

PRIME SECURITIES LIMITED

CODE OF CONDUCT

Preamble

Securities and Exchange Board of India (“SEBI”) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Insider Trading Regulations”), which are applicable to all listed Companies whose securities are listed on stock exchanges, with effect from May 15, 2015 and in terms of Regulation 9 (1) and (2) of the Insider Trading Regulations, the Board of Directors are required to formulate a Code of Conduct to regulate, monitor and report trading in Company’s Securities by Insider, adopting the minimum standards set out in Schedule B to the Insider Trading regulations.

The Code of Conduct adopted by every listed companies and market intermediaries or other person who are required to handle Unpublished Price Sensitive Information (“UPSI”), shall lay down the procedure for regulating, monitoring and reporting of trading in Company’s Securities by Insider to prevent insider trading. The Code of Conduct adopted under Insider Trading Regulations shall replace the Code of Conduct adopted by the Company for prevention of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.

The Code of Conduct shall be applicable to all Insiders as defined in the Insider Trading Regulations.

Adoption of Code of Conduct

The Board of Directors of Prime Securities Limited (“the Company”) has adopted the Code of Conduct at their Meeting held on May 25, 2015.

Definitions

The terms “Unpublished Price Sensitive Information”, “Connected Persons”, “Designated Persons”, “Insider Trading”, “Generally Available Information” and “Securities” shall have the meaning as defined in the Insider Trading Regulations.

Compliance Officer

The Company Secretary of the Company shall act as a Compliance Officer to administer the Code of Conduct and other requirements under Insider Trading Regulations.

Role of Compliance Officer

- (a) To maintain records of the designated persons and any changes made in the list of designated Persons;
- (b) To assist designated persons in addressing any clarifications regarding the Insider Trading Regulations and the Company's Code of Conduct;
- (c) To ensure that UPSI are handled on a need-to-know basis and are not communicated to any person except in furtherance of legitimate purposes or in performance of legitimate duties;

- (d) To report to the Board of Directors on a quarterly basis on transactions by Insider and compliances with the Insider Trading Regulations and shareholding of directors, key managerial personnel and employees of the Company;
- (e) To announce the periods when the trading window is closed;
- (f) To receive, consider and approve or reject the pre-dealing of transaction approval form;
- (g) To maintain records of all pre-dealing approval forms and the declarations in the appropriate forms given by the designated persons for a minimum period of five years;
- (h) To inform to SEBI, any violation of Insider Trading Regulations

Duties of Directors and Designated Persons

- (a) To maintain confidentiality of all UPSI;
- (b) Not pass on any UPSI to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company;
- (c) To communicate UPSI with other designated persons only on a "need to know" basis, i.e. UPSI should be disclosed only to those within the Company who need the information to discharge their legitimate duties or for other legitimate purposes;
- (d) To keep files containing confidential information secure and the computer files must have adequate security of login and password, etc;
- (e) 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 or pass on information to others to enable them to deal in securities during the period when trading window is closed or during any other period as may be specified by the Compliance officer from time to time
- (f) To obtain prior approval for all proposed transaction in the securities of the Company 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. For designated persons holding or transaction in aggregate of 1,000 shares and above, non-compliance of this Code of Conduct may result in such disciplinary actions as may be decided and approved by the Board of Directors of the Company including prompt reporting to SEBI under Clause 13 of Schedule B of the Insider Trading Regulations;
- (g) Upon approval of the pre-dealing application by the Compliance Officer, execute their order in respect of securities of the Company within seven trading days from the date of the pre-dealing approval. If the order is not executed within this seven day period, the designated persons must obtain a fresh pre-dealing approval again;
- (h) Hold their investments in securities for a minimum period of one year in order to be considered as being held for investment purposes;
- (i) Not make any contra trade within six months of the last transaction for which the contra trade is being considered. Should a contra trade be executed inadvertently or otherwise in violation of such restriction, and where the aggregate traded value of the contra transactions executed in one transaction or a series of transactions is Rs. 500,000 or more, the profits from such trade shall be liable to be disgorged for remittance to SEBI in terms of clause 10 of schedule B of the Insider Trading Regulations. In case the sale of securities is necessitated by personal emergency or exceptional circumstances, the holding period and contra trade period may be waived by the Compliance Officer after recording in writing his reasons in this regard and subsequently ratified by the Board of Directors but no such transaction should be permitted when the trading window is closed;
- (j) Not deal in any securities of the Company at any time when he is in possession of UPSI or otherwise where approval to deal is not given by the Company;
- (k) The company secretary must not deal in any securities without first receiving pre-dealing approval from the chairman in advance or, if the chairman is not present, from the managing

director. The chairman must not deal in any securities without first receiving pre-dealing approval from the managing director in advance or, if the managing director is not present, from the company secretary. The managing director must not deal in any securities without first receiving pre-dealing approval from the chairman in advance or, if the chairman is not present, from the company secretary. In all such instances, immediately after granting the approval, all the other directors must be informed that approval has been granted for dealing in securities of the Company by the chairman, managing director or company secretary, as applicable;

Trading Plans

The option for submitting Trading Plan as envisaged in regulation 5 of the Regulations will not be available for any designated persons under this Insider Trading Code.

Reporting Requirements for transactions in securities

Designated persons of the Company shall be required to forward following details of their securities transactions including the statement of dependent family members to the Compliance Officer:

- holdings in securities of the Company at the time of joining the Company;
- transactions in the securities of the Company undertaken by them or their immediate relatives within 2 trading days of transaction taking place;
- statement of all holding in securities of the Company as on end of every quarter of each year mentioning the transactions during the period and the corresponding pre-dealing approval number and date of the transaction

Trading Window

Trading window is the period during which dealings in securities of the Company can be made. When the trading window is "closed" no transactions are permissible during such "closed" period. The trading window shall be closed as follows:-

- for declaration of financial results (quarterly, half-yearly and annually) - for a period beginning from 5 days before the end of the quarter to which the results relate upto 48 hours after the financial results are published in the newspapers.
- for declaration of final dividend - for a period beginning from 5 days before the end of the quarter after which the board meeting will be held to consider the recommendation of final dividend upto 48 hours after the financial results are published in the newspapers;
- for declaration of interim dividend - for a period beginning from 7 days before giving notice of the board which will consider declaration of interim dividend upto 48 hours after the outcome of the board meeting is intimated to the stock exchanges, in case the declaration of interim dividend is part of the agenda of the board meeting. In other cases where, the declaration of interim dividend is not part of the agenda of the board meeting but declared at the board meeting, the trading window will be from the time of declaration at the Board meeting upto 48 hours after the outcome of the board meeting is intimated to the stock exchanges;
- for issue of securities by way of public / rights / bonus etc;
- for any major expansion plans or execution of new projects;
- for Amalgamation, mergers, takeovers and buy-back;
- for disposal of whole or substantially whole of the undertaking;
- for any changes in policies, plans or operations of the Company;

- for any other periods which the Company will announce.

Penalty for contravention of Code of Conduct

Any designated person, who trades in securities or communicates any information for trading in securities in contravention of the Code of Conduct or the Insider Trading Regulations, may be penalized and appropriate action may be taken by the Company as the Board of Directors may decide

Designated persons who violate provision of Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.

The action of the Company shall not preclude SEBI from taking any action in case of violation of Insider Trading Regulations

Review of Modification of Code of Conduct

The Code of Conduct shall be reviewed by the Board of Directors and shall be amended from time to time in to incorporate any amendments that are made to Insider Trading Regulations, listing agreement and other guidelines issued by SEBI or any other regulatory authority.

Disclosure

The Code of Conduct, including any amendment thereto, shall be placed on the Company's official website.

Policy Adoption History

Adoption Date	Adoption Authority	Particulars
May 27, 2015	Board of Directors	SEBI (Prohibition of Insider Trading) Regulations, 2015