

W.S. INDUSTRIES (INDIA) LIMITED

POLICY ON CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING  
AND  
FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

*[FRAMED AND AMENDED considering SEBI [Prohibition of Insider Trading] Regulations, 2015 with Amendments thereto i.e. SEBI [Prohibition of Insider Trading] [Amended] Regulations, 2018]*

**POLICY ON CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND FAIR DISCLOSURE  
OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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**I. PREAMBLE**

SEBI (Prohibition of Insider Trading) Regulations are applicable to all Listed Company and it mandates every listed company to formulate a code of conduct to regulate, monitor and report trading by its employees and other “connected persons” (as defined under the Regulations) towards achieving compliance with these Regulations and enforce a code of internal conduct and procedures based on the model code provided therein.

Hence, accordingly this policy is framed and amended considering SEBI (Prohibition of Insider Trading) Regulations, 2015 with Amendments thereto i.e. SEBI (Prohibition of Insider Trading) (Amended) Regulations, 2018.

Further, SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 requires every listed Company, inter alia, to formulate a policy for determination of ‘Legitimate purpose’ as a part of this code formulated under regulation 8 of SEBI PIT Regulation. Accordingly, the Board of Directors has adopted this policy through circular resolution dated 8<sup>th</sup> April 2019 and this Code will be applicable from **April 1, 2019**.

**II. PURPOSE**

The Basic purposed behind the policy is to preserve the Confidentiality and prevent the misuse of un-published price sensitive information (UPSI). Every director, officer, Designated Person of the Company has a duty to safeguard the confidentiality of all such information which he/ she obtain in the course of performance of official duties. Directors, officers and Designated Person of the Company should not use their position to gain personal benefit.

**III. APPLICABILITY**

The Code is applicable to the following persons:

- 1) Promoters including member(s) of Promoter group
- 2) Directors

- 3) Designated Persons
- 4) Concerned Advisers/Consultants/Retainers of the Company
- 5) Connected Persons as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as defined in Clause IV(7) of Important Definition given below

#### IV. IMPORTANT DEFINITIONS

Sr. No.	Term	Definition
1	<b>“Act”</b>	Means the Securities and Exchange Board of India Act, 1992 (15 of 1992), as amended.
2	<b>“Board”</b>	Means the Securities and Exchange Board of India.
3	<b>“Code”</b>	Means the Code of Conduct for prevention of Insider Trading, as notified hereunder, including any amendments/ modifications made from time to time.
4	<b>“Company”</b>	Means W.S. Industries (India) Limited
5	<b>“Compliance Officer”</b>	<p>Means Company Secretary of the Company or in absence of Company Secretary, any senior officer, designated so or in absence of both, the Executive Director or such other senior officer, who is financially literate and is capable of appreciating requirements of legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring and adherence to the rules for preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in this Code of Conduct and Compliance officer shall function and carry out his responsibilities under the overall supervision of the Board of Directors of the Company.</p> <p>Explanation – For the purpose of this regulation “financially literate” shall mean a person, who has ability to read and understand basic financial statement like Balance Sheet, Statement of Profit and Loss, Cash Flow statement etc.</p>
6	<b>“Concerned Adviser / Consultants / Retainers” of the Company</b>	Means such Advisers or Consultants or Retainers or Professionals who are assisting or advising Company and in the opinion of the Company may have access to unpublished price sensitive information

7	“Connected Person”	<p>Means</p> <p>I. Any person who is or has during the six months prior to the concerned act been associated with a 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 unpublished price sensitive information or is reasonably expected to allow such access.</p>
		<p>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,</p> <ul style="list-style-type: none"> <li>a) an immediate relative of connected persons specified in (i) above; or</li> <li>b) a holding company or associate company or subsidiary company; or</li> <li>c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or</li> <li>d) an investment company, trustee company, asset management company or an employee or director thereof; or</li> <li>e) an official of a stock exchange or of clearing house or corporation; or</li> <li>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</li> <li>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</li> <li>h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or</li> <li>i) a banker of the company; or</li> <li>j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;</li> </ul> <p><b>NOTE:</b> 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</p>

		<i>by virtue of any connection that would put them in possession of unpublished price sensitive information.</i>
8	<b>“Designated Person(s)”</b>	Means described to such term in Clause V of this code.
9	<b>“Dealing in securities”</b>	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 as an agent.
10	<b>“Director”</b>	Director appointed on the Board of the Company
11	<b>“Generally Available Information”</b>	Means Information that is accessible to the public on a non-discriminatory basis.  <b>NOTE:</b> <i>Information published on the website of a stock exchanges, would ordinarily be considered generally available.</i>
12	<b>“Immediate Relative”</b>	The following shall be treated as immediate relative of the designated employee.  <ul style="list-style-type: none"> <li>i. Spouse</li> <li>ii. Father</li> <li>iii. Mother (including step-mother)</li> <li>iv. Son (including step-son)</li> <li>v. Son's wife</li> <li>vi. Daughter (including step-daughter)</li> <li>vii. Daughter's Husband</li> <li>viii. Siblings</li> </ul>

13	<b>“Insider”</b>	<p>Means any person who is:</p> <ul style="list-style-type: none"> <li>i. a connected person; or</li> <li>ii. In possession of or having access to unpublished price sensitive information; or</li> <li>iii. Any person who is in receipt of unpublished price sensitive information for legitimate purpose</li> </ul> <p>It is clarified that any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for the purpose of this code.</p> <p><b>NOTE:</b> 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.</p>
14	<b>“KMP”</b>	<p>Means Key Managerial Person, and includes—</p> <ul style="list-style-type: none"> <li>i. the Chief Executive Officer or the managing director or whole time director or the Manager;</li> <li>ii. the Company Secretary;</li> <li>iii. the Chief Financial Officer; and</li> <li>iv. Such other officer as may be appointed by the Board of Directors of the Company as Key Managerial Person.</li> </ul>
15	<b>“Legitimate purpose”</b>	<p>shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), legal adviser(s), auditors, insolvency professional(s) or other adviser(s) or consultant(s), provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.</p>

16	<b>“Material Facts”</b>	<p>Means The materiality of a fact depends upon the circumstances. A fact is considered “material”, if it is likely to affect the market price of the securities, upon coming into public domain</p> <p>Material information can be positive or negative and can relate to virtually any aspect of the business of a company or its affiliates or to any type of security, debt or equity.</p> <p>Examples of material information include (but are not limited to) facts concerning:</p> <ul style="list-style-type: none"> <li>i. Dividends;</li> <li>ii. Corporate earnings or earnings forecasts;</li> <li>iii. Business performance developments, such as number of customers; mergers or acquisitions; major litigation; significant borrowings or financing; defaults on borrowings; and bankruptcies,</li> <li>iv. Issues of securities or buyback of securities;</li> <li>v. Any major expansion plans or execution of new projects;</li> <li>vi. Amalgamation, mergers or takeovers;</li> <li>vii. Disposal of whole or substantial part of the undertaking; and</li> <li>viii. Any significant changes in policies, plans or operations of the Company.</li> </ul>
17	<b>“Need to Know” basis</b>	<p>Means that unpublished price sensitive information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to any conflict of interest or appearance of misuse of information.</p>
18	<b>“Non-public Information”</b>	<p>Information is “non-public” if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors by distribution to stock exchanges, where Company’s shares are listed or through such media as press and television, journals or similar broad distribution channels or the press media in India and abroad. The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.</p>
19	<b>“Promoter” and “Promoter Group”</b>	<p>Shall have same meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment thereof.</p>
20	<b>“Securities”</b>	<p>Shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof, except units of mutual funds.</p>
21	<b>“Stock Exchanges”</b>	<p>Shall mean any recognized stock exchange on which Company’s securities are listed.</p>

22	<b>“Trading”</b>	<p>Means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “Trade” shall be construed accordingly.</p> <p><b>NOTE:</b> 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.</p>
23	<b>“Trading Day”</b>	Means a day on which the recognized stock exchanges are open for trading.
24	<b>“Trading Window”</b>	Trading window shall refer to specified period during which the trading in securities of the Company is permitted. During the closure of Trading Window, trading in Company’s securities is prohibited for designated persons and is restricted for other employees.
25	<b>"Unpublished Price Sensitive Information"</b>	<p>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: –</p> <ul style="list-style-type: none"> <li>i. financial results;</li> <li>ii. dividends;</li> <li>iii. change in capital structure;</li> <li>iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;</li> <li>v. changes in key managerial personnel</li> </ul>

## V. DEALING IN SECURITIES BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES

In addition to the prohibitions on insider, this Code imposes certain additional responsibilities and restrictions on certain categories of persons, who are defined below as Designated Persons.

A **“Designated Person”** would include the following categories of employees, for the purpose of this Code:

- i. Directors of the Company;
- ii. Chief Executive officer/Chief Financial officer/Company Secretary
- iii. Chief Administrative officer/Chief Operating Officer
- iv. Permanent invitees/invitees to the board meeting and committee meetings

- v. Members of executive committee of the Company not being directors
  - vi. Employees in the cadre of Assistant/Associate Vice President and above;
  - vii. Personal assistant/secretary to all the above persons;
  - viii. All other employees of the Company and its material subsidiaries and associate companies, irrespective of their cadre working in accounts, finance, information technology, treasury, taxation departments, secretarial, legal and compliance departments, internal audit department, business/investor's relations and corporate communications department, and chief executive officer/managing director's office and chairman's office
  - ix. Persons employed on contract basis and performing similar roles or having similar responsibilities as persons mentioned in (ii), (iii) and (vi) above;
- VI. And such other persons as may be notified by the Compliance Officer as per direction of the Board.

## VII. RESPONSIBILITIES AND RESTRICTIONS ON DESIGNATED PERSONS

The responsibilities and restrictions imposed on Designated Persons are:

- a) Furnish Initial Disclosure about the number of securities of the Company held by him/her and his / her immediate relatives, within 2 working days of implementation of this code or within 2 working days of joining the Company or becoming designated person.
- b) Maintain confidentiality of all Unpublished Price Sensitive Information.
- c) Not pass on any Unpublished Price Sensitive Information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.
- d) Communicate Unpublished Price Sensitive Information to other Designated Persons only a "need to know" basis, i.e. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their legitimate duties or for other legitimate purposes.
- e) Follow a "Chinese Wall" mechanism thereby preventing passing of unpublished price sensitive information to any person for any purpose other than those to whom and for which such information can be conveyed legally in accordance with the code read with SEBI [Prohibition of Insider Trading] [Amendment] Regulations, 2018 viz. process permitting "cross the wall".
- f) be subject to trading restrictions when the trading window is closed i.e. shall not purchase, sale or deal in securities either by themselves or their relatives, other than as permitted under Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI [Prohibition of Insider Trading] [Amendment] Regulations, 2018.
- g) Obtain approval for the proposed transaction before entering into such transactions from the Compliance Officer by making an application in the prescribed Pre-dealing Form [which is available with the Compliance Officer] if they intend to deal in the securities of the Company. All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the dealing in securities exceeds 20,000 Equity Shares, should pre-clear the transaction. However, such approval will not be required for transactions undertaken in accordance with approved trading plan.



- h) Upon approval of the pre-dealing application by the Compliance Officer, execute their order in respect of securities of the Company within five trading days from the date of the pre-dealing approval. If the order is not executed within this five day period, the Designated Persons must obtain a fresh pre-dealing approval again. The Chairman of the Audit Committee is being also granted with the power of approving the pre-dealing application form.
- i) Not to make any **contra trade** within six months of the last transaction for which the contra trade is being considered. However, such restriction will not to be applicable for trades carried out in accordance with an approved trading plan and for trades pursuant to exercise of stock options.
- j) Not to deal in any securities of the Company in any manner which is contrary to SEBI [Prohibition of Insider Trading] Regulations, 2015 or this Code, whether stated or implied.
- k) Designated persons shall disclose names and PAN or other identifier authorized by law, of the following persons in the format annexed as “Annexure-5” on annual basis and as and when the information changes;
  - a) Designated person him/herself
  - b) Immediate relatives of designated person
  - c) Persons with whom such designated person(s) has a material financial relationship
  - d) Phone/cell numbers which are used by them

**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.

If the opposite transactions are executed in violation of this provision, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI. Such persons may however apply to the Compliance Officer in for waiver of the restriction on contra trade, if there is a need to sell the said securities due to personal emergency.

Every Designated Person is required to maintain strict confidentiality of all Unpublished Price Sensitive Information and prohibited from passing on such information to any person directly or indirectly. Attention is specifically drawn to Regulation 3(i) of the PIT Regulations, which prohibits an insider to communicate, provide, or allow access to any Unpublished Price Sensitive Information relating to the Company or its securities listed or proposed to be listed. All data, documents, information, forms, records, files (physical as well as soft files) are required to be kept secure and confidential by all the Designated persons. All information within the organization shall be handled on need to know basis.

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

## **VIII. PREVENTION OF MISUSE OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”**

### **1. Preservation of “Price Sensitive Information”**

The Directors, Designated Employees, Connected Person and concerned Advisers or Consultants or Retainers of the Company shall maintain the confidentiality of all price sensitive information and shall not communicate any Unpublished Price Sensitive Information to any person except on 'need to know basis' – i.e. that Unpublished price Sensitive Information should be disclosed only to those persons within the Company or persons connected with the Company who need the Information to discharge their duty or legal obligations and whose possession of such information will not give rise to a conflict of investor or appearance of misuse of the information. The Directors, Designated Employees, Connected Person and concerned Advisers or Consultants or Retainers of the Company shall not pass on any Price Sensitive Information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities of the Company.

## **2. Limited access to confidential information**

The Directors, Designated Persons, Connected Persons and concerned Advisers or Consultants or Retainers of the Company shall keep the files containing confidential Price Sensitive Information duly secured and computer files must be kept with adequate security of login and password, etc.

## **3. Receipt of UPSI for legitimate purpose**

Receipt of Unpublished Price Sensitive Information for legitimate purpose shall be considered as insider for the purpose of this code. Accordingly, the person who shares UPSI shall give proper notice to the recipient of UPSI to maintain confidentiality of such UPSI in compliance with SEBI (PIT) Regulations, 2015.

## **4. Trading Plans**

SEBI Regulation entitles the Insider to formulate a trading plan. If any insider / Designated persons wish to formulate trading plan for trading in securities of the Company, he may do so and present it to the Compliance officer. Trading Plan is optional, however, if any insider opt for Trading Plan, the same need to be as per strict provisions of the Regulation 5 of SEBI PIT Regulation. Trading Plan need to be approved by the Compliance Officer and disclosed to the Stock Exchange. Once Trading Plan approved, it becomes irrevocable.

The Insiders-

- a) Shall commence trading under such trading plan only after a period of 6 months has elapsed from the date of public disclosure.
- b) Shall not trade for a period between the 20th trading day prior to the last day of any financial period, for which results are required to be announced by the Company and upto closure of 2nd trading day after such financial results made public.
- c) Shall not be entitled to trade under the trading plan for a period of less than 12 months.
- d) Shall not form a trading plan when another trading plan is already in use.
- e) Shall either set out the value of trade 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 affected.

- f) Shall not use trading plans for trading in securities for market abuse.
- g) Shall mandatorily implement the plan without being entitled to either deviate from it or execute any trade outside the scope of the Trading Plan. Thus, the Trading Plan, once published, shall be irrevocable.

However, the insider shall not commence trading under trading plan if any Unpublished Price Sensitive Information in his possession at the time of formulation of the plan has not become generally available information at the time of commencement of the plan. In such cases, the Compliance Officer will confirm its commencement ought to be deferred.

The Compliance Officer shall review the trading plan to assess whether the plan has the potential for violation of the PIT 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.

It is clarified that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan. It is further clarified that trading window norms and restrictions on a contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

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

## **5. Pre-clearance of trades when trading window is open**

*[Applicable for trades without approved trading plan]*

All designated persons of the Company and their immediate relatives intending to deal in any securities of the Company may do so under the following procedure:

- a) Make an application to the Compliance Officer in the prescribed form [as per **Annexure 1**] for pre-clearance of the transaction.
- b) Execute an undertaking in favour of W.S. Industries (India) Limited in the prescribed form [as per **Annexure 2**]
- c) The proposed transaction can be carried out only after receiving appropriate clearance from the Compliance Officer [as per **Annexure 3**]

The execution of the order in respect of the securities of the Company will have to be completed within 5 days of such approval of pre-clearance failing which fresh clearance would need to be obtained. Within 4 days of the execution of the deal, the details of such deal, should be filed with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed [as per **Annexure 4**].

## **IX. TRADING WINDOW AND PROHIBITION ON DEALING DURING WINDOW CLOSURE**

1. The Company shall specify a trading period, to be called “Trading Window”, for trading in the Company’s Securities. When the Trading Window is closed, all Designated Persons (including their immediate relatives) and all promoters including member of promoter group shall not trade in the Company’s securities in such period.
2. The Trading Window shall be, inter alia, closed during the time the information referred to below is unpublished:
  - i. From the date of announcement of Board Meeting for declaration of financial results;
  - ii. From the date of announcement of Board Meeting for declaration of dividends;
  - iii. From the date of announcement of Board Meeting held to approve change in capital structure or further issuance of securities by way of public/right/bonus, etc.;
  - iv. From the date of announcement of Board Meeting held to approve mergers, demergers, takeovers, acquisitions, buy-back, delisting, disposals and expansion of business and such other transactions;
  - v. From the date of announcement of Change(s) in KMP;
  - vi. For such other period and for any such other event as and when the Compliance officer determines that designated persons or class of designated persons can reasonably be expected to have unpublished price sensitive information and as may be deemed fit by the Compliance Officer.
3. The time for re-opening of Trading Window shall be determined by the Compliance Officer taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 hours after the information referred to above becomes public/generally available.
4. The trading/dealings in Company’s securities by all Designated Persons (including their immediate relatives) shall be conducted during the period when the trading window is open subject to pre-clearance by Compliance Officer, or as per approved trading plan and shall not deal in any transaction involving the purchase or sale of the Company’s Securities during the periods when Trading Window is closed, or during any other period as may be specified by the Compliance Officer from time to time.

## **X. DISCLOSURE**

The disclosure to be made by any person under this code shall include those relating to trading by immediate relative(s) of such person and by any other person for whom such person takes trading decisions. This disclosure of trading in securities shall also include trading in derivatives and traded value of the derivatives shall be taken into account for the purpose of this code.

## **Initial Disclosure**

- a) Every Promoter including member of promoter group, Designated Person, KMP and Director, is required furnish details of securities and derivative positions in securities held by him in or his immediate relatives in Form- A within 30 days of this code coming in to effect.
- b) Every Promoter including member of promoter group, Designated Person, KMP and Director, on being appointed / designated as such, is required to furnish shall disclose their holding of securities of the company as on the date of appointment or becoming a promoter, to the company of such appointment or becoming a promoter in Form- B within 7 days.

The Designated Persons mentioned above also need to ensure that information of any change in immediate relatives is informed to the Company within 7 days of such change.

## **Event based Disclosure**

Every Promoter including member of promoter group, Designated Person, KMP and Director of the Company shall disclose in Form - C to the Company, the number of securities acquired or disposed of within 2 trading days of such transaction, if the aggregate value of securities traded, whether in one transaction or series of transaction in any calendar quarter, exceeds an aggregate amount of Rs. 10 lakhs.

It is hereby clarified that the value of securities traded will include the aggregate of purchases as well as sale of securities.

The Company shall notify the particulars of such trading to the stock exchanges on which the securities are listed within 2 trading days of receipt of the disclosure or from becoming aware of such information.

If so demanded by the Compliance Officer, above referred Persons shall furnish copies of account statements of securities, or such other document as may reasonably be required by the Compliance Officer, in order to enable him to verify the accuracy of the information furnished and monitor adherence with this Code, by Designated Persons. Such statement or other document is required to be submitted within 7 calendar days of demand or within such extended period as may be allowed by the Compliance Officer.

## **Disclosures by other connected persons**

Company at its discretion may require other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in Form- D.

## **Annual Disclosure**

Every Designated Person, Promoter, KMP and Director of the Company shall on annual basis, disclose in Annexure -5 to the Company, the details of all holdings in Securities of the Company

held by him including statement of holding of their immediate relatives on or before April 30 (for year ended March 31).

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

1. The Company shall maintain a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under this code read with PIT Regulations, along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.
2. The said digital database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

#### **XII. MECHANISM FOR PREVENTION OF INSIDER TRADING**

The Company has adopted system of internal controls which mainly consist of the following, to prevent dealing in securities by insiders with misuse of unpublished price sensitive information

- All employees who have access to unpublished price sensitive information are identified as designated employee
- All unpublished price sensitive information shall be identified and its confidentiality shall be maintained by designated employee and others who have knowledge of unpublished price sensitive information.
- Adequate restriction shall be placed on procurement, communication and sharing of unpublished price sensitive information by designated employee and others who have knowledge of unpublished price sensitive information.
- List of employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreement shall be executed or notice shall be served to all such employees and persons
- Audit Committee shall review once in a financial year, the process to evaluate effectiveness of the above said internal controls and shall verify that the system for internal control are adequate and are operating effectively.
- Audit committee shall review at least once in a financial year, compliance with this code read with PIT Regulations.

#### **XIII. DEALING IN CASE OF SUSPECTED LEAK OR LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)**

##### **1. Inquiry for Leakage of UPSI**

All UPSI shall be handled on a need to know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer / Company Secretary / Chairman and Managing Director in advance.

In case any UPSI is leaked or is suspected to be leaked by any insider, Company Secretary/Chief

Financial Officer will investigate the matter and collect / gather the evidences and will report to the Chairman of Audit and Risk Management Committee. The Chairman of the Audit Committee will thereafter convene meeting of Audit Committee depending on severity of the matter.

## **2. Process for inquiry**

All the matters concerning leak of UPSI or suspected leak of UPSI, will be thoroughly investigated by Company Secretary/ Chief Financial Officer may at their discretion, consider involving external investigators for the purpose of the investigation.

Company Secretary/ Chief Financial Officer may ask the concerned insider to remain present for investigation, discussion etc. and for such investigation CS/CFO may ask for personal bank account statement or such other details or documents as it deems fit.

## **3. Powers of Company Secretary/Chief Financial Officer**

The powers of Company Secretary / Chief Financial Officer for inquiry under this clause are as under.

- To investigate the matter
- To ask concerned insider for personal presence, examination, cross examination etc
- To call for personal information/documents from insider
- To file complaint, if required, before police authority/Designated cell under Information Technology Act, 2000
- To retain the documents gathered during investigation
- To report to Audit Committee

## **4. Report to Audit Committee for appropriate action**

Company Secretary/Chief Financial Officer will report to the Chairman of the Audit & Risk Management Committee and upon receipt of report by the Chairman, he will convene meeting of the Audit Committee, depending on severity of the matter. The Audit Committee based on such report decide the suitable action including but not limited to withholding of salary/termination of employment/monetary penalty.

## **XIV. PRINCIPLES OF FAIR DISCLOSURE WITH RESPECT TO UNPUBLISHED PRICE SENSITIVE INFORMATION**

1. The Chairman, Managing Director, the Chief Executive Officer, the Chief Financial officer, the Company Secretary of the Company or any person, which the Board may deem fit, are entitled to deal with dissemination of information and disclosure of unpublished price sensitive information.
2. The Company to make 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.

3. The Company would ensure uniform and universal dissemination of unpublished price sensitive information like publication of policy(s) related to dividend, if any, inorganic growth pursuits, etc. to avoid selective disclosure, thereby providing equality of access to such price sensitive information to all concerned.
4. Once the Unpublished Price Sensitive Information made public i.e. post dissemination to the stock Exchange(s), such information may be shared with media, analysts, investors etc.
5. The Company shall promptly disseminate unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
6. The Chairman, Managing Director, The Director (Designated) – International Business, Chief Executive Officer, Chief Financial Officer, compliance officer and head corporate communications, (if any) shall jointly and/or severally give appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
7. The above said personnel of the Company to ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
8. The compliance officer shall ensure that the best practices are developed to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences and to host such transcripts, etc. on the official website of the Company to ensure official confirmation and documentation of disclosures made, within 15 working days of the event.
9. The Company to ensure that all Unpublished Price Sensitive Information to be handled and shared only on a need-to-know basis
10. Penalty for contravention of the code of conduct
  - a) 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].
  - b) Any designated persons who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
  - c) The persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, ineligibility for future participation in employee stock option plans, etc.



- d) The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI [Prohibition of Insider Trading] Regulations, 2015.

#### **XV. ROLE OF COMPLIANCE OFFICER IN PREVENTION OF INSIDER TRADING.**

The Compliance Officer shall be responsible for setting forth policies, procedures and monitoring adherence to the rules for the preservation of unpublished price sensitive information, pre-clearing and monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Company.

The Compliance Officer shall report to the Board of Directors/ Stakeholders Committee / Audit Committee (by whatever name called), the changes in Designated Persons, the details of trading plans received, pre-clearance given and / or any violation of the PIT Regulations reported.

The Compliance Officer shall maintain a record of the Designated Persons and any changes made in the list of Designated Persons.

The Compliance Officer shall assist all the persons in addressing any clarification regarding this Code and the PIT Regulations.

The Compliance officer shall report to Audit Committee/Board of Directors any amendment to SEBI (PIT) Regulations, 2015 and accordingly this code will be amended by Audit Committee/Board of Directors depending upon the effect of proposed amendment.

#### **XVI. VARIOUS FORMS FOR DISCLOSURES AND PRE-CLEARNCE TRADING APPROVAL**

<b>Form - A</b>	Form for initial disclosure of securities held by promoter, key managerial personnel, director, designated persons and immediate relatives
<b>Form - B</b>	Form for disclosure of securities held on being appointed as key managerial personnel or director or designated person or upon becoming a promoter of a listed company.
<b>Form - C</b>	Form for disclosure by Change in holding of securities of promoter, key managerial personnel, director, designated persons for transactions of securities in excess of certain limits
<b>Form-D</b>	Form for Trading in Securities by other Connected persons as identified by the Company
<b>Annexure -1</b>	Form for application for pre-clearance approvals for dealings of securities

<b>Annexure -2</b>	Form for undertaking to be accompanied with the application for pre - clearance
<b>Annexure -3</b>	Form for Grant of Prep- Clearance approval
<b>Annexure -4</b>	Form for Confirmation of Deal
<b>Annexure -5</b>	Form for Annual disclosure of securities held by promoter, key managerial personnel, director and designated person

**FORM A**

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

**Name of the company: W.S. Industries (India) Limited**

**ISIN of the company:**

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

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP /Directors / Immediate relative to / Others etc	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants , Convertible Debentures etc.)	No	
1	2	3	4	5

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

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

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

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

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

Designation

: Date:

Place:

**FORM B**

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

**Name of the company: W.S. Industries (India) Limited**

**ISIN of the company:**

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

Name, PAN, CIN/DIN & addresses with contact nos.	Category of Person (Promoters/ KMP /Directors / Immediate relative to / Others etc	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	
1	2	3	4	5

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

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

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP		
Contract specifications	Number of units (contract * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contract * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

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

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

Designation

: Date:

Place:



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

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

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

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

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

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

Designation

: Date:

Place:

**FORM D**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 Regulation 7(3) – Transactions by Other connected persons as identified by the company  
Details of trading in securities by other connected persons as identified by the company**

Name, PAN, , CIN/ DIN, & address with contact	Connection with company	Securities held prior to acquisition / disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice / acquisition of shares / sale of shares specify		Date of intimation to company		Mode of acquisition / disposal (on market/public/rights/preferential offer / off market / Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	Value	Transaction Type (Buy / Sale / Pledge / Rvoke/ Invo ke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	From	To	13	14	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	

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

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

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

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

\_\_\_\_\_

Name

:

Date:

Place:



**Annexure 1**

**APPLICATION FORM FOR PRE-CLEARANCE APPROVAL**

Date: / /

To,  
**Compliance Officer/Chairman of Audit Committee**  
**W.S. Industries (India) Limited**

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**Sub: Application for Pre-Clearance approval in securities of the Company**

Dear Sir/Ma'am,

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and SEBI [Prohibition of Insider Trading] [Amendment] Regulations, 2018 and Company's Code of Conduct for Prevention of Insider Trading. I/We seek approval to purchase/sale/subscription of \_\_\_\_\_ equity shares of the Company as per details given below;

1.	Name of the Applicant	
2.	Designation	
3.	No. of Securities held as on date	
4.	Folio No.	
5.	DP ID + Client ID	
6.	The Proposal is for	a) Purchase of Securities b) Subscription of Securities c) Sale of Securities
7.	Proposed date of dealing in Securities	
8.	Estimated number of securities proposed to be acquired/subscribed/sold	
9.	Current market price [as on date of application]	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No./DP ID /Client ID where the securities will be credited/debited	

An undertaking in the prescribed format is enclosed for your perusal and records in this connection. Please grant your permission for the said transaction.

Thanking You.

\_\_\_\_\_  
[Name]

[Status of Designated person]

**Annexure 2**

**FORM OF UNDERTAKING TO BE SUBMITTED ALONG WITH THE APPLICATION FROM OF PRE-CLEARANCE**

To,  
**Compliance Officer/Chairman of Audit Committee**  
**W.S. Industries (India) Limited**

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

I/We further declare that I/We am/are not in possession of or otherwise privy to any Unpublished Price Sensitive Information [as defined in the Company's Code of Conduct for Prevention of Insider Trading (the Code)] upto the time of signing 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 of this undertaking but before executing the transaction for which approval is sought, I/We shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

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

If approval is granted, I/We shall execute the deal within 5 days of the receipt of approval failing which I shall seek pre-clearance.

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

Date: / /

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

Name:

**Annexure 3**

**FORM OF GRANT OF PRE-CLEARANCE BY THE COMPLIANCE OFFICER (ON THE LETTERHEAD OF THE COMPANY)**

To,

Name of Person: \_\_\_\_\_

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

Address: \_\_\_\_\_

\_\_\_\_\_

**Sub: PRE-CLEARANCE ORDER**

Ref.: Your Application dated \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ [nos.] Shares of the Company as mentioned in your above mentioned application is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ that is within 5 trading days from today failing which a fresh application for Pre-Clearance of the said Transaction will have to be made to the undersigned.

For, **W.S. Industries (India) Limited**

**Compliance Officer/** \_\_\_\_\_  
**Authorised Person**

**Date: //**

## Annexure 4

### **FORM OF CONFIRMATION OF DEAL**

*[To be submitted within 4 days of transaction/Dealing in securities of the Company]*

**Date:**

To,  
The Compliance Officer,  
**W.S. Industries (India) Limited**

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**Sub: Details of Transaction** \_\_\_\_\_

Ref: Your approval letter No. \_\_\_\_\_ dated \_\_\_\_\_ [in case of pre-approved transaction]

Dear Sir,

I/We hereby inform you that I/We

- have not bought/sold/subscribed any Securities of the Company
- have bought/sold/subscribed to the \_\_\_\_\_ Securities as mentioned below on \_\_\_\_\_ [insert date]

Name of the holder	First or joint holder	No. of Securities dealt with	Bought/ Sold/ Subscribed	DP ID/Client ID [electronic form] or Folio no. for physical where the sec. will be debited or credited	Price [Rs.]

In connection with the aforesaid transaction(s), I/We 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 for sale transaction]

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

I/We agree to hold the above Securities for a minimum period of 6 months.

Thanking you.

Yours faithfully,

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**Annexure 5**

**Half Yearly Disclosure of Securities held by Promoter, Key Managerial Personnel, Director and Designated Persons and Immediate Relatives**

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

To,  
**The Company Secretary & Compliance Officer**  
**W.S. Industries (India) Limited**

-----,  
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**Sub:** Disclosure of Trading in Securities of **W.S. Industries (India) Limited** during the year ended \_\_\_\_\_ and holding of securities of the Company as on that date.

**Dear Sir,**

Pursuant to Company's Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information ("Code"), I hereby disclose trading in securities of the Company during the year ended \_\_\_\_\_ and holding as on that date.

Name			Designated Person		Director

<b>Disclosure of Securities by Director and Designated Employee</b>					
Type of Securities	Number of securities held as on half year ended _____	Number of securities <b>bought</b> during the half year ended _____	Number of securities <b>sold</b> during the half year ended _____	Number of securities held as on half year ended _____	DP. ID & Client ID
Equity					

Details of my immediate relatives are as under. *"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.*

Sr. No.	Name of Relative	PAN	DP ID & Client ID

**Disclosure of Securities by Immediate Relative of Director and Designated Employee**

Name(s) of Immediate Relatives	Type of Securities	Number of securities held as on half year ended _____	Number of securities <b>Bought</b> during the half year ended _____	Number of securities <b>sold</b> during the half year ended _____	Number of securities held as on half year ended _____	DP. ID & Client ID
	Equity					

I hereby declare that the above details are complete and correct. I further declare that I have complied with the provisions of Code. I am fully aware about consequences in case of any non-compliance by me and shall be responsible for any action/inaction.

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

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

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

Mobile No.: \_\_\_\_\_

Department : \_\_\_\_\_

Emp. Code or DIN: \_\_\_\_\_