



PROHIBITION OF INSIDER TRADING CODE

(Approved by the Board on 06th April, 2011 and revised on 15th May, 2013)



PROHIBITION OF INSIDER TRADING CODE

I.1.0 Applicability & Objective

- i. Short title and commencement - (1) This Code may be called Prabhat Securities Limited - Prohibition of Insider Trading Code.
- ii. This Code is framed pursuant to Regulation 12 of SEBI (Prohibition of Insider Trading) Regulations, 1992 (as amended).
- iii. This Code is applicable to Directors, Officers and Designated Employees of the Company and their dependant family members as defined herein.
- iv. Unless otherwise specifically provided, any word or words denoting singular
- v. includes plural and vice versa.
- vi. Unless otherwise specifically provided, any word or words denoting masculine includes feminine and vice versa.
- vii. Objective - This code is designed to maintain the highest ethical standards of dealing in securities of the Company by persons to whom it is applicable.

2.1.0 Definitions

In this Code, unless the context otherwise provides:

- a. “**Act**” means the Securities and Exchange Board of India Act, 1992;
- b. “**Audit Committee**” means the Audit Committee of the Board of Directors of the Company;
- c. “**Board**” means the Board of Directors of the Company;
- d. “**Code or Codes**” means Prabhat Securities Limited – Prohibition of Insider Trading Code;
- e. “**Company**” means Prabhat Securities Limited ;
- f. “**Compliance Officer**” means an employee of the Company, who has been or may be appointed by the Board of Directors as the Compliance Officer;






- g. **“Designated Employees”** shall include all employees in the Managerial cadre from Vice President and above of all departments and divisions of the Company and all employees in the Managerial cadre from Sr. Manager and above of the Finance Department, Corporate Accounts Cell and Secretarial and Legal Department of the Company and employees of all levels who, as decided by the Compliance Officer in consultation with the Managing Director/Chief Executive Officer, are privy to any ‘price sensitive information’;
- h. **“Dealing in Securities”** means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities of the Company by directors/officers/designated employees of the Company either as principal or agents;
- i. **“Dependant family members”** means spouse, and mother/father/brother/ sister/ unmarried children of the Director/Officer/designated employee, who is/are dependant on such Director/Officer/designated employee;
- j. **“Director”** means a Director and a Member of the Board of Directors of the Company;
- k. **“Financial Year”** means the financial year followed by the Company under the Companies Act, 1956;
- l. **“Officer of a company”** means any person as defined in clause (30) of section 2 of the Companies Act, 1956 (1 of 1956) including an auditor of the company;
- m. **“Price Sensitive Information”** means any information, which relates directly or indirectly to the Company and which if published, is likely to materially affect the price of securities of the Company and includes but shall not be restricted to –
- i. Periodical Financial results of the Company.
 - ii. Intended declaration of dividends (both interim and final).
 - iii. Issue of securities including by way of public/rights/bonus/preferential allotment/institutional placements or buy back of securities.
 - iv. Any major expansion plans or execution of new projects.
 - v. Amalgamation, mergers, acquisitions or takeovers.
 - vi. Disposal of whole or substantially whole of the undertaking.
 - vii. Any significant change in policies plans or operations of the Company.
- n. **“Published Information”** means any information officially published by the Company including those information sent to the Stock Exchanges or posted on the web site of the Company;
- Explanation:** Speculative reports in print or electronic media shall not be considered as published information.
- o. **“Regulations”** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended) from time to time;





- p. **“Securities”** include –
- i. shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of the Company;
 - ii. derivative/s of the Securities;
 - iii. rights or interest in securities;
- q. **“Trading Window”** means trading period specified by the Company for trading in the Company’s securities;

Note: The trading window shall be closed during the time the information referred to in para 5.1.3 is unpublished.

- r. **“Unpublished Information”** means any information, which is not officially published by the Company or its agent and is not specific in nature. However, speculative reports in print or electronic media shall not be considered as published information;

All other words and phrases will have the same meaning as defined under the Act or Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended) from time to time. The words used referring to masculine gender shall also cover the feminine gender.

3.1.0 Compliance Officer

3.1.1 The Board shall appoint a senior level employee as the Compliance Officer who shall report to the Managing Director/Chief Executive Officer. Unless otherwise decided by the Board, the Company Secretary of the Company shall be the Compliance Officer.

3.1.2 The compliance officer shall be responsible –

- a. for setting forth the procedures under this code,
- b. monitoring of adherence to the rules and procedures for the preservation of “Price Sensitive Information”,
- c. pre-clearing of trades of Directors/officers/designated employees’ and their dependants (directly or through respective department heads as may be decided by him),
- d. monitoring of trades, and
- e. the implementation of the Code under the overall supervision of the Board.

3.1.3 The compliance officer shall maintain record of the designated employees and any changes made in the list of designated employees.

3.1.4 The compliance officer shall assist all the employees in addressing any clarifications regarding the Regulations and the Code.

4.1.0 Preservation of “Price Sensitive Information”





4.1.1 Directors/officers/designated employees shall maintain the confidentiality of all Price Sensitive Information. Directors/officers/designated employees shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

4.2.0 Need to know

4.2.1 Price Sensitive Information is to be handled by Directors/officers/designated employees who are privy to such information on a “need to know” basis, *i.e.*, Price Sensitive Information should be disclosed only to those within the company who need the information to discharge their duties efficiently.

4.3.0 Limited access to confidential information

4.3.1 Directors/officers/designated employees shall ensure that the files containing confidential information shall be kept secure. In the case of files and information maintained under electronic format, such files and information shall have adequate security such as login and password, etc.

4.4.0 Prevention of misuse of “Price Sensitive Information”

4.4.1. Unauthorised reading, dissemination, distribution or copying of unpublished price sensitive information is prohibited. If any employee receives any unpublished price sensitive information not intended for him, he shall report the same immediately to the compliance officer.

4.4.2 All Directors/officers/designated employees and their dependant family members shall be subject to trading restrictions as enumerated below.

5.1.0 Trading window

5.1.1 The Trading Window shall be closed for a period of Seven days prior to the publication of the information referred to in para 5.1.3. and 24 hours after the information referred to in para 5.1.3 is made public. The Compliance Officer may, with the prior consent of the Managing Director/Chief Executive Officer, extend or reduce the time of closure of the trading window.

5.1.2 When the trading window is closed, the Directors/officers/designated employees and their dependant family members shall not trade in the Company’s securities during such period.

5.1.3 The trading window shall *inter alia*, be closed at the time of -

- a. Declaration of financial results (quarterly, half-yearly and annually);
- b. Declaration of dividends (interim and final);
- c. Issue of securities by way of public/rights/bonus/preferential allotment/institutional and other placements, etc;






- d. Any major expansion plans or execution of new projects;
- e. Amalgamation, merger, takeover, acquisition and buy-back;
- f. Disposal of the whole or substantially the whole of the undertaking;
- g. Any major changes in policies, plans or operations of the Company;
- h. Such other time/occasions as specified by the Compliance Officer with the approval of the Managing Director/Chief Executive Officer.

5.1.4 The trading window shall be opened 24 hours after the information referred to in para 5.1.3 is made public.

5.1.5 Subject to para 7.1.0 herein, Directors/officers/designated employees and their dependant family members shall conduct all their dealings in the securities of the Company only in a valid Trading Window and shall not deal in the Company's securities during the periods when Trading Window is closed.

Explanation: In case of Stock Options granted by the Company to its Directors/officers/designated employees under the Company's Employees Stock Option Scheme 2009 (ESOPs), the exercise of such ESOPs shall be allowed during the period when the trading window is closed. However, Directors/officers/designated employees shall not sell the shares allotted on exercise of ESOPs when the Trading Window is closed.

6.1.0 Pre-clearance of trades

6.1.1 All Directors/officers/designated employees and their dependant family members who intend to deal in securities of the Company (by way of purchase and sale) of 2000 Nos (Two Thousand) or having market value of Rs.5,00,000/- (Rupees Five Lacs only), whichever is lower, during a trading window shall get the transaction pre-cleared as per the pre-dealing procedure as described hereunder.

6.1.2 An application may be made in Form A to the Compliance Officer indicating -

- a. the estimated number of securities that Director/officer/ designated employee or his dependant family members intend/s to deal in,
- b. the details as to the depository participant with which he/his dependant family members has/have a security account,
- c. the details as to the securities of the Company held by him or his dependant family members in electronic and physical mode,
- d. such other details as may be required by the Compliance Officer in this behalf, and
- e. in the case of dependant family members who intend to deal in securities of the Company, the application is to be moved through the respective Director/officer/designated employee, on whom they are dependant.

6.1.3 At the time of making the application for pre-clearance for dealing in the securities, an undertaking, in Form B, shall be executed in favour of the Company by such Director/officer/designated employee incorporating, *inter alia*, the following paras, as may be applicable.



- a. That the Director/officer/designated employee does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking.
- b. That in case the Director/officer/designated employee has access to or receives “Price Sensitive Information” after the signing of the undertaking but before the execution of the transaction he shall inform the Compliance Officer of the change in his position and that he would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c. That he has not contravened the code as notified by the Company from time to time.
- d. That he has made a full and true disclosure in the matter.

6.1.4. The Company may require such persons to furnish a statement of holding by him and his dependant family members in Form C at the time of pre-clearance.

7.1.0 Other restrictions

7.1.1 All Directors/officers/designated employees and their dependant family members shall execute their dealings in respect of securities of the Company within 7 working days after the approval of pre-clearance is given. If the order is not executed within 7 working days after the approval is given, the pre-clearance granted to them shall be deemed to have been cancelled and in case the concerned Director/officer/ designated employee and their dependant family member desires to deal in the securities, he must pre-clear the transaction again. On execution of the pre-cleared dealings in securities, Directors/officers/ designated employees and their dependant family members shall intimate the execution of the deal in Form D.

7.1.2 All Directors/officers/designated employees and their dependant family members who buy or sell any number of securities of the Company shall not enter into an opposite transaction i.e. sell or buy any number of securities during the next six months following the prior transaction. All Directors/officers/ designated employees and their dependant family members shall also not take positions in derivative transactions, if any, in the securities of the Company at any time.

7.1.3 In the case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

7.1.4 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Assets Liability Management Committee after recording in writing the reasons in this regard.

8.1.0 Reporting requirements for transactions in securities





- 8.1.1** All Directors/officers/designated employees of the Company shall be required to forward following details of their securities transactions including the details relating to dependant family members to the Compliance Officer:
- all holdings in securities of the Company at the time of joining the Company in Form E;
 - periodic statement of any dealings in securities for every quarter ending June 30, September 30, December 31 and March 31 in Form F. The statement shall also include dealings for which pre-clearance is obtained from the Company and shall be furnished to the Compliance Officer within two weeks from the end of the quarter; and
- 8.1.2** The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Directors/officers/designated employees for a minimum period of three years.
- 8.1.3** The Compliance Officer shall place before the Managing Director/Chief Executive Officer, on a monthly basis all the details of the dealings in the securities by Directors/officers/designated employees of the Company and their dependant family members together with the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged herein.
- 9.1.0 Penalty for contravention of code**
- 9.1.1** Any Director/officer/designated employee (either directly or through their dependant family members) who trades in securities or communicates any information for trading in securities in contravention of the code may be penalised and appropriate action may be taken by the Company. The Audit Committee shall decide upon the nature of penalty or action to be taken against such defaulting Directors/officers/designated employees.
- 9.1.2** Directors/officers/designated employees who violate the code shall also be subject to disciplinary action, which may include wage freeze, suspension, ineligible for future participation in ESOPs, etc.
- 9.1.3** The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.
- 10.1.0 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992**
- 10.1.1** In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company shall inform SEBI and /or Stock Exchanges of such violation.
- 10.1.2** In the event of any amendment to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or issuance of any clarification relating to prohibition of insider trading, such amendment/ clarification shall be






deemed to be adapted by the Company and in case of any conflict between the provisions of the Code and SEBI (Prohibition of Insider Trading), Regulations, 1992, the latter shall prevail.



Form A

(Application for pre-clearance. please See Para 6.1.2 of the Code)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir

Sub: Permission for dealing in Securities of Prabhat Securities Limited (“The Company”)

In accordance with the Prabhat Securities Limited - Prohibition of Insider Trading Code, I hereby request you to permit me / my spouse/ my dependant(s) (specify Name in case of Spouse/Dependants-----) singly/ jointly, to sell or purchase -----securities of the Company. The details as required are given below:

Type of security to be purchased/sold	Regd Folio no: (In case of Physical holding)	DP ID (In case of Demat holding)	Client ID (In case of Demat holding)	No. of securities intended to be dealt with	Name and address of the Broker

In case the permission is granted, I/we shall comply with the requirements of the minimum holding period of six months with respect to the securities purchased in terms of the permission. Please also find attached a copy of the undertaking in this regard.

I request you to kindly accord the approval as requested.
Thanking you

Yours truly,

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)



Form B

(Undertaking for pre-clearance. please See Para 6.1.3 of the Code)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Undertaking

I/My Spouse/My Dependants (Specify Name in case of Spouse/Dependants -----) am/is/are desirous of dealing in Securities of Prabhat Securities Limited (“The Company”) as mentioned in my application dated for pre-clearance of the transaction.

In accordance with the Prabhat Securities Limited - Prohibition of Insider Trading Code, I/We hereby confirm that:

- a. I/We have no access to nor do I/We have any information that could be construed as unpublished price sensitive information up to the time of signing this undertaking.
- b. In the event that I/We have access to or received any information that could be construed as unpublished price sensitive information after signing this undertaking but before executing the transaction for which approval is sought, I/We shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company till the elapse of 24 hours from the time such information becomes public.
- c. I/We have not contravened the regulations and guidelines applicable to me in respect of Prohibition of Insider Trading, as may be notified by the Company or SEBI from time to time.
- d. I/We have made full and true disclosure in the matter.

I/We further confirm that in case the permission is granted, the said securities will be sold / purchased within working 7 days of the date of receipt of permission and the details of such sale/purchase will be intimated to the Company within 5 working days from the date of the deal.

Yours truly,

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)



Form C

(Statement of holding for pre-clearance. please See Para 6.1.4 of the Code)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Intimation of holding of securities Prabhat Securities Limited (“The Company”)

In accordance with the Prabhat Securities Limited - Prohibition of Insider Trading Code, I hereby inform you that I / my spouse / my dependant/s mentioned below hold – singly / jointly, the following securities of the Company as on, as per details given below:

Name	Type of Security	Regd Folio no: (In case of Physical holding)	DP Id (In case of Demat holding)	Client ID (In case of Demat holding)	No. of securities held
Self					
Spouse (pl give name)					
Dependant/s (Pl give name & Relationship) 1.----- 2. ----- 3. -----					

I confirm that apart from the dependants named above, I have no other dependants.

Kindly take note of the same.

Thanking you,

Yours truly,

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)



Form D

(Intimation of dealing. please See Para 7.1.1 of the Code)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Intimation of dealing in securities of Prabhat Securities Limited (“The Company”)

I refer to my application dated ----- for pre-clearance of dealing in securities of Prabhat Securities Limited and your approval for the same dated-----. In accordance with para 7.1.1 of Prabhat Securities Limited - Prohibition of Insider Trading Code, I hereby inform you that I/ my spouse / my dependant/s specified below have purchased/ sold, singly/jointly, ----- securities of the Company on -----. The details of the dealing are given below:

Name (s) Of holder(s)	Relationship with the Employee	Regd Folio no:/ DP ID & Client ID	No. of securities held before the transaction	No. of securities Transacted (Purchase (+)/ Sale(-))	Date of transaction	Date of approval	Balance holding as on --- -----

I/we declare that I/ we have complied with the requirements of the minimum holding period of six months with respect to the securities sold as aforesaid.(Applicable in case of sale)*
Thanking you

Yours truly,

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)



Form E (Part – I)

(Intimation of holdings in securities of the Company at the time of joining. Please see para 8.1.1.a)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Intimation of holdings of securities of Prabhat Securities Limited (“The Company”)

This is to inform you that I have been inducted as a Director on the Board of Directors / joined the services of Prabhat Securities Limited on -----.

Pursuant to Regulation 13 of SEBI (Prohibition of Insider Trading) Regulations, 1992 and para 8.1.1.a of Prabhat Securities Limited - Prohibition of Insider Trading Code, please find enclosed herewith, the holdings in securities of the Company by me, my spouse and my dependants.

I confirm that I have read and understood the CGCL’s Prohibition of Insider Trading Code and that apart from the dependants named above, I have no other dependants.

Kindly take the information on record.

Thanking you

Yours truly,

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)



Form E (Part – II)

Date:

To

**The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur**

Dear Sir,

Sub: Intimation of holdings of securities of Prabhat Securities Limited (“The Company”)

Name & Address of Director/ Officer	Date of assuming office of Director/Officer	No.& % of shares/voting rights held at the time of becoming Director/Officer	Date of intimation to Company	Mode of acquisition (market/purchase/public/rights/preferential offer etc.)	Trading member through whom the trade was executed with SEBI Registration No.of the TM	Exchange on which the trade was executed	Buy qty	Buy value

Signature: -----

Name: -----



Form E (Part – III)

Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Intimation of holdings of securities of Prabhat Securities Limited (“The Company”)

Name of the holder(s)	Type of Security	Regd Folio no: (In case of Physical holding)	DP Id (In case of Demat holding)	Client ID (In case of Demat holding)	No. of securities held	Phone, Mobile & Email ID
Self						
Spouse (Give name)						
Dependants (Give names) 1.----- 2.----- 3.-----						

Name: ----- Signature: -----

Employee Code: ----- Designation: -----

Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable)

(Please give the name of the dependant even if he/she does not hold any security of the Company)

Important: You are also advised to comply with the disclosure requirements as specified under Regulation 13 of SEBI (Prohibition of Insider Trading) Regulations, 1992 relating to initial and continual disclosures to the extent applicable to you.

Form F



(Intimation of dealings in securities for the quarter ended -----.
Please see Para 8.1.1.b)

Date:

To

**The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur**

Dear Sir,

Sub: Intimation of dealings in securities of Prabhat Securities Limited (“The Company”) for the quarter ended -----.

Pursuant to para 8.1.1.b of Prabhat Securities Limited - Prohibition of Insider Trading Code, I give herein below the dealings in securities in the Company by me /my spouse/my dependants for the quarter ended -----.

Name (s) Of holder(s)	Regd Folio no: / DP ID & Client ID	No. of securities held at the beginning of quarter	No. of securities Transacted (Purchase (+)/ Sale(-)	Date of transact ion	Date of approval (if applicable)	Balance holding at the end of quarter as on ----
Self						
Spouse (pl give name)						
Dependant/s (pl give name) 1----- 2----- 3-----						

Kindly take the information on record.

Thanking you

Yours truly,

Name: ----- Signature: -----
Employee Code: ----- Designation: -----
Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable. Please give the name of the dependant/s)

Form G

(Intimation of annual holdings in securities. Please see Para 8.1.1.c)



Date:

To
The Compliance Officer
Prabhat Securities Limited
“Satyam”, 4/276,
Parwati Bagla Road,
Kanpur

Dear Sir,

Sub: Intimation of Annual holdings in securities in Prabhat Securities Limited

Pursuant to para 8.1.1.c of Prabhat Securities Limited - Prohibition of Insider Trading Code, I give herein below the holdings in securities in the Company by me /my spouse/my dependants as on March 31, -----.

Name (s) Of holder(s)	Type of Security	Regd Folio no: (In case of Physical holding)	DP Id (In case of Demat holding)	Client ID (In case of Demat holding)	No. of securities held as on March 31, ----- ----
Self					
Spouse (pl give name)					
Dependant/s (pl give name) 1.----- 2.----- 3.-----					

Kindly take the same on record

Thanking you

Yours truly,

Name: ----- Signature: -----
Employee Code: ----- Designation: -----
Department: ----- Branch: ----- Location: -----

(Strike off whichever is not applicable. Please give the name of the dependant/s)

Form H
(Permission for dealing in Securities)



Date:

To

Mr. -----,

Add. -----.

Dear Sir,

Sub: Permission for dealing in Securities of Prabhat Securities Limited (“The Company”)

Please refer to your application dated ----- for dealing in securities in the Company.

This is to inform you that your request for dealing in..... (Nos) securities in the Company as mentioned in your above-mentioned application is approved. Please note that the said transaction must be completed on or before..... (Date), that is within 7 working days from today.

Your attention is drawn to para 7.1.1 of the Code. As per this para, if the dealing is not executed within 7 working days hereof, the pre-clearance granted to you shall be deemed to have been cancelled and in case you desire to deal in the securities you are required to pre-clear the transaction again.

For Prabhat Securities Limited

Compliance Officer

Important: You are also advised to comply with the disclosure requirements as specified under Regulation 13 of SEBI (Prohibition of Insider Trading) Regulations, 1992 relating to initial and continual disclosures to the extent applicable to you in case the purchase of securities permitted herein attract those Regulations.