

Ruchi Infrastructure Limited

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

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

1. INTRODUCTION

Insider trading means trading in securities of a Company by insiders having access to unpublished price sensitive information. It is against the principles of efficient market of the securities of the Company and erodes confidence of the investors in the Company.

To provide a fair securities market by prohibiting insider trading, the Company had formulated and adopted a Code of Conduct in accordance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the said code has also been amended from time to time by the Board of Directors of the Company.

The Securities and Exchange Board of India ("**SEBI**") has, in pursuance of the powers conferred on it under the Securities and Exchange Board of India Act, 1992, notified a new Regulation for prohibition of Insider Trading, viz., SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**the Regulations**"), effective from May 15, 2015. Accordingly, the existing Code of Conduct is being replaced/substituted by the new Code of Conduct.

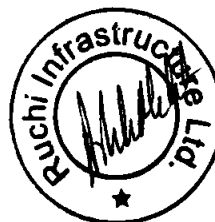
This Code of Conduct is intended to prevent misuse of unpublished price sensitive information by insiders and connected persons and the objective of the Code is to regulate, monitor and report trading by Designated Employees and other Connected Persons towards achieving compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

2. APPLICABILITY

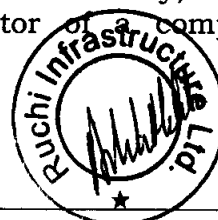
This Code is approved by the Board of Directors on 26th March, 2015 and is effective from May 15, 2015 and shall apply to all Designated Employees and other Connected Persons as mentioned in this Code.

3. DEFINITIONS



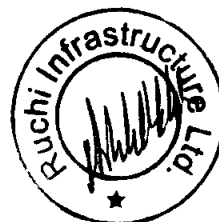
In this Code, unless the context otherwise requires:

- (i) **“Act”** means the Securities and Exchange Board of India Act, 1992.
- (ii) **“Board”** means the Board of Directors of the Company.
- (iii) **“Company”** means Ruchi Infrastructure Limited.
- (iv) **“Compliance Officer”** means the Company Secretary of the Company.
- (v) **“Code”** means this Code of Conduct to regulate, monitor and report trading by insiders and any amendment thereof.
- (vi) **“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
 - (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 SEBI; 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.

- (vii) **“Designated Employee”** means a person occupying any of the following positions in the Company:
- (a) Directors (Including Executive, Non-Executive and Independent Directors).
 - (b) Key Managerial Personnel.
 - (c) All employees in the management band R4 and above.
 - (d) All Heads of Finance and Accounts Department.
 - (e) All employees working in Company Secretarial Department.
 - (f) Any other key person, who in the opinion of Compliance Officer be covered in the “Designated Employee”.
- (viii) **“Designated Persons”** means Designated Employees and Connected Persons as defined in this code.
- (ix) **“Director”** means and includes every Director on the Board of the Company.
- (x) **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis. Information published on the website of a stock exchange, would ordinarily be considered generally available.
- (xi) **“Key Managerial Personnel”** means a person as defined in section 2 (51) of the Companies, 2013.
- (xii) **“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;
- (xiii) **“Insider”** means any person who is:
- (a) a connected person; or
 - (b) in possession of or having access to unpublished price sensitive information.
- (xiv) **“Regulations”** means the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereof.
- (xv) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.



- (xvi) **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and trade shall be construed accordingly.
- (xvii) **“Trading Day”** means a day on which the recognized stock exchanges are open for trading.
- (xviii) **“Trading Window”** means trading period for trading in the Company’s Securities. All days shall be the trading periods except when trading window is closed.
- (xix) **“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: –
- (a) financial results;
 - (b) dividends;
 - (c) change in capital structure;
 - (d) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - (e) changes in key managerial personnel; and
 - (f) material events in accordance with the listing agreement.

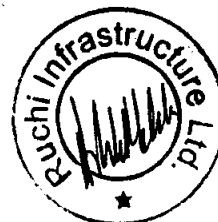
All other words and phrases not specifically defined herein shall have the same meaning as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and/or the Companies Act, 2013 and/or the Securities and Exchange Board of India Act, 1992 or other Regulations.

4. COMPLIANCE OFFICER

The Compliance Officer 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 Code of Conduct under the overall supervision of the Board of Directors.

Without prejudice to the aforesaid, the Compliance Officer shall:-

- 4.1 Report on insider trading to the Board and, in particular, will submit a report to the Chairman of the Audit Committee, instances of violation of the Code or the Regulations by any person and on the disclosures, trading plans and pre- clearances approved and rejected on the basis of information furnished at a frequency as may be stipulated by the Board.



- 4.2 Assist all employees in addressing any clarifications regarding the Regulations and the Code of Conduct.
- 4.3 Monitor, review and approve all Trading Plans.
- 4.4 Based on his discretion and occurrence of specific events detailed in this Code of Conduct, regulate and monitor the Trading Window of the securities of the Company.
- 4.5 Confidentially maintain a list of such securities as a restricted list which shall be used as the basis for approving or rejecting application for pre- clearance of trades.
- 4.6 Propose necessary changes to this Code of the Company, as and when the same are necessitated. The proposal will be considered by the Board of Directors of the Company and, if approved, will take effect immediately following the Board Meeting in which such proposals are approved.
- 4.7 Maintain a record (either manual or in electronic form) of the Designated Persons and their immediate relatives and changes thereto from time to time, in consultation with Board of the Company.
- 4.8 Provide any clarifications with regard to the implementation of this Code.

5. PRESERVATION OF PRICE SENSITIVE INFORMATION

All Designated Employees and Connected Persons shall maintain the confidentiality of unpublished price sensitive information. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

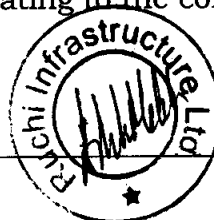
Need-to-Know means that unpublished price sensitive information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

6. RESTRICTION ON COMMUNICATIONS AND TRADING BY INSIDERS

- 6.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the company or its

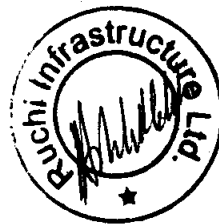


securities, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- 6.2 No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the company or its securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 6.3 Notwithstanding anything contained in the Code, 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 the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that 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 atleast two trading days prior to the proposed transaction being effected in such form as the board of directors may determine.
- 6.4 For the purpose of the above clause, the parties shall be required 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 purpose of Clause 6.3 and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.
- 6.5 Trading by insiders including promoters, non-individual insiders when in possession of unpublished price sensitive information shall be governed by Regulation 4 of the Regulations.

7. CONTRA-TRADE

- 7.1 All Designated Persons who buy or sell Securities of the Company shall not enter into an opposite transaction (contra trade) i.e. sell or buy Securities during the 6 months period post the previous buy/sell.
- 7.2 The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing, provided that such relaxation does not violate the Regulations.



7.3 If an opposite transaction (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 the Investor Protection and Education Fund administered by SEBI under the Act.

8. TRADING WINDOW

8.1 Designated Persons may execute trades subject to compliance with the Regulations. A trading window may be adopted for trading by the designated persons. The trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to the securities of the Company to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.

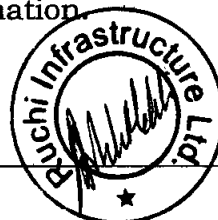
8.2 Unless otherwise specified by the Compliance Officer, the trading window for trading in securities of the Company shall be closed for the following purposes:-

- (a) Declaration of financial results (quarterly and annual).
- (b) Declaration of dividends (both interim and final).
- (c) Issue of securities by way of public, bonus, rights etc.
- (d) Any major acquisition/expansion plans or execution of new projects.
- (e) Amalgamation, Mergers, Takeovers, or Restructuring.
- (f) Disposal of the whole or substantial part of the undertaking.
- (g) Changes in key managerial personnel.
- (h) Material events in accordance with the listing agreement.

8.3 The Compliance Officer shall close the trading window five days prior to and during the time the unpublished price sensitive information is to be published.

8.4 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 timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight (48) hours after the information becomes generally available.

8.5 The trading window shall also be applicable to any person having any contractual or fiduciary relationship with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company and which are likely to have access to any unpublished price sensitive information.



- 8.6 The Compliance Officer shall intimate to the aforesaid persons having contractual or fiduciary relation with the Company mentioned in clause 8.5 handling such unpublished price sensitive information, of the requirements relating to handling of such information and restriction on trading in securities during the closure of the trading window.
- 8.7 When the trading window is open, trading by Designated Persons shall be subject to pre-clearance by the Compliance Officer, if the proposed trade is for more than 10,000 equity shares or of a value of Rs. 5.00 Lacs (Rupees Five Lacs) whichever is less, or such thresholds as the Board may stipulate.

9. PRE-CLEARANCE OF TRADES

All Designated Persons shall when the trading window is open, trade only subject to pre-clearance by the Compliance Officer, by sending the request for approval in **Form I**. The request can be sent by email at ashish_mehta@ruchigroup.com. No Designated Person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is open.

The Compliance Officer shall have the authority to ask for further information, if deemed necessary and it shall be obligatory for the designated person to immediately furnish the information sought for by the Compliance Officer. The Compliance Officer will issue Pre-clearance Order in **Form II**.

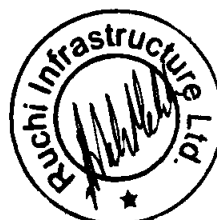
The trades that have been pre-cleared shall be executed within Seven (7) trading days by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.

Designated Persons who have obtained the pre-clearance are required to submit a report of the transactions done (including a NIL report, if no transaction is done) within 7 days from the expiry of the specified time period or the date of execution of trade whichever is earlier, to Compliance Officer in **Form III**.

10. TRADING PLANS

10.1 An Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

10.2 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;
- (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 forty eight (48) hours after the financial results become generally available;
- (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;
- (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.

10.3 The Compliance Officer shall review the trading plan to assess whether the plan would have 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 to approve and monitor the implementation of the plan.

10.4 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.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

10.5 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges.

11. DISCLOSURES

The following disclosures shall be made to the Compliance Officer:



11.1 Initial Disclosure of Securities

By Whom	What to be Disclosed	When to be Disclosed	Form
Promoters, Key Managerial Personnel and Directors	Number of Shares held by them	Upto 14 th June, 2015	Form A
Every person on appointment as a Key Managerial Personnel or a Director or upon becoming a Promoter	Number of Shares held by them as on the date of appointment or becoming a Promoter.	Within 7 days of such appointment or becoming a Promoter	Form B

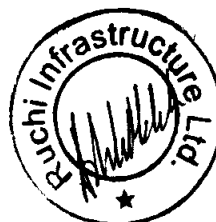
11.2 Continual Disclosure of Securities

By Whom	What to be Disclosed	When to be Disclosed	Form
Promoters, Designated persons and Directors	Number of Shares acquired or disposed, if the value of the shares traded in excess of Rs. 10 Lakhs whether in one transaction or a series of transactions over any calendar quarter.	Within 2 trading days of such transaction	Form C

11.3 Disclosures by other Connected Persons

The Connected Person shall make disclosure of holdings and Trading in Securities of the Company in **Form D** in order to monitor compliance of the Regulations by the Company .

By Whom	What to be Disclosed	When to be Disclosed	Form
Connected Persons	Number of Shares acquired or disposed, if the value of the shares traded in excess of Rs. 10 Lakhs whether in one transaction or a series of transactions over any calendar quarter.	Within 2 trading days of such transaction	Form D



11.4 Annual Disclosures

The Designated employees of the Company shall submit Annual Disclosures in **Form E** in regards to their transactions during the year ended 31st March by 15th April every year to the Compliance Officer.

12. PENALTY FOR CONTRAVENTION OF THE CODE

- 12.1 All Designated Employees and Connected Persons who trade in securities or communicate any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the Company.
- 12.2 All Designated Employees who violate this Code of Conduct shall also be subject to disciplinary action by the company, including wage freeze, suspension, withholding of promotions etc.
- 12.3 The action by the Company shall not preclude SEBI from taking any action in case of violation of the Regulations.
- 12.4 In case it is observed by the Company and/or Compliance Officer that there has been violation of the Regulations, SEBI shall be informed by the Company.

13. INFORMATION TO SEBI IN CASE OF VIOLATION AND CONSEQUENCES OF DEFAULT UNDER SEBI REGULATIONS

In case it is observed by any Designated Employee that there has been a violation of the Code by any person, then the violation shall be informed by such Designated Employee to the Compliance Officer promptly. On receipt of such information, the Compliance Officer shall promptly inform to the Securities & Exchange Board of India.

14. AMENDMENT

The Board reserves its right to amend or modify the Code in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the concerned unless the same is notified in writing.

