



**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

**I. PREAMBLE**

The Securities and Exchange Board of India ("SEBI") notified the SEBI (Prohibition of Insider Trading Regulations) 2015 ("Regulations") on January 15, 2015 which is effective from May 15, 2015 replacing the two-decade old insider trading norms of the SEBI (Prohibition of Insider Trading) Regulations, 1992. The Company required to frame a new "Code of Conduct for Prevention of Insider Trading" by the connected persons as defined in the code later, in relation to the securities of the said Company.

In line with the said Regulations, this "Code of Conduct for Prevention of Insider Trading" (hereinafter referred to as "Code" or "the Code") was initially formulated and adopted by the Board of Directors of Raunaq EPC International Limited (hereinafter referred to as "REIL" or "the Company"), in its Board Meeting held on 30<sup>th</sup> May, 2015 to be effective with retrospective effect from 15<sup>th</sup> May, 2015.

This Code has been amended and adopted by the Board of Directors on 02<sup>nd</sup> May, 2019 to incorporate the amendments introduced vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, with retrospective effect from 01<sup>st</sup> April, 2019, amended on 30<sup>th</sup> January, 2020 to incorporate the amendments introduced vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Second Amendment) Regulations, 2019 and the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 and further amended on 14<sup>th</sup> August, 2020 to incorporate the amendments introduced vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 and the detailed process and procedure in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information forming part of this Code of Conduct.

**II. DEFINITIONS**

- 1.1 "Act" means the Securities and Exchange Board of India Act, 1992.
- 1.2 "Board" means the Board of Directors of the Company.
- 1.3 "Code" or "Code of Conduct" shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Raunaq EPC International Limited as amended from time to time.
- 1.4 "Company" means Raunaq EPC International Limited.
- 1.5 "Compliance Officer" means Company Secretary or such other senior officer reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations 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 in these regulations under the overall supervision of the Board of Directors of the Company.

“Financially literate” means a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

1.6 “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 the Company or his immediate relative or banker of the Company, has more than ten percent of the holding or interest.

1.7 “Dealing in Securities” means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.





1.8 "Prohibited Period" shall mean the period for which Trading Window shall remain closed as specified under Clause 4.1.1 of the Code.

1.9 Designated Person(s) shall include:

- (i) Promoters and members of Promoter Group;
- (ii) Directors;
- (iii) All officers comprising top three tiers of the Company Management;
- (iv) Key Managerial Personnel;
- (v) All employees in the finance, accounts, Corporate Affairs/ secretarial and legal department and office(s) of the Chairman and Managing Director and the Joint Managing Director of the Company.
- (vi) Employees of material subsidiaries of the Company, if any designated on the basis of their functional role or access to Unpublished Price Sensitive Information in the organization by their board of directors;
- (vii) Employees upto two levels below Managing Director of the Company irrespective of their functional role in the Company or ability to have access to Unpublished Price Sensitive Information;
- (viii) Any support staff of the Company such as IT staff or strategy staff who have access to Unpublished Price Sensitive Information;
- (ix) any other employee as may be determined by the Compliance Officer in consultation with the Chairman and Managing Director of the Company from time to time.
- (x) Such other persons including persons in contractual, fiduciary or advisory capacity with the Company, who may be designated as such from time to time, by the Chairman and Managing Director/Chief Financial Officer, in consultation with the Compliance Officer, for the purpose.
- (xi) Auditors of the Company including but not limited to Statutory Auditors, Internal Auditors, Secretarial Auditors and Cost Auditors;
- (xii) Immediate Relatives of the persons specified in (i) to (xi) above.

1.10 "Director" means a member of the Board of Directors of the Company.

1.11 "Employee" means every employee of the Company including the Directors in the employment of the Company.

1.12 "Generally available Information" means information that is accessible to the public on a non-discriminatory basis.

1.13 "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.

1.14 "Insider" means any person who is:

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information.