

## **CODE OF CONDUCT FOR INSIDER TRADING**

### **1. Applicability:**

- a. This code is applicable to all Directors including the Managing Director, Whole-time/ Executive Director and Non Executive Directors and the Designated Employees of the Company.
- b. The restrictions on the dealing in securities shall also be applicable to the Dependents of the Directors and Designated Employees.

### **2. Definitions:**

- a. “Act” means the Securities and Exchange Board of India Act, 1992.
- b. “Board” means The Board of Directors of UPSURGE INVESTMENT & FINANCE LIMITED.
- c. “Code” or “Code of Conduct” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of UPSURGE INVESTMENT & FINANCE LIMITED as amended from time to time.
- d. “Company” means UPSURGE INVESTMENT & FINANCE LIMITED
- e. “Compliance Officer” means such person as the Board may appoint from time to time, to be the Compliance Officer in relation to this code.
- f. “Connected Persons” means any person who:
  1. is a director of the Company; or
  2. A Designated Employee of the Company; or
  3. has a professional or business relationship with the Company
- g. “Dealing in Securities” means the act of subscribing, buying, selling or agreeing to buy, sell or deal in any securities of the Company by any person either as principal or agent and includes exercising of options.
- h. “Deemed Connected Persons” means and includes:
  1. Any group company, company under the same management or subsidiary of the Company;
  2. Dependent Family Members of Connected Persons;
  3. Bankers of the Company;
  4. Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker or any employee thereof having a fiduciary relationship with the Company;
  5. Trustees of any trust the beneficiaries of which include any of the Connected Persons;
  6. Trustees of any trust who are conferred with the Power of Attorney to act on

- behalf of beneficiaries in respect of securities of the Company;
7. Any person who was a connected person, whether temporary or permanent six months prior to an act of insider trading;
  8. Persons having professional or business relationship between themselves and the company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
  9. Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 2015;
- i. “Dependent Family Members” shall mean the employee's spouse, dependent parents and dependent children;
  - j. “Director” means a member of the Board of Directors of the Company.
  - k. “Designated Employee” means :
    1. Chief Executive Officer, Chief Financial Officer, or any such equivalent position
    2. Heads of All Core Departments of the Company
    3. Directors or employees who may be designated by the Chairman & Managing Director and the Executive Director from time to time, keeping in mind the objectives of this Code of Conduct.
  - l. “Employee” means every employee of the Company including the Directors in the employment of the Company.
  - m. “Insider Trading”: When insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions, the action is referred to as insider trading;
  - n. “Insider” means any person who,
    - i) is or was connected with the Company or is deemed to have been connected with the Company and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of the Company, or
    - ii) has received or has had access to such unpublished price sensitive information.
  - o. “Price sensitive information” means information which relates directly or indirectly to the Company and if published, is likely to materially affect the prices of the securities of the Company and includes, but is not restricted to:
    - a. Periodical financial results of the Company
    - b. Intended declaration of dividend (both interim and final)

- c. Issue of securities or buy back of securities
  - d. Any major expansion plans or new projects
  - e. Amalgamations, Mergers and takeovers
  - f. Disposal of the whole or substantially the whole of the undertaking
  - g. Any significant changes in the policies, plans or operations of the Company
- p. “Published Information” means any information officially published by the Company or its authorized officials and includes the information sent to the stock exchanges. However, speculative reports published in print or electronic media by analysts or reporters or by means of rumour shall not be considered as published information.
- q. “Specified Persons” means the Directors, connected persons, the insiders, the Designated Employees and the promoters and immediate relatives are collectively referred to as Specified Persons
- r. “Unpublished Information” means any information which is not officially published by the Company or its authorized agents.
- s. “Trading Window” means a period in which trading of securities can be done by the Director / Designated Employee.
- t. “Working Days” shall mean the working day when the regular trading is permitted on the concerned stock exchange where Shares of the Company are listed.

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.

This code can be modified/ amended/ altered only by Board of Directors of the Company.

### **3. Compliance Officer**

- a. The Company has appointed the Company Secretary as the Compliance Officer for the purpose of this code, who shall report to the Chairman and Managing Director.
- b. The Compliance officer shall :
  - 1. Be responsible for compliance of policies, procedure, maintenance of records, monitoring adherence to the rules for preservation of unpublished price

sensitive information, pre-clearance of trades of Directors and Designated Employees, monitoring of the trades and implementation of the code of conduct under the overall supervision of the Board of Directors.

2. Maintain a record of the Insider or any changes in therein.
3. Assist all the employees in addressing any clarifications regarding SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the Code of Conduct of the Company.

#### **4. Preservation of Price Sensitive Information**

- a. An insider shall maintain the confidentiality of the information and shall not pass on the information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- b. Unpublished price sensitive information shall be handled the on a “need to know” basis and shall not disclose such information except to those persons within the company who require such information in order to discharge their duties and whose possession of such information will not give rise to conflict of interest or misuse of the information.

Need to Know:

- i. “need to know” basis 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.
  - ii. All non-public information directly received by any employee should immediately be reported to the head of the department.
- c. Files containing confidential information shall be kept secure. Computer files shall have adequate security of login, password etc.
  - d. Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which entails:
    - i. 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; or
    - ii. not attracting 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 at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine.

## 5. Trading Plan

- a. An insider shall be entitled 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 on his behalf in accordance with such plan.

**NOTE: An advance planning for trading (trading plan) in the securities of the company by the Insiders should be given only when insiders are perpetually in possession of the UPSI.**

- b. **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 issuer of the securities 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;
  - 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.
- c. The Compliance Officer shall consider the Trading Plan made as above and shall approve it forthwith. However, he shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.
  - d. 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.
  - e. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **6. Prohibition to buy / sell securities of the company**

Insiders, when in possession of unpublished price sensitive information shall not

1. Deal in the securities of the company either on their own behalf or on behalf of any other person.
2. Communicate, counsel or disclose any unpublished price sensitive information except in a manner permitted by law.

## **7. Prevention of misuse of “Price Sensitive Information”**

Directors / Designated Employees / their dependents shall be subject to the trading restrictions as enumerated below:

1. The Directors/ Designated Employees/ their dependents shall not deal in the securities of the company during the closure of the trading window or during such periods as may be specified from time to time by the Board.
2. The Trading window shall remain closed during the following periods:
  - a) Period beginning with the day the stock exchanges are informed of the Board Meeting as per the listing agreement.
  - b) Such other period as may be specified by the compliance officer.
  - c) The Trading window shall be opened 48 hours after the aforesaid information is made public.
3. Directors/Officer/Designated Employees of the Company and the dependents thereof shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal when the trading window is closed.
4. Directors/Officer/Designated Employees of the Company and the dependents thereof shall be eligible to conduct all their dealings in the securities of the Company on any day of the year other than the period mentioned in Clause 1 above.
5. Directors/Officer/Designated Employees of the Company and the dependents thereof shall conduct their dealing in the securities of the Company only in “Valid Trading Window”.
6. The restriction shall not be applicable in respect of exercise of an option under Employees Stock Option Scheme (ESOPs). However, shares allotted on exercise of ESOPs shall not be sold during the period mentioned under Clause 1, when Trading Window shall remain closed.

## **8. Pre-clearance of Trades**

- a) All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is above such thresholds as the board of directors may stipulate, should pre-clear the transaction. However, no designated person shall be entitled to 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 not closed and hence he shall not be allowed to trade.
- b) All specified persons 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 I”
- c) All Specified Persons shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. The Specified Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form annexed as “Annexure II”. In case the transaction is not undertaken, a report to that effect shall be filed with Compliance Officer.
- d) In case of failure in exercising trade within seven days trading days, they shall be required to take fresh pre-clearance for the trades to be executed in annexure which is annexed as “Annexure I”
- e) All Specified Persons who buy or 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. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be 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 (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- f) The Compliance Officer may be 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 regulation. However, no such sale will be permitted when the Trading window is closed.

## **9. Disclosures**

### **A. Initial Disclosures:**

- i. Every promoter/ key managerial personnel/ director/ specified person/ designated employee of the company shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect in Form A.
- ii. 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 of the company as on the date of appointment or becoming a promoter, to the

company within seven days of such appointment or becoming a promoter in Form B.

**B. Continual Disclosures.**

- i. Every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction 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 ten lakh rupees or such other value as may be specified;
- ii. Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information in Form C.

**C. Disclosures by other connected persons.**

Any company whose securities are listed on a stock exchange may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with these regulations in Form D.

**10. Penalties for contravention of code**

Violation of this code will invite disciplinary action as may be decided by the Board.

However, in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended till date, any action taken or which may be taken by the Board shall not preclude SEBI from taking any action.

## **Code of Fair Disclosure**

A code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering each of the principles is set out below:

1. Prompt 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. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

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**ANNEXURE -I**

**APPLICATION FOR PRE-CLEARANCE OF TRADES IN SECURITIES**

To  
The Compliance Officer,  
UPSURGE INVESTMENT & FINANCE LIMITED,  
Office No. 303, Morya Landmark- 1,  
Behind Crystal Plaza, Off New Link Road,  
Andheri (W), Mumbai-400053.

Dear Sir/ Madam,

With reference to Code of Practice and Conduct for regulating, monitoring & reporting of trading by insider, I, .....a (Designation) of the Company intend to carry out transaction(s) in the shares of UPSURGE INVESTMENT & FINANCE LIMITED as per the details given below:

<b>Sr. No.</b>	<b>Particulars</b>	
1	No. of Securities held as on application date	
2	DP & Client ID/ Folio No.	
3	No./ value of Securities to be purchased/ sold	

I hereby declare that I'm not in possession of any UPSI

In the event that I have access to or received any UPSI, after the signing of this application but before executing trade for which approval is sought, I shall inform the Compliance Officer about the same and shall completely refrain dealing in the Securities until such UPSI becomes publicly available. Thereafter I will submit a fresh application for executing a trade.

I also declare that I have not contravened any provisions of the Code of conduct.

After approval, I shall execute a trade within 7 trading days from the receipt of approval of trade failing which I shall seek pre-clearance again.

Further I undertake to submit report on trade with 2 days from the date of execution of trade or submit a nil report if no trade was executed.

Yours Faithfully,

Signature  
Name with designation

**ANNEXURE –II**

**Reporting of Trade / Transaction**

To  
The Compliance Officer,  
UPSURGE INVESTMENT & FINANCE LIMITED,  
Office No. 303, Morya Landmark- 1,  
Behind Crystal Plaza, Off New Link Road,  
Andheri (W), Mumbai-400053.

Dear Sir /Madam,

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

<b>Name of holder</b>	<b>No. of Securities purchased / sold</b>	<b>Average Gross Price per Securities (in Rs.)</b>	<b>DP ID &amp; Client ID / Folio No.</b>

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 Conduct has been violated while executing aforesaid trade / transaction.

I also declare that I have complied with the requirements of minimum period of 6 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