

**DIL LIMITED**

**CODE OF CONDUCT TO  
REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

**Effective from May 15, 2015**

**(Amended on May 27, 2016)**



**I] Introduction:**

This Code of Conduct is formulated to regulate, monitor and report Trading by Insiders ('Insider Trading Code') of DIL Limited ('DIL' or 'Company') pursuant to provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Board of Directors of the Company ('Board') in its meeting held on May 27, 2016 has amended and adopted this Insider Trading Code, in supersession of the existing Insider Trading Code of the Company.

**II] Definitions:**

- a) "Compliance Officer" means Company Secretary of DIL or any other Senior Officer as may be designated by the Board of Directors from time to time.
- b) "Connected Person" means,-
- (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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (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
- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or



- (i) a banker of the Company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his Immediate Relative or banker of the Company, has more than ten per cent of the holding or interest;
- c) "Designated Persons" shall mean Connected Persons including employees and their Immediate Relatives.
- d) "Generally Available Information" means information that is accessible to the public on a non- discriminatory basis.
- e) "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;
- f) "Insider" means any person who is:
  - i) a Connected Person; or
  - ii) in possession of or having access to unpublished price sensitive information;
- g) "Promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- h) "Regulations" means SEBI (Prohibition of Insider Trading) Regulation, 2015 as may be amended from time to time.
- i) "Trading day" means a day on which the recognized stock exchanges are open for trading;
- j) "Trading Window" means the period during which, trading in the Company's Securities by Insiders shall not be permissible.
- k) "Unpublished Price Sensitive Information" or "UPSI" means any information, relating to a Company or its Securities, directly or indirectly, that is not Generally Available Information which upon becoming Generally Available



Information, 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;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement.

Words and expressions used and not defined in this Insider Trading Code but defined in the Regulations shall have the meanings respectively assigned to them in the Regulations.

**III] Applicability:**

The Code is applicable to Designated Persons, Insiders and Promoters [including their Immediate Relatives].

**IV] Code:**

**1) Duties of the Compliance Officer**

- i) The Company has appointed the Company Secretary of the Company as its Compliance Officer for the purpose of this Insider Trading Code.
- ii) The Compliance Officer shall be responsible for compliance of provisions of the Regulations, prompt, fair and timely disclosures of Unpublished Price Sensitive Information (UPSI) as per the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the Insider Trading Code under the overall supervision of the Board of Directors;
- iii) The Compliance Officer shall maintain a record of the Designated Persons as may be approved by the Board.
- iv) The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Regulations and the Company's Insider Trading Code.
- v) The Compliance Officer shall report any Insider Trading in Securities of the Company, to the Board and to the Chairman of the Audit Committee on quarterly basis.

**2) Preservation of Confidentiality of Unpublished Price Sensitive Information (UPSI)**

- # i) UPSI is to be handled on a "need to know" basis. Designated Persons, Insiders and Promoters [including their Immediate Relatives] shall not, directly or indirectly, communicate (including through any social networking or similar other medium), provide, or allow access to any UPSI,



relating to a Company or securities listed or proposed to be listed (if any), to any person including other Designated Persons, Insiders and Promoters [including their Immediate Relatives] except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. In such cases, these parties shall be made to execute agreements with 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 as may be mentioned in these agreements.

# substituted vide Amendment dated May 27, 2016

- ii) Files containing UPSI shall be kept secure. Computer files containing UPSI must have adequate security of login and password, etc.

### 3) Trading Plan

- i) Any Designated Person, Promoter or Insider shall be entitled, at his option, to formulate a Trading Plan for dealing in Securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which 'Trades' may be carried out with such plan.

- ii) Such Trading Plan shall:

- (a) not entail commencement of Trading on behalf of the Designated Person earlier than six months from the public disclosure of the plan;
- (b) not entail Trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the Securities and the second trading day after the disclosure of such financial results;
- (c) entail Trading for a period of not less than twelve months;
- (d) not entail overlap of any period for which another Trading plan is already in existence;
- (e) 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
- (f) not entail Trading in Securities for market abuse

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



- iv) The Trading Plan once approved shall be irrevocable and the concerned Designated Person, Promoter or Insider shall mandatorily have to implement such 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 UPSI in possession of such Designated Person, Promoter or Insider (as the case may be) at the time of formulation of the Trading Plan, has not become Generally Available Information at the time of the commencement of implementation and in such event the Compliant Officer shall confirm that the commencement ought to be deferred until such UPSI becomes Generally Available Information.
- v) Upon approval of the Trading Plan, the Compliance Officer shall notify the Trading Plan to the stock exchanges on which the Securities are listed.
- vi) A notional window shall be used as an instrument of monitoring trading by Designated Persons, Promoters or Insiders. The Compliance Officer should close Trading Window when he determines that a Designated Person, Promoter or Insider or any class of Designated Persons, Promoters or Insiders can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such Securities to which such UPSI relates. Designated Persons, Insiders and Promoters [including their Immediate Relatives] shall not trade in Securities when the Trading Window is closed.

**4) Prevention of misuse of "UPSI"**

All Designated Persons, Insiders and Promoters [including their Immediate Relatives] of the Company shall be subject to trading restrictions as enumerated below.

**Trading Window**

- (a) The Trading Window shall be closed eight days prior to UPSI is unpublished.
- (b) During closure of Trading Window, Designated Persons Insiders and Promoters [including their Immediate Relatives] shall not trade in the Securities of the Company.
- (c) After taking into account various factors including UPSI in question becoming Generally Available Information and being capable of assimilation by the market, the Compliance Officer shall determine timing of re-opening of the Trading Window however in any event it shall be forty-eight hours after the information becomes 'Generally Available Information'.



- (d) 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.
- (e) All Designated Persons, Insiders and Promoters [including their Immediate Relatives] of the Company shall conduct all their dealings in the Securities of the Company only when the Trading Window is open and shall not deal in any transaction involving the purchase or sale of the Company's Securities during the period when Trading Window is closed or during any other period as may be specified by the Company from time to time.

**5) Pre-clearance of trades**

- i) When the Trading Window is open, any Designated Person shall trade in Securities of the Company subject to pre-clearance by the Compliance Officer if the value of the proposed trades is above Rs 5,000. However, no Designated Person shall be entitled for pre-clearance of any proposed trade if such Designated Person is in possession of UPSI even if the Trading Window is not closed.
- ii) Designated Person who proposes to execute trade in Securities of the Company shall submit an application duly filled and signed to the Compliance Officer. The format of application is annexed as Annexure "A".
- iii) Prior to approving any trades, the Compliance Officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- iv) The Compliance Officer shall confidentially maintain a list of such Securities, if any, as a "restricted list" which shall be used as the basis for approving or rejecting applications for preclearance of trades.
- v) The Compliance Officer shall approve / reject pre-clearance application within five trading days in the format as provided in Annexure "B".
- vi) Designated Person shall execute pre-cleared trade within seven trading days from approval and shall report his / her trade details to Compliance Officer in Annexure "C" within two trading days from the trade. In case of non-trading, the Designated Person





shall report his decision of non-trading along with reasons to Compliance Officer in format provided in Annexure "C".

- vii) In case of failure in executing trade within seven trading days, Designated Person shall be required to take fresh pre-clearance for the trades to be executed in format provided in Annexure "A".
- viii) Designated Person who is permitted to trade shall not execute a contra trade within next six months from previous transaction. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing without violating the Regulations. If 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 the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund.

**6) Disclosure by Certain Persons:**

**i) Initial Disclosure**

- (a) Every Promoter, Key Managerial Personnel, Director, Designated Person of the Company shall disclose their respective holding of Securities as on May 15, 2015 to the Company within thirty days from May 15, 2015 in the format provided in Annexure "D" [i.e. Form A].
- (b) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his holding of Securities as on the date of appointment or becoming a Promoter, to the Company within seven days of such appointment or becoming a Promoter or within such other time period as may be specified by the Regulations, from time to time. The disclosure shall be made in the format provided in Annexure "D" [i.e. Form B]

**ii) Continual Disclosure**

- (a) Every Promoter, Director and Designated Person of the Company shall disclose to the Company the number of such Securities acquired or disposed of within two trading days of such transaction (or within such other time period as may be specified by the Regulations, from time to time) if the value of the Securities traded, whether in





one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rupees ten lakhs) or such other value as may be specified by the Regulations, from time to time. The disclosure shall be made in the format provided in Annexure "E" [i.e. Form C]

- (b) The Company shall notify the particulars of such trading to the stock exchange on which the Securities are listed within two working days of receipt of the disclosure or from becoming aware of such information, or within such other time period as may be specified by the Regulations, from time to time.

iii) **Annual Disclosure**

Every Promoter, Director and Designated Person of the Company shall disclose their holding of Securities on annual basis within thirty days from conclusion of every financial year of the Company, in the format as provided in Annexure "F" [i.e. Form D].

7) **Penalty for contravention of this Insider Trading Code**

- i) Any Designated Person who contravenes the Insider Trading Code shall be penalised and also be subject to disciplinary action by the Company, which may include wage freeze, suspension etc.
- ii) The Company shall promptly inform Securities and Exchange Board of India regarding any violation of the Insider Trading Code.
- iii) The action by the Company shall not preclude SEBI from taking any action in case of violation of Regulations.

IV] **GENERAL:**

Designated Persons, Promoters and Insiders are advised to pursue the Insider Trading Code and Regulations carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

In case any conflict between the provisions of this Insider Trading Code of the Company and the Regulations or any other applicable law, the provisions of the Regulations or such other applicable law (as the case may be) shall prevail.



## ANNEXURE 'A'

### APPLICATION-CUM-UNDERTAKING

Name of the person	:	
Designation, Employee No. (if applicable) and Permanent Account Number (PAN)	:	
Number of Securities held as on date	:	
Relationship with the Company	:	
The proposal is for: (a) Purchase of Securities (b) Subscription to Securities (c) Sale of Securities		
Current Folio No./DP ID No./Client ID No.	:	
Name and Address of the DP	:	
Proposed date of dealing in Securities	:	
Estimated number of Securities proposed to be acquired/subscribed/sold	:	
Current market price (as on date of application)	:	
Whether the proposed transaction will be through stock exchange or off-market deal	:	
Folio No. / DP ID / Client ID No. where the Securities will be credited / debited	:	

I undertake that :

I do not have any access or have not received any Unpublished Price Sensitive Information (UPSI) (as defined in the Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Designated Persons of the Company) up to the time of signing this Undertaking.

In case, I receive any UPSI after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the changed position and that I would completely refrain from dealing in the Securities till the time such information becomes public.

I have not contravened the Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Designated Persons of the Company (Insider Trading Code) as notified by the Company from time to time; and I have made a full and true disclosure in the matter.



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

Order in respect of Securities shall be executed within seven trading days after approval is granted by Compliance Officer, failing which I shall apply for pre-clearance again from the Compliance Officer.

I shall not execute a contra trade within next six months from date of this transaction, unless otherwise approved in writing by the Company / Compliance Officer. I agree that if 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 the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund and I shall be liable for such other action as may be prescribed in Company's Insider Trading Code and/or SEBI (Prohibition of Insider Trading) Regulation, 2015.

I have made a full and true disclosure in the matter. I further confirm having read the Insider Trading Code framed by the Company and undertake to abide by the same.

Place

Date :



Signature



**ANNEXURE "B"**

**APPROVAL / REJECTION OF PRE- CLEARANCE**

Date:

To,

Name:

Designation:

Dear Sir / Madam,

With reference to your Application cum Undertaking for Pre-clearance dated \_\_\_\_\_, we would like to inform you that your application to purchase / sale \_\_\_\_\_ equity shares / Securities of the Company is hereby approved / rejected. Now, you can execute your trade within seven trading days i.e. \_\_\_\_\_. Further, you are required to submit a report your trade details within two trading days from trade. Or In case, no trade was executed, you are required to submit a 'Nil' report.

In case, you do not execute a trade before \_\_\_\_\_, you shall submit a fresh preclearance application before executing any transaction in the equity shares / Securities of the Company.

Thanking you,

Yours faithfully,

For DIL Limited

Compliance Officer



**ANNEXURE "C"**

**REPORTING OF TRADE / TRANSACTION**

To,  
The Compliance Officer,  
DIL Limited

Dear Sir,

According to approval of pre-clearance dated \_\_\_\_\_, I have executed a trade /transaction on \_\_\_\_\_(date). The detail of said trade / transaction is as under:

Name of holder  
No. Of Securities purchased / sold  
Average Gross Price per Securities (in Rs.)  
DP ID & Client ID/ Folio No.

Further I enclose herewith copy of Contract Note for your ready reference. I declare that the above information is correct and that no provision of the Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Insiders of the Company (Insider Trading Code) has been violated while executing aforesaid trade / transaction.

I also declare that I have complied with the requirements of minimum period of six months for entering into an opposite transactions in respect of said Securities.

Or

According to approval of pre-clearance dated \_\_\_\_\_, I have not executed a trade / transaction due to \_\_\_\_\_(reason of non-trading).

I will take fresh pre-clearance for trades as and when I propose to trade in Securities of the Company.

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

Name:

Designation:



ANNEXURE "D"

FORM A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (a) read with Regulation 6 (2)]

Name of the company: \_\_\_\_\_

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 No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	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	
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

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

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

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

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

Place: \_\_\_\_\_



**FORM B**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

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 No. CIN/DIN & Address with contact nos	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointme nt of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointme nt of Director/KMP	
			Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	5	6	6	7	7

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

Signature:

Designation

Date

Place

\*\*\*\*\*





ANNEXURE "E"

FORM C

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (2) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN, & address of Promoter/ Employee / Director with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public rights preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

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

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

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

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

Place: \_\_\_\_\_

\*\*\*\*\*



*[Handwritten signature]*

**ANNEXURE "F"**

**Form D (Indicative format)**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**Regulation 7(3) – Transactions by Other connected persons as identified by the company**

1	2	3		4		5		6		7		8		9	10	11	12	13				14	15	16	17
		Type of security (For eg – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To	Buy		Sell													
										Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)												

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

Name:

Signature:

Date:

Place:

\*\*\*\*\*

Signature for Page 1 to Page 17

For DIL Limited

Sanjay Buch  
Chairman

