till the time such information becomes public.
  - c. That he/she/it has not contravened the IFL Insider Trading Code as notified by the Company from time to time.
  - d. That he/she/it has made a full and true disclosure in the matter.
- (iii) All Designated Persons shall execute their order in respect of Securities of the Company within 7 (Seven) Trading Days after the approval of pre-clearance is issued. The Designated Person shall submit within 2 (two) Trading Days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed forms. In case the transaction is not undertaken, a report to

that effect shall be filed in Form C.

- (iv) If the order is not executed within the aforesaid 7 (Seven) Trading Days , the Designated Person must pre-clear the transaction again, subject to the provisions of this Code.
- (v) All Designated Persons who Buy or Sell any number of Securities of the Company shall not execute a contra Trade i.e. Sell or Buy any number of Securities during the next 6 (six) months following the date of the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the Securities of the Company at any time. In case of any Contra Trade 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 Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- (vi) The Compliance Officer may waive off the holding period in case of sale of Securities after recording reasons for the same in writing provided such relaxation does not violate the provisions of Regulations. Further, no such sale will be permitted when the Trading Window is closed.

## **7. Ethics and Inquiry Committee**

There shall be a Committee called the "Ethics and Inquiry Committee" ("EIC") presently comprising of the Whole-Time Director – (Operations), the Chief Financial Officer of the Company and the Compliance Officer under this Code and such other member(s) as may be inducted by the Board from time to time. The EIC will concern itself with the following:

- i) To conduct an Inquiry into any violation or suspected violation of any provisions of this Code or the Regulations and take appropriate action in accordance with the procedure laid down in the Annexure - I.
- ii) To report to the Audit Committee on periodical basis and as and when called for by the Audit Committee, the violation, if any, of this Code and the actions thereon taken by the EIC for its perusal.

Quorum: Any two members

In case of any violation or suspected violation by any one or more of the EIC members, the Audit Committee shall play the role of EIC as mentioned herein.

## **8. Other Restrictions**

- 8.1 The disclosures to be made by any person under this Code shall include those relating to trading in Securities by such person's Immediate Relatives, and by any other person for whom such person takes trading decisions.

- 8.2 The disclosures of trading in Securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.
- 8.3 The disclosures made under this Code shall be maintained for a period of five years.

## **9. Reporting Requirements for transactions in securities**

### **9.1 Initial / Yearly Disclosure**

- 9.1.1 Every person on appointment as a Key Managerial Personnel (KMP) or a Director of the Company or upon becoming a Promoter or member of the Promoter Group shall disclose to the Compliance Officer in annexed Form B (Part-I), draft as given hereinbelow, details of himself and his Immediate Relatives the number of securities of the Company held by him and his Immediate Relatives as on the date of becoming KMP/Director/Promoter/Promoter Group member, within seven days of such appointment as a KMP or Director or upon becoming a Promoter or member of the Promoter Group.
- 9.1.2 Every Designated Person other than those mentioned in the Rule 9.1.1 above, shall give the disclosure of the details as required in annexed Form B (Part-I) within a period of 30 (thirty) days of becoming a Designated Person.

### **9.2 Continual Disclosure**

- 9.2.1 Every Promoter, member of the Promoter Group, and the Designated Persons of the Company shall disclose to the Company in annexed Form C (annexed hereto) the number of such securities acquired or disposed of within 2 (two) Trading Days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions, aggregates to a traded value equivalent to or in excess of Rupees 10 (Ten) lakhs.
- 9.2.2 Every Designated Person shall provide the details as prescribed in Form B (Part-II) on an annual basis within a period of 30 (thirty) days from the close of the Financial Year i.e. by April 30.
- 9.2.3 Every Designated Person shall inform the Compliance Officer of any change in the details given by him/her/it in annexed Form B (Part-I) stated above within 30 (thirty) days of such change.

## **10. Disclosure by the Company to the Stock Exchange(s)**

Within 2 (two) Trading Days of the receipt of intimation under Rule 9.2, the Compliance Officer shall disclose to all Stock Exchanges on which the Securities are listed, the information received.

## **11. Dissemination of Price Sensitive Information**

- 11.1 No information shall be passed by Designated Persons by way of making a recommendation for the acquisition or disposal of Securities of the Company.
- 11.2 Disclosure/dissemination of UPSI with special reference to Analysts, Media Persons and Institutional Investors:

The following guidelines shall be followed by the Investor Relations team and other officials of the Company while they deal with analysts and institutional investors

- i. Only public information to be provided. Any Information material / Presentation made to the analysts / institutional investors etc. shall be first provided by the Investor Relations team to the Compliance Officer for onward dissemination to the Stock Exchanges where Securities of the Company are listed.
- ii. Meetings with analysts, media persons and institutional investors are suggested to be in presence of at least two representatives of the Company, wherever reasonably possible or practical.
- iii. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes UPSI, a public announcement as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and applicable Regulations shall be made before responding.

## **12. Penalty for contravention of the Code**

- 12.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- 12.2 Any act committed, in contravention of this Code shall be liable for such penal/disciplinary/remedial action as may be considered appropriate by the Ethics and Inquiry Committee including but not limited to the disciplinary actions as enlisted in the Annexure – I to this Code.
- 12.3 All Breaches of this Code with actions taken by the 'Ethics and Inquiry Committee' shall, in addition to the report to the Audit Committee, be reported to the Board of Directors of the Company. The Board, considering the nature and severity of the breach, may decide to report any such breach and action taken to the Securities and Exchange Board of India.
- 12.4 The actions taken by the Company shall not preclude SEBI or other appropriate authority(ies) from taking any action under the relevant legislations.

## **13. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015**

- 13.1 In case it is observed by any Employee of the Company that there has been a violation of Regulations / Code by any Designated Person, the Employee may promptly inform the

concerned official of the Company as per Whistle Blower Policy of the Company available at the website of the Company. The term "Employee" shall have the meaning as defined in Whistle Blower Policy of the Company.

- 13.2 In the event of any amendment to the Regulations or issuance of any clarification relating to the Regulations, such amendment/ clarification shall be deemed to be adapted by the Company and in case of any conflict between the provisions of the Code and Regulations, the latter shall prevail.

## ANNEXURE – I

### PROCEDURE FOR INQUIRY IN CASE OF SUSPECTED VIOLATION OF THIS CODE

The Ethics and Inquiry Committee may, *suo-moto* or on becoming aware or on being informed of any actual or suspected violation of this Code by any Designated Person, initiate the Inquiry proceedings in a manner as laid down below.

#### **1. Preliminary Inquiry:**

The EIC shall initiate an Inquiry for fact finding. The objective of the preliminary Inquiry shall be to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any. The EIC shall collect all the necessary material in support of the allegations to substantiate the justification to embark on any disciplinary action.

The EIC shall have the power to issue summon, if it deems necessary, to any person to seek clarifications or any details as it may require for the purpose of conducting its Inquiry and collection of material.

#### **2. Report of the Preliminary Inquiry**

The report of the fact findings shall be deliberated and reviewed by the EIC at its meeting or circulated electronically within a period of 15 days from the date of initiation of Inquiry or such other reasonable period as may be decided by EIC.

#### **3. Principles of Natural Justice**

The EIC, shall follow the principles of natural justice i.e the parties to the Inquiry shall be given a fair chance to respond and present their views. All the parties to the Inquiry shall have a right to be heard.

#### **4. Disciplinary Action**

- i. The EIC may pass an ex-parte decision in the following cases:
  - a. If the relevant Designated Person does not provide the requisite details as called for by the EIC; or
  - b. remains absent for the Inquiry after being summoned by EIC and has been provided with reasonable opportunity by the EIC.
- ii. In case EIC arrives at a decision that the Designated Person has violated any provisions of this Code, then such Designated Person shall be liable for action by EIC / the Company which may include salary freeze, suspension, penalties/fines, ineligibility for future participation in employee stock option plans, stock appreciation rights, etc.
- iii. A written report of the findings of EIC and the decision thereto shall be prepared:
  - a) Facts of the matter
  - b) Findings of EIC including the rationale thereto
  - c) Action taken by the EIC

- d) Any other details as the EIC may deem fit
- 5. The EIC shall complete the Inquiry within 30 days from the date of initiating the said Inquiry and the said 30 days may be extended for a further period of 15 days only in exceptional circumstances for the reasons to be recorded in writing.
- 6. Confidentiality (subject to **such disclosures as may be required to be made under the applicable Regulations / law, for the time being in force**)

EIC members and the person(s) involved in the process shall:

- a. maintain confidentiality of the matter
  - b. not discuss the matter in any informal/social gatherings/ meetings
  - c. discuss only to the extent or with the persons required for the purpose of completing the Inquiry process
- 7. The above actions of Company will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such defaulting Designated Person



**List of Forms:**

Form A (Part – I)	Format for Application for pre-clearance of trade
Form A (Part – II)	Undertaking accompanying the application for pre-clearance
Form B (Part – I)	Format for Initial Disclosures
Form B (Part – II)	Format for Yearly Disclosures
Form C	Format for Disclosure of Transactions
Form D	Format For Pre-Clearance Order
Form E	Waiver of Minimum Holding Period

**FORM A  
(PART-I)  
FORMAT OF APPLICATION FOR PRE-CLEARANCE OF TRADE**

To  
The Compliance Officer,  
**Indergiri Finance Limited,**  
Mumbai

Dear Sir/Madam,

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

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the IFL Insider Trading Code, I/We seek approval for acquisition / disposal / pledge of \_\_\_\_\_ Securities of the Company as per details given below:

1.	Name of the applicant	
2.	Person Executing the Trade	Self HUF Immediate relative (specify the name and relationship) Joint holder
3.	Designation/Nature of relation with the Company	
4.	Number of securities held as on date (with Folio No. / DP ID / Client ID No.)	
5.	The Proposal is for	(a) Subscription /Acquisition of securities (b) Disposal of securities (c) Pledge of securities (Creation/ Invocation/ Revocation)
6.	Type of security	
7.	Proposed date of dealing in securities	
8.	Estimated number of securities proposed to be acquired/ subscribed/ sold/ pledged (creation/ invocation/ revocation)	
9.	Price at which the transaction is proposed	
10.	Current market price (as on date of application)	
11.	Whether the proposed transaction will be through Stock Exchange or Off market deal	
12.	Folio No. / DP ID / Client ID No. where the Securities will be Credited/ Debited	

I/We enclose herewith the form of Undertaking signed by me/us.

Yours faithfully,

Name :

Signature :

**FORM A  
(PART-II)  
UNDERTAKING ACCOMPANYING THE APPLICATION FOR PRE-CLEARANCE**

**UNDERTAKING**

To  
**Indergiri Finance Limited,**

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

I/We further declare that I/We am/are not in possession of or otherwise privy to any UPSI  
(as defined in the Company's Code of Conduct for prevention of Insider Trading (the  
Code) up to the time of signing and submission of this Undertaking.

In the event that I/We have access to or received any information that could be construed as  
"Unpublished Price Sensitive Information" as defined in the Code, after the signing and  
submission of this undertaking but before executing the transaction for which approval is  
sought, I/We shall immediately 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/We declare that I/We have not contravened the provisions of the Code as notified by the  
Company from time to time.

I/We undertake to submit the necessary report within two Trading days of execution of the  
transaction / a 'Nil' report if the transaction is not undertaken.

In connection with the proposed transaction(s), I/We hereby undertake to preserve, for a  
period of 3 (three) years and produce to the Compliance Officer / SEBI any of the following  
documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of Bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I/We agree to hold the securities bought under this transaction for a minimum period of six  
months. In case there is any urgent need to sell these Securities within the said period, I/We  
shall first approach the Compliance Officer for necessary approval. *(this clause is applicable in  
case of purchase / subscription).*

I/We declare that the above information is correct and that no provisions of the Company's  
Code and/or applicable laws/Regulations have been contravened for effecting the above  
said transactions(s).

If approval is granted, I/We shall execute the deal within 7 Trading days from the date of pre-clearance approval failing which I/We shall seek pre-clearance.

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

*\* Indicate number and type of shares/ Securities*

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

**FORM B (PART-I)**  
**INITIAL DISCLOSURE OF SECURITIES**

To  
The Compliance Officer,  
**Indergiri Finance Limited,**  
Mumbai

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of securities held in the Company as on \_\_\_\_\_ (*date of becoming Designated Person or April 01, \_\_\_\_\_*).

**I. Details of securities held by me :**

Type of Securities	No. of securities held	Folio No.	Beneficiary A/c Client ID	Names of Educational Institutions from which I have graduated	Names of Past Employers

**II. Details of securities held by my Immediate Relative(s):**

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the IFL Insider Trading Code, I hereby declare that I have the following Immediate Relatives:

Sr. No	Names of Immediate Relatives including Persons with whom I share "Material Financial Relationship"	Relation with the Immediate Relative (Spouse/ Mother/ Father/ Brother/ Sister/ Child)*	PAN Numbers (If PAN is unavailable, then any other Identifier - for e.g AADHAR)	Active Email ID	Mobile Nos.	Number of Securities held (if any by the Immediate Relative)	Names of Educational Institutions from which the immediate relative has graduated	Names of Past Employers of such Immediate Relatives

\*The term 'Immediate Relatives' covers the following:

1. Spouse (Husband/Wife); AND

2. *Any of the following who is either dependent financially on me OR consults me in taking decisions relating to trading in securities*

- a. *Parents;*
- b. *Siblings (Brother / Sister);*
- c. *Children*

*The term "Material Financial Relationship" means:*

*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 EXCLUDING relationships in which the payment is based on arm's length transactions.*

Date :

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



**FORM B (PART-II)**  
**YEARLY DISCLOSURE OF SECURITIES**

To  
The Compliance Officer,  
**Indergiri Finance Limited,**  
Mumbai

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of securities held in the Company as on \_\_\_\_\_ (*date of becoming Designated Person or April 01, \_\_\_\_\_*).

**I. Details of securities held by me :**

Type of Securities	No. of securities held	Folio No.	Beneficiary A/c Client ID

**II. Details of securities held by my Immediate Relative(s):**

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the IFL Insider Trading Code, I hereby declare that I have the following Immediate Relatives:

Sr. No	Names of Immediate Relatives including Persons with whom I share "Material Financial Relationship"	Relation with the Immediate Relative (Spouse/ Mother/ Father/ Brother/ Sister/ Child)*	PAN Numbers (If PAN is unavailable, then any other Identifier - for e.g AADHAR)	Active Email ID	Mobile Nos.	Number of Securities held (if any by the Immediate Relative)

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\*The term 'Immediate Relatives' covers the following:

1. Spouse (Husband/Wife); AND
2. Any of the following who is either dependent financially on me OR consults me in taking decisions relating to trading in securities
  - a. Parents;
  - b. Siblings (Brother / Sister);
  - c. Children

The term "Material Financial Relationship" means:

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 EXCLUDING relationships in which the payment is based on arm's length transactions.

Date :

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

**FORM C**  
**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
*[Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]*  
*(To be submitted within 2 (two) Trading days of transaction / dealing in securities of the Company)*

To  
The Compliance Officer,  
**Indergiri Finance Limited,**  
Mumbai

Details of change in holding of Securities of Promoter, Employee or Director 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 / Director s/immediate relative to/others 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 the 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		

1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

Details of trading in derivatives of the Company by Promoter, Employee or Director of the Listed Company or other such persons as mentioned in Regulation 6(2)

Trading in Derivatives (Specify type of Contract, Futures or Options etc.)						Exchange on which 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)	
15	16	17	18	19	20	21

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

Name :

Signature :

Designation :

Date :

Place :

**FORM D**  
**PRE- CLEARANCE ORDER**

To  
Name:  
Designation: \_\_\_\_\_  
Place: \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (no. and type) Securities 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 (seven) 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 and as per format prescribed under SEBI Regulations, within 2 (two) Trading days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary to be submitted to the Compliance Officer.

In case you have received any "Unpublished Price Sensitive Information" after submission of your application or after issuance of this order, you are required to immediately inform the Compliance Officer of the change in the position and this order stands withdrawn with immediate effect.

Yours faithfully,  
For **Indergiri Finance Limited**

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

**Compliance Officer**

Encl: Format for submission of details of transaction

FORM E

APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD

To  
The Compliance Officer,  
Indergiri Finance Limited  
Mumbai

Dear Sir.

I/We request you to grant me/us a waiver of the minimum holding period of six months as required under the IFL Insider Trading Code, 2015 with respect to \_\_\_\_\_ Securities of the Company held by me/us / my/our Immediate Relatives/ HUF \_\_\_\_\_ (Name) singly/ jointly acquired by me / us / my Immediate Relatives/ HUF on \_\_\_\_\_(Date).

I/We wish to deal in the Securities on account of following (give reasons and supporting documents):

I/We declare that:

- a) The above details are true, correct and complete in all respect and I/We have not with held any facts; and
- b) I am / We are not and do not expect to be in possession of any Unpublished Price Sensitive Information at the time of the Trading.
- c) The trade if made shall not be in contravention of any of the provisions of the IFL Insider Trading Code, SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended) or provisions of any other applicable laws, rules and regulations. If there is any violation, I/We shall be solely liable and responsible for the same.



Thank you.  
Yours faithfully,

\_\_\_\_\_  
(Name)

Designation:

Date and Place:

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*(For Office Use Only)*

**APPROVED**

**REJECTED**

For Indergiri Finance Limited

Compliance Officer

Date and Place:

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