



**A. K. CAPITAL SERVICES LTD.**

**BUILDING BONDS**

**CODE FOR PROHIBITION OF INSIDER TRADING ("CODE")**

**(EFFECTIVE FROM APRIL 1, 2019)**

## **Purpose of the Code**

The provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto, (hereinafter referred as “Regulations”) mandates every listed company and intermediaries to formulate a Code to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof

The Equity Shares of A. K. Capital Services Limited (“the Company”) are listed on BSE Limited. The Company is also registered as a Category I Merchant Banker and Investment Advisor with SEBI. Accordingly, this Code is being formulated in the capacity of the Company as Listed entity and Intermediary.

## **Applicability**

This Code is applicable to all Insiders of A.K. Capital Services Limited and their Immediate Relative(s)

### **1. DEFINITIONS**

- 1.1 **“Act”** means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- 1.2 **“Board”** means the Securities and Exchange Board of India.
- 1.3 **“Code”** or **“Code of Conduct”** shall mean this Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their immediate relatives, as amended from time to time.
- 1.4 **“Company”** for the purpose of this Code shall mean A. K. Capital Services Limited.
- 1.5 **“Compliance Officer”** means any person who has been designated as such by the Board of Directors of the Company to ensure compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015 including amendments thereto.
- 1.6 **“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, promoter, officer or an employee of the Company, its subsidiaries/group/ associate 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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/ individuals specified in clause (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
- (i) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or 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.

**NOTE:** *It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate Relatives and other categories of persons specified above are also presumed to be connected persons, but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.*

- 1.7 **“Dealing in Securities”** means an act of subscribing to, buying, selling, holding or agreeing to subscribe to, buy, sell or deal in Securities including buyback of securities and Offer for Sale either as principal or agent.
- 1.8 **“Designated Person”** shall include:
- 1.8.1 Employees and Directors of the Company.
  - 1.8.2 Representatives of Fiduciaries viz. Professional Firms directly dealing with the Company such as auditors, accountancy firms, law firms, analysts, consultants, banks, lenders etc., assisting or advising the Company or such other entities having a business relation/ commercial arrangement with the Company by virtue of which have access to Unpublished Price Sensitive Information.
  - 1.8.3 Employees and Directors of material subsidiaries, associates, affiliates, group companies and companies under same management (more specifically described in **Annexure I** to this Code)
  - 1.8.4 Promoter and Promoter Group and their person acting in concert;
  - 1.8.5 Such other persons as may be determined by the Compliance Officer from time to time.
- 1.9 **“Director”** means a member of the Board of Directors of the Company.
- 1.10 **“Employee(s)”** means every employee (temporary or permanent) of A. K. Capital Services Limited including employees of its subsidiaries, associates, affiliates, group companies and companies under same management (more specifically described in **Annexure I** to this Code and referred as A. K. Group) including the Directors in the employment and employees on contractual basis, trainees. All the Employees shall be treated as Designated Person for the purpose of this Code.

1.11 **Fiduciary(ies):**

Professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company or such other entities having a business relation/ commercial arrangement with the Company, by virtue of which they have access to Unpublished Price Sensitive Information shall be collectively referred to as Fiduciaries for the purpose of these regulations.

1.12 **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.

***Note:** It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what unpublished price sensitive information is. Information published on the website of a stock exchange, would ordinarily be considered generally available.*

1.13 **“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;

***Note:** The spouse of the person shall deem to be Immediate Relative whether or not financially dependent on Insider. The burden of proving otherwise shall be on insider. It is intended that the immediate relatives of a “connected person” too become connected persons for purposes of these regulations. Indeed, this is a rebuttable presumption.*

1.14 **“Insider”** means any person who is,

- (i) Connected Person;
- (ii) Designated Person;
- (iii) in possession of or having access to unpublished price sensitive information;
- (iv) Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of these regulations

***NOTE:** Since “generally available information” is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an “insider” regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.*

1.15 **“Key Managerial Person or KMP”** means person as defined in the Companies Act, 2013 and rules made thereunder.

1.16 **“Legitimate Purpose”** shall mean sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations including sharing of information need to know basis.

*Note: Sharing of Unpublished Price Sensitive Information for Legitimate Purpose shall mean adherence to the Need to Know basis Principle while dealing with UPSI in letter and spirit of the law at all time at every level.*

1.17 **“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 (12) 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.

1.18 **“Portal”** shall mean portal designed by A. K. Group i.e. <http://connect.akgroup.co.in/> or such other portal as may be designated for the purpose of the compliance of this code and intimated to all Insiders.

1.19 **"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.

1.20 **“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.

1.21 **“Proposed to be listed”** shall include securities of an unlisted company:

- a. if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
- b. if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013;]

1.22 **“Regulations”** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments, circulars, notifications issued thereto.

1.23 **“Restricted List”** shall mean Securities in which dealing/trading by the Insider(s) is generally prohibited.

1.24 **"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;

1.25 **“Takeover regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;

1.26 **"Trading"** means and includes an act of subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Securities, and "trade" shall be construed accordingly.

**NOTE:** Under the parliamentary mandate, since the Section 12A (e) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the term "trading" to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc. when in possession of unpublished price sensitive information.

- 1.27 **"Trading Day"** means a day on which the recognized stock exchanges are open for trading.
- 1.28 **"Trading Plan"** is a plan formulated by an Insider who are in possession of unpublished price sensitive information (UPSI) perpetually and presented to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on behalf of the Insider in accordance with such plan as per Regulation 5(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**NOTE:** Trading Plan intends to give an option to persons who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future.

- 1.29 **"Unpublished Price Sensitive Information (UPSI)"** 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;

**NOTE:** It is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

## 2. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

2.1 No Insider shall communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to a Company or other Securities listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.

**NOTE:** *This provision is intended to cast an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis. It is also intended to lead to organisations developing practices based on need-to-know principles for treatment of information in their possession.*

2.2 No Insider shall procure from or cause the communication by other Insider of Unpublished Price Sensitive Information, relating to a Company or Securities listed or Proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**NOTE:** *This provision is intended to impose a prohibition on unlawfully procuring possession of unpublished price sensitive information. Inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this provision.*

2.3 While sharing/ making Unpublished Price Sensitive Information available, relating to a Company or Securities listed or Proposed to be listed for Legitimate Business Purpose by an Insider to any person due notice shall be given to such persons to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with this Code and Regulations.

2.4 Notwithstanding anything contained in this Code and Regulation, an Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-

(i) entail an obligation to make an open offer under the takeover regulations where the board of directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company;

(ii) not to attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitute Unpublished Price Sensitive Information 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 Of Directors may determine to be adequate and fair to cover all relevant and material facts.

The Board of Directors and Compliance Officer shall ensure that Non-Disclosure Agreement / Confidentiality Agreement(s) or similar arrangement are in place before Unpublished Price Sensitive Information is shared/made available by the Insider to any person including for Legitimate Business Purpose.

### **3. MAINTENANCE OF STRUCTURED DIGITAL DATABASE**

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

### **4. TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

4.1 No Insider shall trade in Securities of the Company when in possession of unpublished price sensitive information:

When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

4.2 Provided that the Insider may prove his innocence by demonstrating the circumstances including the following:

4.2.1 The transaction is an off-market inter-se transfer between Insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision.

Provided that such unpublished price sensitive information was not obtained under sub-regulation (3) of regulation 3 of the Regulations.

Provided further that such off-market trades shall be reported by the Insiders to the Company within two working days. Every Company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information, in the manner provided in **Annexure II** of this Code.

4.2.2 The transaction was carried out through the block deal window mechanism between persons who were in possession of the Unpublished Price Sensitive Information without being in breach of regulation 3 of Regulations and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of the Regulations.

4.2.3 The transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona-fide transaction.



4.2.4 The transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.

4.2.5 in the case of non-individual insiders: –

(a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and

(b) appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

4.3 The trades were pursuant to a trading plan set up in accordance with regulation 5 of the Regulation.

**NOTE:** When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated the regulation. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in the proviso, failing which he would have violated the prohibition.

4.4 In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

4.5 The Board may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of these regulations.

## **5. Trading Plans**

5.1 An Insider shall be entitled to 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.

**NOTE:** *This provision intends to give an option to persons who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the unpublished price sensitive information came into being.*

- 5.2 Such trading plan shall: –
- 5.2.1 not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
  - 5.2.2 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 issuer of the securities and the second trading day after the disclosure of such financial results;
  - 5.2.3 entail trading for a period of not less than twelve months;
  - 5.2.4 not entail overlap of any period for which another trading plan is already in existence;
  - 5.2.5 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;
  - 5.2.6 not entail trading in securities for market abuse.
- 5.3 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.
- 5.4 Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.
- 5.5 Trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.
- 5.6 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
- Provided that the implementation of the trading plan shall not be commenced 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 the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4 of the Regulation.
- 5.7 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchange(s) on which the securities are listed.

## **6. DISCLOSURES OF TRADING BY INSIDERS**

- 6.1 Every disclosure as provided hereinunder shall be made in the manner provided in this Code.
- 6.2 The disclosures to be made by any person under this Code and/ applicable Regulation shall include those relating to trading by such person's Immediate Relatives, and by any other person for whom such person takes trading decisions.

- 6.3 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be considered for the purpose of disclosure under this Code. Provided that trading in derivatives of securities is permitted by any law for the time being in force
- 6.4 The disclosures made under this Chapter shall be maintained by the Company, for a minimum period of five years, in such form as may be specified.

**7. DISCLOSURES BY CERTAIN PERSONS**

**Initial Disclosures:**

Every person on appointment as Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or Member of the Promoter Group shall disclose his 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, in the manner provided in **Annexure III** of this Code.

**Continual Disclosures:**

Every Promoter, Member of the promoter group, Designated Person and Director of Company 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 ten lakh rupees, in the manner provided in **Annexure IV** of this Code.

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.

**Explanation:**

It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold limit of INR 10 Lakhs.

**8. CODE OF FAIR DISCLOSURE**

All the Insiders shall abide by the Code of Fair Disclosure as provided/ prescribed under Schedule A to this Code.

**9. CODE OF CONDUCT**

The Board of Directors of the Company have adopted Schedule B (For Trading in the Securities of the Company) and Schedule C (for trading in the other Securities) of the regulations to regulate, monitor and report trading by its Designated Persons and Immediate Relatives of Designated Persons towards achieving compliance with the Regulations.

**10. TRADING WINDOW AND WINDOW CLOSURE**

- (i) The trading window shall be closed during the time when the Compliance Officer and/ Board of Directors determines that Insiders can reasonably be expected to have Unpublished Price Sensitive Information.
- (ii) The communication related to closure and opening of the trading window shall be sent to all the Insiders and all Employees by means of intimation to the stock exchanges where securities of the Company are listed. Irrespective of whether such communication has been read or received or not, persons governed by this Code shall mandatorily verify with the Compliance Officer on the status of the trading window before undertaking any trades in the securities of the Company.
- (iii) Subject to aforesaid clause, all Insiders and their Immediate Relatives are prohibited to trade in securities of Company, when the trading window is closed except in case of insiders who have submitted their Trading Plans to the Compliance Officer.
- (iv) Insiders 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 Point No. (ii) above or during any other period as may be specified by the Company from time to time.
- (v) The Compliance Officer shall intimate the closure of trading window. Such closure shall be imposed in relation to such Securities to which such Unpublished Price Sensitive Information relates.
- (vi) The Compliance Officer after considering various factors including the Unpublished Price Sensitive Information 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. The trading window shall be applicable to all Insiders.

**11. COMPLIANCE OF CODE BY THE EMPLOYEES (INCLUDING DIRECTOR, PROMOTERS AND MEMBER OF PROMOTER GROUP)**

**A. Updating of database by Insiders:**

Pursuant to the Clause 14 of the Schedule B and Clause 12 Schedule C of the Regulations, the Designated Persons (Employees) 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.

**B. Restricted List:**

Since the Company is SEBI Registered Intermediary, also handles the UPSI for other listed Securities and Securities Proposed to be listed. In view of same, the Compliance Officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

**C. Process for Pre-Clearance of Trades:**

It is mandatory for all the Employees (including Director, Promoters and Member of Promoter Group) to seek pre-clearance of trade before dealing in Securities either by himself/herself or their Immediate Relatives:

For the purpose of this Code, different pre-clearance procedure is adopted for dealing in the Securities of the Company and its Subsidiaries listed on stock exchange and Securities of other issuers.

**D. Process of pre-clearance for dealing in the Securities of other issuers:**

- i. Applicant concerned shall take a pre-clearance approval regarding the proposed transaction for dealing in Securities by making on-line request for the trade approval in the manner specified in **Annexure V** of this Code.
- ii. However, no Applicant shall apply for pre-clearance of any proposed trade if such Employee is in possession of Unpublished Price Sensitive Information and hence, he/she shall not be allowed to trade.
- iii. An Applicant shall abide by the undertaking to the effect that he/ she does not have any UPSI while applying for pre-clearance of trade and shall not trade based on UPSI. Further Employee to confirm the compliance of applicable law pertaining to proposed dealing in the Securities.
- iv. The Securities are classified into different groups such as A, B, D, XC, XD, Z by BSE Limited is taken as base for the purpose of pre-clearance.
- v. In case where Employees (Including Immediate Relatives) proposes to deal in A group scrip, the same shall be auto-approved subject to the maximum limit of INR 2,00,000/- (Indian Rupees Two Lakhs) per security, per month.

**Note:** Month will be calculated from the date of last trade request placed for same security.

- vi. All the Securities which are classified into the Restricted List shall be Auto-rejected.
- vii. Approval with respect to the A group scrip above the limit specified in clause 11 (D) (v) and all other groups irrespective of the trade value shall be dealt by the Compliance Team and the Technical Team in the following manner:
  - a. Compliance Team shall consist of 3 members from A. K. Group or such other members as may be prescribed from time to time. Approval by any one member shall be construed as approval by Compliance Team.
  - b. Technical Team shall consist 3 members from A. K. Group or such other members as may be prescribed from time to time from front desk/ having experience in dealing in securities, and approval by any one member shall be construed as approval by Technical Team.
- viii. Once the trade is approved by both the teams, the same shall be intimated to the Applicant which shall be valid for a period of 3 trading days unless the said Security is transferred into Restricted List.
- ix. In case the request for trading in a Security is approved and subsequently put into Restricted List, the validity of the same shall stand changed accordingly and the same will be updated.
- x. Contra Trade is not allowed for 30 days from the date of approval of first trade in the same Security.
- xi. Where the trade request is rejected by any one Team, the Employee shall strictly refrain from dealing in that Security.
- xii. The Applicant shall adhere to the terms and conditions as enumerated in the system or communicated by way of an e-mail while approving the securities from time to time.

**E. Process of pre-clearance for dealing in the listed Securities of A.K. Group by all Designated Persons and / or their immediate relatives**

All Designated Persons and / or their immediate relatives shall seek approval for dealing in the listed securities of A. K. Group in the following manner:

- i. An Applicant including their Immediate Relatives, who intend to trade in Securities of the Company and/or its subsidiaries, shall take a pre-clearance before executing a trade.
- ii. Dealing in the Securities of the Company and/or its subsidiaries shall be done in the same manner as provided in sub-clause D of clause 11 to this Code.
- iii. However, the trade in the securities of the Company and/or its subsidiaries shall require approvals by Compliance Team, Technical Team and Management Team.

- iv. Management Team shall consist of such number of members as may deem fit by the Senior Management of the A. K. Group. Approval by any one member of them shall be construed as approval by Management Team.
- v. No Trade Request shall be allowed in the Securities of the Company during the Closure of Trading Window.
- vi. Trade Approval, if granted to deal in the Securities of A. K. Group shall be valid for a period of 1 day only, viz. on the date of getting an approval.

**F. Factors considered (including but without limitation) before approving / rejecting the trade request:**

- i. If the security forms the part of restricted list;
- ii. Liquidity, turnover/ volume in the scrips;
- iii. Nature of the scrip;
- iv. Compliance track record of the Employee;
- v. Rumors circulating in the market about the scrip, if any;
- vi. Possibility of possession of UPSI with an Insider in the scrip for which approval is sought;
- vii. Any other factors may deem fit from time to time.

**G. Minimum Holding Period**

All Insiders who buy or sell any number of Securities of the A. K. Group 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. In case of any 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 Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

- i. In case of other Securities, the Employee shall maintain the minimum holding period of 30 days from the date of purchase.
- ii. In case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the Securities are allotted.
- iii. The Compliance Officer may waive off the holding period in case of sale of Securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

**H. OTHER RESTRICTIONS**

- i. The disclosures to be made by any person under this Code shall include those relating to trading by such person's Immediate Relatives.

- ii. Employees shall not be allowed to trade in derivatives.
- iii. The provisions of this Code shall also apply to any investments done through Portfolio Management (discretionary and non-discretionary).
- iv. The disclosures made under this Code shall be maintained for a period of five years.
- v. The procedures and guidelines contained in this Code are intended to deal with the most common practical implications of the above principles, but they cannot deal specifically with every potential situation that may arise. Where any Employee or Connected Person is in doubt as to how a particular situation should be dealt with under this Code, he/ she may consult with the Compliance Officer.

#### **I. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

- i. Employees shall report within 2 (two) days of the execution of the trade or on expiry of approval period, whichever is earlier, the details of such trade in the manner provided as per **Annexure VI** (though Portal) of this Code for trade request made by the Employee either for himself or on behalf of his Immediate Relative.
- ii. Notwithstanding anything contained in any part of this Code, the Employee shall be personally liable for seeking pre-clearance of the trade, reporting of the transaction and other compliances prescribed under the Code and the Regulations for all the trades proposed to be carried on by his/her Immediate Relatives.
- iii. Further, every Employee shall disclose their holdings in Securities within thirty days from the end of every calendar quarter in prescribed form as **Annexure VII** or at such other interval/ time / event as may be specified by the Compliance Officer. In case the Employee has not traded in any security for the given calendar quarter, shall provide NIL report. The format of disclosure is provided in the **Annexure VII**.

#### **12. OTHERS**

- 12.1 Any two Directors and the Compliance Officer are authorized to make minor modifications to this Code which would remove ambiguities, enhance clarity on the provisions of the Code etc. Any major modification to the Code will require authorization by the Board.
- 12.2 Where the Company engages a service provider who is/ becomes/ may become a Connected Person/ Insider, the head of the department at for a particular function which engages such Connected Person is responsible for communicating the requirements of this Code to such Connected Person and verify whether such Connected Person has a similar code of conduct applicable to its employee(s)/ representatives to prevent such persons from misusing Unpublished Price Sensitive Information of the Company and other Securities, as well as the efficacy of implementation of such code by those Connected Persons.



- 12.3 In pursuance of Clause 12.2 above, a provision substantially in the form set forth below shall be included in agreements entered into by the Company with service providers, consultants and all other third parties who are Connected Persons/ shall become :

“The Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Insider Trading Regulations”) has formulated its code of conduct for prevention of insider trading (“Code of Conduct”) for preventing the misuse of Unpublished Price Sensitive Information (as defined in the Insider Trading Regulations). In accordance with the Insider Trading Regulations, the Code of Conduct would be applicable to <Insert Name of Third Party>. Accordingly <Insert Name of Third Party> hereby convent and undertakes that it shall comply with the provisions of the Code of Conduct and the Insider Trading Regulations. <Insert Name of Third Party> also convents and undertakes that it shall take such measures (including but not limited to formulating its own internal code of conduct) to ensure compliance with the Code of Conduct and the Insider Trading Regulations”.

**13. INTERPRETATION OR CLARIFICATION**

In case any difficulty or doubt arises in the interpretation of the Code, the matter shall be referred to any two Directors / the Compliance Officer and their decision shall be final and binding.

**14. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT**

- 14.1 Every Employee/ Insider shall be individually responsible for complying with the provisions of the Code and Regulations (including to the extent the provisions hereof are applicable to his/her Immediate Relatives).
- 14.2 Any Employee/ Insider who trades in Securities or communicates any information for trading in Securities, in contravention of this Code and/Regulations will be penalized and appropriate action may be taken by the Company. Any Employee who contravenes any of the provisions of this Code and/ Regulation shall indemnify and hold harmless the Company, its directors, officers for any consequences resulting from such violation, whether monetary or not.
- 14.3 Employee/Insiders who violate the Code and/ Regulation, (whether the violation was intentional or unintentional) shall also be subject to disciplinary action by the Company, which may include action such as wage freeze, issue of warning letters, termination from employment/ business or other legal, commercial relation with the Company, filing a suit and such other remedy as may be available under the law for the time being in force at the sole discretion of the Company.
- 14.4 The action taken by the Company shall not preclude SEBI or any other competent authority from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- 14.5 The Company shall intimate SEBI regarding the material violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

---

14.6 The Insider agrees to read, abide and comply with the provisions of this Code and Regulations in its true spirit. Further, Insider confirms and understands that the Company, its subsidiaries, group companies, associate companies or its other employees, officers, representatives, directors and promoters shall not be responsible/ liable for any acts of omission and/or commission of the Insider or any other person resulting in violation of Code and/Regulations in any manner whatsoever.

**15. DISCLAIMER:**

The Code is the internal policy of the Company to regulate the Insider/ Employees and Connected Persons who are considered by the Company and/ A. K. Group to be Insiders for the purposes of the Regulations, from Trading. It is however the responsibility of each of the Insider, Employee and Connected Person to ensure compliance with the provisions of the Regulations and other related laws. The Company shall not be responsible or liable in any way for any violation or contravention by any of them in any manner whatsoever, of the Regulations or other related laws.

## **Policy of Determination of Legitimate Purpose:**

[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

### **1. PREFACE**

This Policy, as a part of "Code for Prohibition of Insider Trading" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

### **2. OBJECTIVE**

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

### **3. "LEGITIMATE PURPOSES"**

Legitimate Purposes shall mean sharing of UPSI in the ordinary course of business by an Insider with the following on "Need to Know Basis":

- a. Promoters of the Company
- b. Insider's inter-se
- c. Auditors (Statutory, Internal, Management, Secretarial, GST and any other Auditor as applicable)
- d. Staff Members of the Audit firm/team conducting the Audit
- e. Collaborators
- f. Lenders
- g. Clients
- h. Vendors and Suppliers
- i. Bankers
- j. SEBI Registered Intermediaries, RBI Registered NBFCs, Financial Institutions and Regulators
- k. Judiciary and Quasi Judiciary bodies.
- l. Legal Advisors & Professionals rendering Services
- m. Consultant(s)
- n. Employee(s), apprentice working with group, subsidiary, associate companies
- o. Any other person with whom UPSI is shared.

Insiders shall share the UPSI with the external agencies only in the interest of the Company and/or in compliance with the requirements of the law.

The agreements entered into involve sharing of UPSI should have a "confidentiality clause" or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.

---

#### **4. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS**

The Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in securities when in possession of unpublished price sensitive information.

#### **5. AMENDMENT**

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy. This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or reenactment thereto.

#### **6. APPROVED AND ADOPTED**

This Policy has been approved and adopted by the Board on February 2, 2019.

---

**Process of inquiry in case of leak of UPSI or suspected leak of UPSI**

1. Inquiry under this policy shall commence based on a written complaint received from any employee, department of the Company, Registrar and Share Transfer Agent, Designated Person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory / statutory authority or any other department of Central or State Government or other appropriate entity.
2. The complaint shall inter-alia state particulars of the complainer and details of the complaint. The Complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
3. The Complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director or Compliance Officer of the Company. All such complaints received shall be forwarded promptly to MD by the recipient.
4. Within 5 (five) working days of receipt of the complaint, MD shall write to the complainer intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter. If MD feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company, then he will discard the complaint with reasons recorded in writing.
5. Within 7 (seven) working days of receipt of representation, MD shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During such investigation, MD may call for such additional documents, representations, etc. as he may deem fit.
6. If no representation is received within the aforesaid stipulated time, MD shall issue notice to the complainer asking him about the status of complaint to which the complainer shall respond within 2 working days from the date of receipt of such notice. Failing to respond within the stipulated timelines, MD may issue show cause notice to the complainer as to why the Company should not initiate disciplinary proceedings, as applicable, against him.
7. On completion of the preliminary investigation under point 5, receipt of reply to the show-cause notice issued under point 6 or on non-receipt thereof, MD shall refer the matter to the Chairman of the Audit Committee, along with his opinion, for his consideration.
8. Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall convene the concerned meeting within a period of 45 days of receipt of opinion of MD.

9. The Audit Committee shall consider the matter and put forward its recommendation to the Board. The Board, on receipt of such recommendation and after due review, if forms an opinion that the complainer is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary proceedings of the company, which will be in addition to the penal provisions stated under SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and any other statutory enactments, as applicable.
10. The Company suo-moto reserves the right of initiating an inquiry under this policy against any designated person if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
11. This policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted, or which are available under the existing Vigil Mechanism Policy of the Company.
12. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 or any other relevant legislation/law applicable to the Company, as amended from time to time.

---

## **SCHEDULE A**

*[See sub-regulation (1) of regulation 8]*

### **Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

## SCHEDULE B

*[See sub-regulation (1) of regulation 9] Minimum Standards for Code of Conduct for Listed Companies to Regulate, Monitor and Report Trading by Designated Person*

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors but not less than once in a year.
2. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to “cross the wall”.
3. Employees and connected persons designated on the basis of their functional role (“Designated persons”) in the organization shall be governed by an internal code of conduct governing dealing in securities. The board of directors shall in consultation with the compliance officer specify the designated persons to be covered by such code based on their role and function in the organization.
4. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. 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 unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.

“Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.”

5. The timing for re-opening of the trading window shall be determined by the compliance officer considering 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.



6. 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 such thresholds as the board of directors may stipulate.
7. 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.
8. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
9. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be 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.
10. The code of conduct shall stipulate such formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations. Provided that this shall not be applicable for trades pursuant to exercise of stock options.
11. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension, recovery, clawback etc., that may be imposed, by the listed company required to formulate a code of conduct under sub-regulation (1) of regulation 9, for the contravention of the code of conduct.
12. The code of conduct shall specify that in case it is observed by the Listed Company required to formulate a code of conduct under sub-regulation (1) of regulation 9, that there has been a violation of these regulations, it shall inform the Board promptly.
13. “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 onetime 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.”

- 15. Listed entities shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.”

## **SCHEDULE C**

*[See sub-regulation (1) and sub-regulation (2) of regulation 9]*

### **Minimum Standards for Code of Conduct for Intermediaries and Fiduciaries to Regulate, Monitor and Report Trading by Designated Persons**

1. The compliance officer shall report to the board of directors or head(s) of the organization (or committee constituted in this regard) and in particular, shall provide reports to the Chairman of the Audit Committee or other analogous body, if any, or to the Chairman of the board of directors or head(s) of the organization at such frequency as may be stipulated by the board of directors or head(s) of the organization but not less than once in a year.
2. All information shall be handled within the organization on a need to know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese Wall procedures, and processes for permitting any designated person to “cross the wall.
3. Designated persons and immediate relatives of designated persons in the organization shall be governed by an internal code of conduct governing dealing in securities.
4. Designated persons may execute trades subject to compliance with these regulations. Trading by designated persons shall be subject to pre- clearance by the compliance officer(s), if the value of the proposed trades is above such thresholds as the board of directors or head(s) of the organization may stipulate.
5. The compliance officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
6. Prior to approving any trades, the compliance officer shall 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.
7. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
8. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is a connected person of the listed company and is permitted to trade in the securities of such listed company, shall not execute a contra trade. The compliance officer may be 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. Provided that this shall not be applicable for trades pursuant to exercise of stock options.

9. The code of conduct shall stipulate such formats as the board of directors or head(s) of the organisation (or committee constituted in this regard) deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.
10. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension, recovery, claw back etc., that may be imposed, by the intermediary or fiduciary required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, for the contravention of the code of conduct.
11. The code of conduct shall specify that in case it is observed by the intermediary or fiduciary required to formulate a code of conduct under sub-regulation (1) or sub-regulation (2) of regulation 9, respectively, that there has been a violation of these regulations, such intermediary or fiduciary shall inform the Board promptly.
12. All designated persons shall be required to disclose name and Permanent Account Number or any other identifier authorized by law of the following to the intermediary or fiduciary 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, names of educational institutions from which designated persons have studied 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.

13. Intermediaries and fiduciaries shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.”

**Annexure I**

1. <b>A. K. Capital Services Limited</b> Regd. Office 30-38, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Tel No: +91 22 66349300	2. <b>A. K. Stockmart Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
3. <b>A. K. Capital Finance Limited</b> <i>(Formerly known as “A. K. Capital Finance Private Limited”)</i> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500	4. <b>A. K. Capital Markets Limited</b> 38, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
5. <b>Family Home Consultancy Services Private Limited</b> <i>(Formerly known as “Second Leasing Private Limited”)</i> 30-38, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Tel No. +91 22 67546500	6. <b>A. K. Wealth Management Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
7. <b>A. K. Services Private Limited</b> 38, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500	8. <b>A. K. Capital Corporation Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
9. <b>A. K. Capital Retail Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500	10. <b>A. K. Commodities Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
11. <b>India Bond Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500	12. <b>Intelligroup Advisors Private Limited</b> 30-39, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215 Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500
13. <b>Goodwill Capital Services Private Limited</b> 38, Free Press House, 3 <sup>rd</sup> Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400 021 Tel No. +91 22 67546500	14. <b>Family Home Finance Private Limited</b> Regd. Office: 30-38, Free Press House, 3rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai – 400021 Tel No: +91 22 66349300

**Annexure II**  
**SEBI (Prohibition of Insider Trading) Regulations, 2015**

Name of the company: A. K. Capital Services Limited  
ISIN of the company: INE701G01012

Name, PAN, CIN/DIN, & address of Insider with contact nos.	Category of Insider	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition/ disposal
		Type of security	No and % of shareholding	Type of security	No.	Value (in INR)*	Transaction type (Buy/Sale)	Type of security	No and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
													Off-market inter-se trasfer between Insiders

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

\* Amount rounded off at the nearest rupee

\_\_\_\_\_  
Name & Signature of the Insider

Date:

Place:

## Annexure III

## Initial Disclosure by Insider/ Employee/ Connected Person of the Company

Pursuant to the applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Code of Conduct of the Company to Regulate the trading by Insiders

Date of Declaration:

Name of the Employee:

Employee Code:

Name and PAN of the Person	Category Employee/ Connected Person/ Immediate Relative#	Securities held as on the date of Joining				Open Interest of future contracts held at the time of joining			Open Interest of future contracts held at the time of joining			Remarks by Compliance Officer
		Name of the Company/ ISIN	Type of Security Equity/Pref/ Debentures etc.	No. of Securities held	Date of acquisition	Contract Specification	Number in Units (Contracts lot size)	Notional* Value (In Rupees)	Contract Specification	Number in Units (Contracts lot size)	Notional* Value (In Rupees)	

\* In case of options, Notional Value shall be calculated based on the premium plus strike price of options.

# In case of Immediate Relative, please specify the relation with Insider/ Employee.

**Note:**

It is intended that disclosure of trades would need to be of not only those executed by the Employee/ Director/ KMP concerned but also by the immediate relatives and of other persons for whom the person concerned takes trading decisions. These regulations are primarily aimed at preventing abuse by trading when in possession of unpublished price sensitive information and therefore, what matters is whether the person who takes trading decisions is in possession of such information rather than whether the person who has title to the trades is in such "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; Insider/ Connected Person shall read and understand the provisions of SEBI (Prohibition of Insider Trading Regulations), 2015 (Regulations) and Code of Conduct of the Company for regulating trading by Insiders (Code), including amendment thereto.

**Declaration/ Undertaking by the Person making disclosures:**

- I have read, understood and agree to abide by the Regulations and Code.
- All the details mentioned hereinabove are true, fair, accurate and complete in all respects as per my knowledge and belief and I understand that giving wrong declaration may lead to adverse repercussions and consequences as provided under the Regulations and Code.
- I confirm that I/ my Immediate Relatives have never dealt in any Securities, on the basis of Unpublished Price Sensitive Information or anyway which might result into contravention/ violation of applicable laws for the time being in force.
- The Company, its Directors, Officers, group/associate/ subsidiary/ affiliate Companies (A.K. Group and its representatives) are not responsible for any violation/contravention of Regulations/Code and any other laws pertaining to dealing in Securities by me and/my Immediate Relatives in any manner whatsoever.
- I shall be solely and absolutely responsible for complying with the provisions of the Regulations & Code, and I agree to indemnify and hold harmless A.K. Group and its representatives for any consequences resulting from such violation, whether monetary or not for any contravention in the provisions of this Regulation and/ Code and my dealings in Securities/Capital Market.
- The Securities acquired/ held by me/ my Immediate Relatives are in conformity with the provisions of law and the internal policies of the Company.

## Annexure IV

## Continuous Disclosure by Insider/ Employee/ Connected Person of the Company

Pursuant to the applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Code of Conduct of the Company to Regulate the trading by Insiders

Date of Declaration:

Name of the Employee:

Employee Code:

Name and PAN of the Person	Category Employee/ Connected Person/ Immediate Relative#	Securities held at the beginning of quarter			Securities acquired/ disposed off				Securities held post acquisition/ disposal		Mode of acquisition/ Sale (On market/ Off-Market/ Buy-back/ OFS/ rights etc.)	Remarks by Compliance Officer
		Name of the Company/ ISIN	Type of Security Equity/Pref/ Debentures etc.	No. of Securities held	Transaction type Buy/ Sell/ Gift etc.	No. of securities dealt	Value	date of allotment advice/ acquisition/ sale etc.	No. of shares	Value		

## Trading in derivatives (Type of contract, futures or options etc.)

Type of Contract	Contract Specification	Buy		Sale	
		Notional Value	No. of Units (Contracts* lot size)	Notional Value	No. of Units (Contracts* lot size)

\* In case of options, Notional Value shall be calculated based on the premium plus strike price of options.

# In case of Immediate Relative, please specify the relation with Insider/ Employee.

## Note:

It is intended that disclosure of trades would need to be of not only those executed by the Employee/ Director/ KMP concerned but also by the immediate relatives and of other persons for whom the person concerned takes trading decisions. These regulations are primarily aimed at "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; Insider/ Connected Person shall read and understand the provisions of SEBI (Prohibition of Insider Trading Regulations), 2015 (Regulations) and Code of Conduct of the Company for regulating trading by Insiders (Code), including amendment thereto.

## Declaration/ Undertaking by the Person making disclosures:

- I have read, understood and agree to abide by the Regulations and Code.
- All the details mentioned hereinabove are true, fair, accurate and complete in all respects as per my knowledge and belief and I understand that giving wrong declaration may lead to adverse repercussions and consequences as provided under the Regulations and Code.
- I confirm that I/ my Immediate Relatives have never dealt in any Securities, on the basis of Unpublished Price Sensitive Information or anyway which might result into contravention/ violation of applicable laws for the time being in force.
- The Company, its Directors, Officers, group/associate/ subsidiary/ affiliate Companies (A.K. Group and its representatives) are not responsible for any violation/contravention of Regulations/Code and any other laws pertaining to dealing in Securities by me and/my Immediate Relatives in any manner whatsoever.
- I shall be solely and absolutely responsible for complying with the provisions of the Regulations & Code, and I agree to indemnify and hold harmless A.K. Group and its representatives for any consequences resulting from such violation, whether monetary or not for any contravention in the provisions of this Regulation and/ Code and my dealings in Securities/Capital Market.
- The Securities acquired/ held by me/ my Immediate Relatives are in conformity with the provisions of law and the internal policies of the Company.





**Annexure V**

**SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL AND UNDERTAKING**

Date:

To  
The Compliance Officer  
Mumbai

Dear Madam/Sir,

**Subject: Application for Pre-dealing approval in securities**

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code, I seek Pre-clearance for trading in securities as mentioned below:

SN	Particulars	Inputs
1	Request made by	
2	Request made for	
3	Name of the Company/ISIN/Scrip Code/Scrip Name	
4	Number of securities held as on date	
5	Folio No. / DP ID / Client ID No.)	
6	Request is for	Purchase/ Sale/ Subscription etc.
7	Proposed date of dealing in securities	Shall deem to commence from the date of approval
8	Estimated number of securities proposed to be acquired/subscribed/sold	
9	Price Range (From – To) in INR	
10	Whether the proposed transaction will be through stock exchange or off-market deal	

**Applicant/Requestor hereby confirms, undertake and declare that:**

1. Is not in possession of or otherwise privy to any Unpublished Price Sensitive Information as defined in the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (hereinafter referred to as "the Code")
2. In the event of having access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after giving undertaking but before executing the trade for which approval is sought, I shall inform to the Compliance Officer of the same and shall completely refrain from dealing in the Securities till forty-eight hours until such information becomes public.
3. Has not contravened the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "Regulation") and the Code as notified from time to time
4. To submit the necessary report/document within two trading days of such transaction / a 'Nil' report if the transaction is not undertaken along with reasons for the same.
5. In case approval lapses, the Applicant shall seek pre-clearance again.
6. Notwithstanding anything contained in any part of the Regulation/Code, for the purpose of dealing in the Securities by the Immediate Relatives, it is the sole responsibility of the Employee for reporting the trade and other compliances applicable under the Regulation/Code.
7. It is the responsibility of each of the Insider, Employee and Connected Person to ensure compliance with the provisions of the Regulation, Code and other related laws

I hereby agree to the undertaking and declaration stated above.

Yours faithfully,

\_\_\_\_\_  
**(Name & Signature of Employee)**

**Annexure VI**

**Reporting Requirement**

Details of Securities dealt after pre-clearance approval as mentioned in Company's Code of Conduct for Prevention of Insider Trading

Name of the Company /ISIN/ Scrip Code and type of securities	No of Securities & Price Range		Date of pre-clearance	Date of transaction	Purchase /Sale	Total Holdings	
	From	to				Before transaction	After transaction

\*If not dealt in the securities approved or partial dealing in the securities approved provide reason for such discrepancy

Reason for discrepancies:

In connection with the aforesaid transaction(s), I hereby undertake to preserve for a period of 3 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 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).

Name:  
Designation:  
Signature:

Date:  
Place:



**Annexure VII**

**FORMAT FOR DISCLOSURE OF TRANSACTIONS**

To  
The Compliance Officer  
**A. K. Capital Services Limited**  
Mumbai

I hereby inform that I, my spouse/my dependent child(ren)/dependent parent(s) (singly/jointly) as on the date of joining the Company or during the Financial Year \_\_\_\_\_/ during Financial Quarter ended \_\_\_\_\_.

- have not bought /sold/ subscribed any securities of the Company:
- have bought/sold/subscribed to securities as mentioned below on:

Name of the Company whose shares are Bought	Name of holder	Type and No. of securities dealt with	Date of transaction	Bought/sold / subscribed	DP ID/ Client ID/ Folio No.	Price (INR)	Total Holdings	
							Before transaction	After transaction

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 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 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).

Date:

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

Name:

Designation: