



## **HUBTOWN LIMITED**

**CODE OF CONDUCT  
FOR  
REGULATING, MONITORING AND REPORTING OF  
TRADING BY INSIDERS  
[PROHIBITION OF INSIDER TRADING]**

[Effective from May 15, 2015]

**HUBTOWN CODE OF CONDUCT**  
**FOR**  
**REGULATING, MONITORING AND REPORTING OF TRADING BY**  
**INSIDERS**

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# HUBTOWN LIMITED

## CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS

### [Regulation 9 (1) of SEBI ( Prohibition of Insider Trading) Regulations, 2015]

#### 1. INTRODUCTION :

***Insider Trading means trading in securities of a company by its Directors, Employees or other Insiders based on Unpublished Price Sensitive Information. Such trading by Insiders erodes the Investors' confidence in the integrity of the management and is unhealthy for growth of the capital market.***

The Securities and Exchange Board of India in its endeavor to protect the interests of investors in general and for the orderly and healthy growth of the capital markets, had formulated the SEBI (Prohibition of Insider Trading) Regulations, 1992. These Regulations came into force with effect from November 19, 1992 and were applicable to all companies whose shares were listed on the stock exchanges.

***In order to strengthen the legal and enforcement framework, align the Indian regime with international practices, provide clarity to definitions and concepts, and facilitate legitimate business transactions, SEBI had constituted an 18 member committee under the Chairmanship of Justice N. K. Sodhi to review the Regulations. The recommendations of the Committee were considered and approved by the SEBI Board in its meeting held on November 19, 2014 and accordingly, SEBI replaced the 22 year old 1992 Regulations with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulations") through a notification dated January 15, 2015. The new Regulations take effect from May 15, 2015.***

Insider Trading is a civil and a criminal offence under Indian Laws and the penalties for violating the laws include imprisonment, disgorgement of profits, civil and criminal fines.

Insider Trading is also prohibited by this Policy and any violations could result in serious sanctions.

Regulation 9 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates that the Board of Directors or head(s) of the Organisation of every listed company shall ensure that the chief executive officer or managing director shall formulate a code of conduct with their approval to regulate, monitor and report trading by its designated persons and immediate relative of designated persons towards achieving compliance with these regulations, adopting the minimum standards set out in Schedule B.

Accordingly, the Board of Directors of the Company has approved and adopted this Code of Conduct to regulate, monitor and trading by its Director, designated persons and their immediate relatives, Employees and other Insiders and Connected Persons. The Code of Conduct, became effective from May 15, 2015.

This Code of Conduct is based on the principle that the Directors, Officers and Employees of the Company owe a fiduciary duty to, among others, the shareholders of the Company to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation.

Further, the Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

## **ADHERENCE TO THE CODE BY ALL DESIGNATED PERSONS IS MANDATORY.**

### **2. DEFINITIONS :**

- 2.1 **“Act”** means the Securities and Exchange Board of India Act, 1992.
- 2.2 **“Board”** means the Board of Directors of the Company.
- 2.3 **“Code” or “Code of Conduct”** shall mean the Code of Conduct for regulating, monitoring and reporting of trading by Insiders of Hubtown Limited as amended from time to time.
- 2.4 **“Company”** means Hubtown Limited.
- 2.5 **“Compliance Officer”** means Company Secretary or such other senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under this Code, designated so and reporting to the Board of Directors and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified herein under the overall supervision of the Board of Directors of the Company.
- 2.6 **“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, 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.
  - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established :
    - (a) an immediate relative of connected persons specified in 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

## 2. DEFINITIONS (contd.) :

- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee, of a public financial institution as defined in Section 2(72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
  - (i) a banker of the Company; or
  - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest.
- 2.7 **“Designated Employees”** shall include :
- (i) every employee in the Grade of L5 and above;
  - (ii) every employee in the Finance, Accounts, Secretarial, Taxation, Corporate and Legal Departments as may be determined and informed by the Compliance Officer; and
  - (iii) any other employee as may be determined and informed by the Compliance Officer from time to time.
- 2.8 **“Designated Persons”** shall mean and include the Directors, Connected Persons, Insiders, Designated Employees, the Promoters and their immediate relatives and such other person or persons who may be so designated by the Compliance Officer considering the objectives and spirit of the Code.
- 2.9 **“Director”** means a member of the Board of Directors of the Company.
- 2.10 **“Employee”** means every person including a Director who is in the employment of the Company.
- 2.11 **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.
- 2.12 **“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.
- 2.13 **“Insider”** means any person who is:
- (i) a connected person; or
  - (ii) in possession of or having access to unpublished price sensitive information.

## 2. DEFINITIONS (contd.) :

- 2.14 **“Key Managerial Person”** means a person as defined in Section 2 (51) of the Companies Act, 2013.
- 2.15 **“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.
- 2.16 **“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.
- 2.17 **“Regulations”** shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- 2.18 **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.
- 2.19 **“Takeover Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- 2.20 **“Trading”** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- 2.21 **“Trading Day”** means a day on which the recognized stock exchanges are open for trading;
- 2.22 **“Unpublished Price Sensitive Information”** 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, delistings, disposals and expansion of business and such other transactions; and
  - (v) changes in key managerial personnel;
- The Compliance Officer may decide any other matter also as Price Sensitive Information.
- 2.23 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.

### **3. ROLE OF COMPLIANCE OFFICER :**

- 3.1 The Compliance Officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the code for preservation of unpublished price sensitive information, monitoring of trades and the implementation of this Code under the overall supervisions of the Board of Directors.
- 3.2 The Compliance Officer shall report to the Board of Directors on insider trading 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.
- 3.3 The Compliance Officer shall assist all employees in providing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct.
- 3.4 Notify the trading plan to the stock exchanges where the securities are listed, on approval of the plan
- 3.5 The Compliance Officer shall maintain a record of all Designated Persons and their dependents family members and any changes thereto from time to time in the prescribed format **(Annexure – I)**;

### **4. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION:**

- 4.1 All Designated Persons shall maintain the confidentiality of unpublished price sensitive information. All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the Insider's legitimate purposes, performance of duties or discharge of his/her legal obligations.
- 4.2 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 the proposed transaction is in the best interests of the Company;
  - (ii) not attract an obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction 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.

However, 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, except for the limited purpose of sub-clause (ii) hereinabove, and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

#### 4. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION (contd.) :

##### 4.3 Need-to-Know basis

4.3.1 "Need-to-know" basis means that the Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duties and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the said information.

4.3.2 All non-public information received directly by any employee should immediately be reported to the Head of the Department or the Compliance Officer.

##### 4.4. Limited access to confidential information

All Designated Employees are required to take adequate measures to ensure that all confidential information in paper or electronic form is kept secure through adequate security measures. Computer files must have adequate security of login and password, etc.

#### 5. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION :

All Designated Persons shall be governed by this Code of Conduct governing trading in securities.

##### 5.1 Trading Plan

An Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer in the prescribed form (**Annexure – II**) for approval and public disclosure pursuant to which trades may be carried out on his / her behalf in accordance with such plan.

##### 5.2 Such Trading Plan shall :

- (i) not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan (this is known as cooling-off period);
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence. No multiple trading plans can operate in the same period;
- (v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail trading in securities for market abuse.

5.3 The Compliance Officer shall review the Trading Plan made as above to assess whether the Plan has any potential for violation of the Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and approve the Plan forthwith.



## 5. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (contd.) :

### 5.4 *The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the Plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Trading Plan.*

However, the implementation of the Trading Plan shall not be commenced if 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. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information.

### 5.5 Further, the Insider shall also not be allowed to trade in the securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of the Trading Window,

### 5.6 Upon approval of the Trading Plan, the Compliance Officer shall notify the Plan to the stock exchanges on which the securities are listed.

Provided that pre-clearance of trades shall not be required for trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trade carried out in accordance with an approved trading plan.

## 6. LEGITIMATE DISCLOSURE :

On occasions, it may be necessary to disclose unpublished price sensitive information regarding the Company or its subsidiary or associate or a joint venture to persons outside the Company for legitimate business reasons. These reasons can include discussions of strategic initiatives such as joint ventures, material agreements and contracts, acquisition, disposition or other significant business related transactions. In such circumstances, any unpublished price sensitive information should not be conveyed until a confidentiality or non-disclosure agreement prepared in consultation with legal counsel has been signed. Any such agreement **must state** that the information so disclosed cannot be used for trading purposes and may not be further disclosed other than for legitimate business reasons.

## 7. TRADING WINDOW :

### 7.1 The Company shall specify a trading period, to be called 'Trading Window', for trading in the Company's securities.

### 7.2 The dates of the Board Meetings in which any unpublished price sensitive information is to be considered shall be informed to all Designated Employees through e-mails. Any Designated Person who proposes to acquire/purchase/sell the Company's securities has an obligation to verify the Board Meeting date and refrain from trading in the Company's securities during the prohibited period when the trading window is closed and also abide by the pre-clearance procedure detailed herein.

## 7. TRADING WINDOW (contd.) :

- 7.3 All Designated Persons shall strictly conduct all their trades in the securities of the Company only when the Trading Window is open and no Designated Person shall trade in the securities of the Company during the period the Trading Window is closed or during any other similar period as may be specified by the Compliance Officer from time to time. the period during which the Trading Window is closed shall be termed as prohibited period.
- 7.4 ***The Trading Window shall remain closed from the date of the notice given to the stock exchanges for convening a meeting of the Board of Directors of the Company to consider price sensitive information.***
- 7.5 The Compliance Officer shall intimate the closure of the Trading Window to all the Designated Employees of the Company when he determines that a Designated Person or a class of Designated persons can reasonably be expected to have possession of price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- 7.6 The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the time of re-opening of the trading window, however, in any event ***shall not be earlier than forty-eight hours*** after the information becomes generally available.
- 7.7 The Trading Window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants, etc., assisting or advising the Company.
- 7.8 The Trading Window shall remain closed at the time of :
- i. declaration of Financial results (quarterly, half-yearly and annual);
  - ii. declaration of dividends (interim and final);
  - iii. issue of securities by way of public/ rights/bonus, etc.;
  - iv. any major expansion plans or execution of new projects;
  - v. amalgamation, mergers, takeovers and buy-back
  - vi. disposal of whole or substantially whole of the undertaking
  - vii. any changes in policies, plans or operations of the Company
  - viii. disruption of operations due to natural calamities
  - viii. commencement of any new commercial operations or undertaking execution of new projects;
  - ix. developments with respect to changes in pricing and services arising out of changes in government policy; and
  - x. any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.
- 7.9 All Designated Persons can trade in the securities of the Company during 'free period' when the Trading Window is open and shall not deal in any such transactions during the prohibited period when the Trading Window is closed or during such other period as may be specified by the Company from time to time. This will be subject to adherence to the approved Trading Plan.

## 8. PRE-CLEARANCE OF TRADES:

- 8.1 All Designated Persons, who intend to trade in the securities of the Company when the Trading Window is open and if the value of the proposed trade(s) is for more than **2,000 (Two Thousand)** shares or for more than **Rs. 4,00,000/- (Rupees Four Lacs)** (market value), whichever is less, should pre-clear the transaction, subject to the approved Trading Plan. However, no Designated Person shall be entitled to apply for pre-clearance of any trade, if such Designated person is in possession of Unpublished Price Sensitive Information even if the Trading Window is not closed and hence he/she shall not be allowed to trade.
- 8.2 The procedure for pre-clearance of trades is enumerated below :
- a. an application in the prescribed form shall be made to the Compliance Officer by the Designated Persons indicating the estimated number of securities that such person intends to deal in, details of depository and such other information as may be prescribed by the Company **(Annexure - III)**;
  - b. only after receiving the clearance, the transaction should be carried out;
  - c. the Compliance Officer shall accord his approval within **two working days** of the receipt of application for pre-clearance and obtain acknowledgement on the duplicate of the approval order **(Annexure - IV)**;
  - d. the Compliance Officer shall retain copies of all applications and acknowledgements;
  - e. In exceptional circumstances consent may not be given if the Compliance Officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent;
  - f. before the deal is executed, the Designated Person shall execute an undertaking **(Annexure - V)** in favour of the Company incorporating inter-alia, the following clauses, as may be applicable that :
    - (i) the Designated Person does not have any access or has not received '**Unpublished Price Sensitive Information**' upto the time of signing the undertaking;
    - (ii) in case the Designated Person has access to or receives '**Unpublished Price Sensitive Information**' after the signing of this undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the change in his/her position and that he/she shall completely refrain from trading in the securities of the Company till such time such information becomes public ;
    - (iii) the Designated Person has not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time; and
    - (iv) the Designated Person has made full and true disclosure in the matter.

### ADVICE REGARDING PRE-CLEARANCE :

- 8.3 In case of doubt, the Designated Person shall check with the Compliance Officer or the Officer designated by him/her from time to time whether the provisions relating to pre-clearance are applicable to any proposed transaction in the Company's securities.

**9. WHEN TRADING IN COMPANY'S SECURITIES PERMITTED :**

An employee of the Company who is not a designated person and immediate relative of designated persons and who does not possess unpublished price sensitive information may trade in Hubtown securities at any time. The safest time to trade in **HUBTOWN** securities is when the Trading Window is open or during the free period.

**10. EXCUSES FOR INSIDER TRADING :**

**'Ignorance of law is no excuse'**. There shall be no valid excuses for insider trading. There are neither financial hardship exemptions nor exception for small trades.

**11. OTHER RESTRICTIONS :**

- 11.1 All Designated Persons and their dependents shall execute their transaction(s) in respect of the securities of the Company **within one week** after pre-clearance approval is received. The date on which the transaction(s) is/are executed shall be intimated to the Compliance Officer in the prescribed format **(Annexure - VI) within two days** thereof. If no transaction is executed a 'NIL' report shall be submitted in the prescribed format **(Annexure - VI)**.
- 11.2 If the order is not executed within one week after the approval is given, the Designated Person must pre-clear the transaction again.
- 11.3 All Designated Persons who buy and sell any number of shares of the Company 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.** [For clarification, please refer Page 16 of this Code.] All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time. The Compliance Officer may grant relaxation from the strict application of this restriction for reasons to be recorded in writing provided that such relaxation does not violate the Regulations or this Code.
- 11.4 In case any contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to Investor Protection and Education Fund administered by SEBI under the Act.
- 11.5 In case of subscription in the primary market (initial public offers), the Designated Persons shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.
- 11.6 The Compliance Officer may waive the holding period in cases where the sale is necessitated by personal emergency after recording his/her reasons in writing in this regard. However, no sale will be permitted when the Trading Window is closed. An application in this regard shall be made to the Compliance Officer in the prescribed format **(Annexure - VII)**.
- 11.7 The disclosures to be made by any person under this Code shall also include disclosures relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- 11.8 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of derivatives shall be taken into account for the purpose of this Code.
- 11.9 All disclosures made under this Code shall be maintained by the Compliance Officer for a period of five years.

## 12. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES :

### 12.1 INITIAL DISCLOSURE :

DISCLOSURE BY WHOM	WHAT DISCLOSURE TO BE MADE	WHEN TO BE DISCLOSED	WHAT FORM TO BE USED
Every Promoter, Key Managerial Personnel, Designated Employees and Directors of the Company.	The details of all holdings in the securities of the Company held by them and their dependent family members (relatives) as on the date of this Code taking effect i.e. 15.05.2015	Within 30 days of this Code taking effect. i.e. 15.05.2015	<b>Annexure – VIII</b> <b>Form ‘A’</b>
Every person on his becoming a Key Managerial Personnel or a Director or upon becoming a Promoter.	The details of his/her holding of securities of the Company as on the date of appointment or becoming a promoter.	Within seven days working days of such appointment or becoming a promoter.	<b>Annexure – IX</b> <b>Form ‘B’</b>

### 12.2 CONTINUAL DISCLOSURE :

DISCLOSURE BY WHOM	WHAT DISCLOSURE TO BE MADE	WHEN TO BE DISCLOSED	WHAT FORM TO BE USED
Every Promoter, Director, Designated Employee of the Company.	Disclose the number of securities acquired or disposed off if the value of securities traded whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rupees Ten Lacs or such other value as may be specified. <i>[Disclosure of incremental transactions shall be made when transactions effected after the prior disclosures cross the threshold specified above]</i>	Within 2 trading days of : a. receipt of intimation of allotment of securities; or b. acquisition / sale of securities or voting rights as the case may be.	<b>Annexure – X</b> <b>Form ‘C’</b>

## 12. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES (contd.) :

The disclosures to be made under Clause 12.1 and 12.2 above shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

The disclosure of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for the purposes of Clauses 12.1 ad 12.2 above.

### 12.3 DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGES :

DISCLOSURE BY WHOM	WHAT DISCLOSURE TO BE MADE	WHEN TO BE DISCLOSED	WHAT FORM TO BE USED
Company	The information received under Clause 12.2.	Within two trading days of the receipt of intimation under Clause 12.2 .	<b>Annexure – X</b> <b>Form 'C'</b>

### 12.4 ANNUAL DISCLOSURE :

DISCLOSURE BY WHOM	WHAT DISCLOSURE TO BE MADE	WHEN TO BE DISCLOSED	WHAT FORM TO BE USED
All Designated Persons	Annual Statement of holding / 'Nil' holding.	Within 30 days of the end of March 31 each year	<b>Annexure – XI</b>

12.5 All Designated Persons and their dependents shall forward statement (**Annexure - XII**) of any transaction(s) in securities of the Company for which **no pre-clearance was required to be obtained** within two days of completion of the transaction to the Compliance Officer. Even in such cases, the Designated Persons and their dependents shall comply with Clause 11.3.

12.6 The Company may, at its discretion require any other connected person or class of persons to make disclosures of holdings and trading in securities of the Company in such form [ **Annexure – XIII - Form 'D'** ] and at such frequency as may be determined by the Company in order to monitor compliance with the Regulations and this Code.

**13. DISSEMINATION OF PRICE SENSITIVE INFORMATION :**

13.1 No information shall be communicated by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.

13.2 Disclosure/Dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors.

The following guidelines shall be followed while dealing with analysts and institutional investors :

- Only public information shall be provided.
- No forward looking statements shall be made.
- Atleast one or more of the Executive Chairman, the Managing Director and the President of the Company shall be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response be given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every meet.

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

14.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions are applicable to his/her dependents).

14.2 Any Designated Person who trades in securities of the Company or communicates any information for trading in the securities of the Company, in contravention of the Code of Conduct shall be held guilty and penalised and appropriate disciplinary action shall be taken by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, withholding of promotions and any other suitable action to facilitate the implementation of the spirit of this Code.

14.3 The penal action taken by the Company shall not preclude SEBI from taking any action in case of violation of the Regulations against the insider under the SEBI Act, 1992.

14.4 Section 15G of the SEBI Act, 1992 prescribes a **penalty of twenty five crore rupees or three times the amount of profits made out of insider trading, whichever is higher.**

14.5 Under Section 24 of the SEBI Act, any one who contravenes the Regulations is **punishable with imprisonment for a term which may extend to ten years or with fine, which may extend to twenty-five crore rupees or with both.**

14.6 Apart from the above, to protect the interests of investors and in the interests of the securities market and for due compliance with the provisions of SEBI Act and the Regulations made thereunder, SEBI may issue orders prohibiting the insider or restraining the insider from dealing in the securities of listed companies. SEBI may issue orders declaring such transactions in securities as null and void. Further, SEBI may issue directions to the persons who acquired the securities in violation of the Regulations to deliver the securities back to the seller or to transfer proceeds equivalent to the cost price or market price of securities whichever is higher to the investor protection fund of a recognised Stock Exchange.

**15. INFORMATION TO SEBI IN CASE OF VIOLATION :**

The Compliance Officer shall inform SEBI about cases of any violation of the Regulations so that appropriate action may be taken.

**16. DELEGATION OF AUTHORITY :**

The Compliance Officer is authorized to delegate the powers conferred upon him by this Code to one or more employees of Hubtown whilst proceeding on leave or during his temporary absence from Hubtown, to be exercised by them in consultation with Chief Financial Officer of the Company.

**17. GENERAL :**

All Designated Persons are advised to peruse the Regulations carefully, and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification/assistance that may be necessary.

**18. INSIDER INFORMATION AND SECURITIES OF OTHER COMPANIES :**

Designated persons may occasionally come into possession of material non-public information with respect to other companies. In addition, inside information is frequently disclosed in connection with negotiations, particularly those involving tender offers, mergers and acquisitions, and major financial transactions. A person receiving material non-public information in such a manner has the same duty not to disclose or use that information in connection with securities transactions as such person has with respect to **HUBTOWN securities**.

**19. CODE OF FAIR DISCLOSURE :**

A Code of Practices and Procedures for fair disclosure of unpublished price sensitive information that shall be followed by every Designated Person in order to adhere to each of the principles set out in Schedule 'A' to the Regulations is annexed hereto as **SCHEDULE – I**.

**20. AMENDMENT TO THE CODE :**

This Code may be amended from time to time in accordance with the regulatory changes as notified by Securities and Exchange Board of India.

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(The above code of conduct has been reviewed and approved by the Board of Directors at its meeting held on May 29, 2023)



**CLARIFICATION ON SIX MONTHS RESTRICTION UNDER CLAUSE 11.3**

“The restriction of six months for undertaking an opposite transaction would apply from the date of the last transaction and not from the date of the first transaction.

For example, if a designated person purchased 100 shares on February 1, 2009 and then again purchased 400 shares on March 15, 2009. In such case, the designated person will be able to sell the 100 shares purchased on February 1, 2009 only after September 15, 2009.

The same is true in case of sale of shares on two different dates i.e. the restriction of six months on purchase of shares would apply from the date of the last sale.”

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## SCHEDULE – ‘A’

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

**[Framed under Regulation 8 (A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

#### **I. PREAMBLE :**

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is framed pursuant to Regulation (8) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, which provides for formulation of a “**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**” for the Board of Directors of the Company.

#### **II. OBJECTIVE :**

This Code intends to provide a framework and policy for fair disclosure of Unpublished Price Sensitive Information envisaged in Schedule “A” to SEBI (Prohibition of Insider Trading) Regulations, 2015]

#### **III. EFFECTIVE DATE :**

The Code will be effective from May 15, 2015.

#### **IV. PRINCIPLES OF FAIR DISCLOSURE :**

1. Hubtown Limited shall promptly make 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. The Company shall make uniform and universal dissemination of unpublished price sensitive to avoid selective disclosure.
3. The Company Secretary and Compliance Officer of the Company shall be the Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company shall make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall ensure that appropriate and fair responses and replies are promptly provided /given to the news report and any request for verification of market rumors received from regulatory authorities.
6. The Company shall ensure that no unpublished price sensitive information is shared with analysts and research personnel.
7. The Company shall follow best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences posted on the official website to ensure official confirmation and documentation of disclosures made.
8. The Company shall handle all unpublished price sensitive information on a need-to-know basis and shall not be communicated, provided or allowed access to, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

## TRADING PLAN IN NUTSHELL

1. The concept of 'Trading Plan' has been adopted on the lines of Rule 10b5-1 of the Exchange Act, 1934 of U.S.A.
2. One of the reasons for introducing the concept of 'Trading Plans' under the new Insider Trading Regulations, 2015 is to give an option to persons who may be perpetually in possession of Unpublished Price Sensitive Information (UPSI) to trade in securities in a compliant manner.
3. This provision would enable an Insider to formulate trading plans for trades to be executed in future.
4. By doing so, the possession of UPSI 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 UPSI came into being.
5. Every Insider shall submit his/her trading plan in advance to the Compliance Officer for his approval in the prescribed form (**Annexure – II**).
6. The Compliance Officer may ask for additional undertakings from the insiders for approval of the trading plan.
7. Such trading plan on approval will also be disclosed to the Stock Exchanges, where the securities of the Company are listed.
8. The trading plan shall comply with requirements as follows:
  - (i) It shall be submitted for a minimum period of 12 months.
  - (ii) No overlapping of plan with the existing plan submitted by the Insider. Multiple trading plans for the same period shall not be permitted.
  - (iii) It shall 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.
  - (iv) Trading can only commence only after 6 months from public disclosure of the plan.
  - (v) No trading allowed between 20th day prior to closure of financial period and 2nd trading day after disclosure of financial results.
  - (vi) No trading plan shall be implemented without the prior approval of the Compliance Officer.
  - (vii) ***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.***
  - (viii) Trading in securities shall not be permitted in cases where the insider is in possession of price sensitive information at the time of formulation of the plan and such information has not become generally available at the time of the commencement of implementation.
  - (ix) Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

**Please note that acting in accordance with the Trading Plan does not confer complete immunity and an Insider may still be liable if such Insider was in possession of certain unpublished price sensitive information at the time of formulation of the Plan, which information has not become generally available at the time of implementation of the Plan.**