

## Policy for Prevention of Insider Trading

### [In Terms of SEBI (Prohibition of Insider Trading) Regulations, 1992]

#### 1. Introduction

This **policy** aims to define and establish **Jindal Poly Films Limited** (herein after referred to as "the Company), position and rules with respect to:

- **Prevention** of Insider trading of securities;
- **Maintenance** of confidentiality of Price Sensitive Information; and
- **Adherence** to Securities and Exchange Board of India's ('SEBI') applicable guidelines by all Connected or Deemed Connected persons including Director, Officer and Designated Employee for prevention of Insider trading.

#### 2. Objective

The Company is committed to the preserving the confidentiality and preventing the **misuse of any un-published price sensitive information**. The Company is further committed to adherence to all applicable laws and regulations set forth by the Securities and Exchange Board of India ("SEBI") or the Stock Exchange with regards to prevention of Insider trading. The Company is committed to ensuring transparency and fairness in dealing with all stakeholders of the Company. The purpose of this document is to elucidate and inform to all Connected or any Deemed Connected persons to the Company that they have a responsibility and duty to preserve the confidentiality of all price sensitive information obtained in the course of his or her day to day operations and association with the Company.

#### 3. Definitions

Definitions of some of the key terms used in this policy are given below:

- i. **"Company"** means **Jindal Poly Films Limited** and its Subsidiary Companies;
- ii. **"Insider Trading"** means when insiders use unpublished price sensitive information to arrive at securities trading/dealing (including buying as well as selling) decisions, the action is referred to as insider trading;
- iii. **"Insider"** means any person who is or was a **"Connected Person"** or a **"Deemed Connected Person"** and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of the Company or who has received or has had access to such unpublished price sensitive information;
- iv. **"Connected Persons"** means any person who is:
  - A Director of the Company;
  - An Officer or Designated Employee of the Company;
  - Has a professional or business relationship with the Company, such that he/she may be reasonably expected to have access to price sensitive information in relation

to the company, which includes but not limited to the Legal Advisors, Solicitors, Auditors, Consultants and Tax Advisors;

- v. **"Deemed Connected Persons"** means and includes:
- Dependent family members of Connected Persons;
  - Any group Company, Company under the same management or subsidiary of the Company;
  - Bankers of the Company;
  - 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;
  - Trustees of any trust the beneficiaries of which include any of the Connected Persons;
  - 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;
  - Any person who was a Connected Person, whether temporary or permanent six months prior to an act of insider trading;
  - Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 1992.
- vi. **"Dependent Family Members"** shall mean spouse, dependent parents and dependent children and any other person dependant on the Officer and Designated Employee;
- vii. **"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;
- viii. **"Designated Employee"** shall mean:
- Officer/employee include all employees upto General Manager level including Executive Secretary or Personal Assistant attached with every such officer/employee ;
  - Manager and above in the Finance, Accounts and Company Secretarial departments;
  - Such employees designated and notified by the Compliance Officer from time to time with the approval of the Managing Director and/or any Whole Time Director ;
- ix. **"Dealing in Securities"** means an act of subscribing, buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent;
- x. **"Price Sensitive Information"** shall mean any information which relates directly or indirectly to Company and which if published is likely to materially affect the price of securities of Company.

The following shall be deemed to be price sensitive information:

- Periodical financial results of the Company;
- Intended declaration of dividends (both interim and final);

- Issue of securities or buy-back of securities;
  - Any major expansion plans or execution of new projects;
  - Amalgamation, mergers or takeovers;
  - Disposal of the whole or substantial part of the undertaking;
  - Any significant changes in policies, plans or operations of the Company;
- xi. **"Unpublished"** means information which is not published by the Company or its agents and is not specific in nature.
- xii. **"Compliance Officer"** means an officer appointed by the Board for the purpose of monitoring, observing, educating the employees, setting forth the policies and administration of the procedure under the overall supervision of the Managing Director and/or any Whole Time Director of the Company in relation to Compliance with this policy.

Words and expressions not defined in these Regulations shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India Act, 1992.

#### **1. Policy For Prevention Of Insider Trading For Jindal Poly Films Limited**

##### **A. Compliance Officer**

The Company has appointed the Company Secretary as the Compliance Officer who shall report to the Managing Director and/or any Whole Time Director of the Company on matters relating to prevention of Insider trading as specified in the policy. His duties should include the following:

- He shall be responsible for monitoring implementation of the policy under the overall supervision of the Corporate Governance Committee/Board;
- He shall maintain a record of Designated employees and any changes made to the list of Designated employees;
- He shall assist all the employees in addressing any clarification regarding the "Company's Policy on Prevention of Insider Trading" and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- He may in consultation with the Managing Director and/or any Whole Time Director specifies prohibited period from time to time and immediately make an announcement thereof;
- He shall maintain a record of prohibited period specified from time to time;
- He shall ensure that prohibited period is intimated to all concerned at least 48 hours before the commencement of the said period;
- He shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers and Designated Employees;
- He shall inform all Stock Exchanges on which the securities of the Company are listed, the information received under as required and disclose to the extent, as required under SEBI and Stock Exchange rules;

- He shall place details of the dealing in the securities by Directors/Officer /Designated Employees before the Managing Director and/or any Whole Time Director on quarterly basis.

## **B. Preservation Of "Price Sensitive Information"**

### **B.1 Maintenance Of Confidentiality**

- All Connected and Deemed Connected persons including, Directors, Officers and Designated Employees of the Company shall maintain the confidentiality of all unpublished price sensitive information;
- Such persons shall also not pass on such information to any person directly or indirectly by means such as making a recommendation for the purchase or sale of securities etc.
- Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need such information to discharge their duties.
- All files, whether electronic or manual, containing confidential information shall be kept secure.

## **C. Prohibition On Dealing, Communication Or Counseling On Matters Relating To Insider Trading**

No insider when in possession of unpublished price sensitive information shall:

- \* Either on his behalf or on behalf of any other person deal in securities on the company;
- \* Communicate or counsel directly or indirectly, any unpublished information to/from any person.

However, exercise of option under the Employee Stock Option Scheme shall be allowed during the closure of trading window.

## **D. Restrictions And Procedure For Directors, Officers And Designated Employees While Dealing In Company Securities**

### **D.1 Prohibition In Dealing In Securities Other Than During A Valid Trading Window**

All Directors, Officers and Designated Employees shall conduct all their dealings in the securities of the Company only in a valid trading window within the threshold limit prescribed hereunder and shall not deal in any transactions involving the purchase or sale of the Company's securities during the prohibited period i.e. when the trading window is closed.

*Explanation in relation to Employee Stock Option (ESOP)*

*In case of ESOPs, exercise of options may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.*

## **D.2 Valid trading Window for dealing in securities of the Company**

- Valid Trading Window means a period other than the prohibited period;
- Prohibited period means:
  - i) Period beginning with the day on which the information convening the meeting of the Board of Directors of the Company to consider any price sensitive information is informed to Stock Exchanges and ending after 24 hours from the time the price sensitive information is made public;
  - ii) Such other period as may be specified by the Compliance officer from time to time in consultation with the Managing Director and/or any Whole Time Director.

The following shall be included in the definition of prohibited period:

- i) Declaration of financial results (quarterly, half yearly and Annual);
- ii) Declaration of dividends ( interim and final);
- iii) Issue of securities by way of public, rights and bonus etc.;
- iv) Any major expansion plans or execution of new projects;
- v) Amalgamation, mergers, takeovers and buy-back;
- vi) Disposal of the whole or substantial part of the undertaking;
- vii) Any change in policies, plans or operations of the Company, disruption of operations due to natural calamities.

The trading window shall be opened 24 hours after the price sensitive information has been made public.

## **D.3 Procedure for dealing in securities of the Company**

### **D.3.1. Pre-clearance of trading in securities of the Company**

All Directors, Officers and Designated Employees who intend to deal in securities of the Company shall pre-clear the transactions as per the pre-dealing procedure as described hereunder:

### **D.3.2 Procedure for Pre-clearance of Trade**

- An application in writing or by way of an email communication at [secretarial\\_polyester@jindalgroup.com](mailto:secretarial_polyester@jindalgroup.com) , for pre-clearance of trade shall be made to the compliance officer.

- On receipt of such request, the Compliance officer shall obtain an undertaking from such persons, as follows:
  - That the concerned person do not have any access or has not received “Price Sensitive Information” upto the time of signing the undertaking;
  - That in case the concerned person has access to or receives “Price Sensitive Information” after the signing of undertaking but before the execution of the transaction, he/she shall inform the compliance officer of the change in his position and that he/she shall inform the Compliance Officer of the change in his/her position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public;
  - That he/she has not contravened the policy for prevention of insider trading as notified from the Company from time to time; and
  - That he/she has made a full and true disclosure in the matter.

### **D.3.3 Validity of Pre-clearance period**

Directors, Officers and Designated Employees shall execute their orders in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval of pre-clearance is given, he/she must get the pre-clearance of transaction again.

### **D.3.4 Holding period of securities**

All Directors/officers/designated employees who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy, as the case may be, any number of shares during the next six months following the prior transaction. All Directors/officers/designated employees shall also not take position in derivative transaction in the shares of the company at any time.

In the case of subscription in the primary market (public issues) in the shares of the company, there shall be a requirement of holding the shares for a minimum period of 30 days from the date of allotment.

In case, the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing the reasons for the same.

## **E. Reporting and disclosure requirements**

### **E.1 Disclosure of Directors, officers and Designated Employees**

All Directors, Officers and Designated employees of the Company are required to forward the following details of their security transaction/holdings including the statement of dependent family members to the Compliance officer.

- (a) All holdings in the securities of the Company at the time of joining. For designated employees, the HR deptt. will obtain the details thereof on their joining and forward the same to compliance officer.
- (b) Annual disclosures of the number of shares and other securities held as on March 31 of each year.
- (c) It will be duty of Compliance officer to get all the information as mentioned above in (a) and (b), in writing and duly signed in the prescribed form.
- (d) The Compliance officer shall place before the Managing Director and/or any Whole Time Director, on a monthly basis all the details of dealing in the securities by Directors, Officers and Designated employees of the Company and the required documents that such persons had complied with the relevant provisions of the code.

### **E.2 Disclosure by the Company to Stock Exchanges**

Wherever necessary, the Compliance officer shall disclose the information received to the Stock Exchanges within the prescribed time.

### **E.3 Maintenance of Records of disclosures received by the Company**

The Compliance officer shall maintain records of all the declarations in the appropriate form given by Directors, Officers and designated employees for a minimum period of three years.

### **F. Penalty for violation of the SEBI (Prohibition of Insider trading) Regulations, 1992**

Any officer/designated employee/Director who trade in securities or communicates any price sensitive information in contravention of the code or contravene any provision of SEBI (Prohibition of Insider trading ) Regulations, 1992 will be liable penal action by the Company or SEBI. SEBI shall be informed for any contravention of any provision of SEBI (Prohibition of Insider trading ) Regulations, 1992