

## CODE OF CONDUCT ON INSIDER TRADING

### 1. Introduction :

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and SEBI Circular dated: 11-05-2015, K World Pvt. Ltd. ('the Company') is required to formulate a Code of Fair Disclosure, Code of Conduct, Code of Internal Procedures for Regulating, Monitoring and Reporting of trading by Insiders for prevention of insider trading by Promoters / Directors / Designated Employees / Connected Person of the Company, in relation to the securities of the company.

Accordingly, the Board of Directors ("the Board") of the Company has adopted and formulated Codes, in compliance with the applicable regulations of the SEBI and the Listing Agreement and also to upload those codes on Company's website at [www.kwgroup.in/](http://www.kwgroup.in/) under the broad heading Investors Centre.

### 2. Definitions:

i) "**Compliance Officer**" means the Company Secretary of the Company for the purpose of administration of the insider trading policy.

ii) "**Connected Persons**" 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 Promoter, director, designated officer or an designated 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 also be deemed to be connected persons unless the contrary is established :
  - a) an immediate relative and dependent of connected persons specified in clause (i); or
  - b) an intermediary as specified in Section 12 of the SEBI Act ('the Act') or an employee or director thereof; or
  - c) an investment Company, trustee company, asset management company or an employee or director thereof; or
  - d) an official of a stock exchange or of clearing house or corporation; or
  - e) 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

- f) 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
- g) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- h) banker of the company; or
- i) 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 per cent, of the holding or interest.

iii) "**Designated Officer/Employees**" shall cover the following:

- i) General Manager and above or its equivalent in all departments;
- ii) All employees in Secretarial, Finance and Accounts Department;
- iii) Such other employees as may be specified and determined from time to time by the Compliance Officer and/or Chief Financial Officer and/or Chairman and Managing Director.

iv) "**Director**" means a member of the Board of Directors of the Company.

v) "**Generally Available Information**" means information that is accessible to the Public on a non-discriminatory basis.

vi) "**Immediate Relative**" means a spouse of a insider and includes parent, sibling, and child of such insider or of the spouse, any of whom is either dependent financially on such insider, or consults such insider in taking decisions relating to trading in securities

vii) "**Insider**" means any person who is:

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

viii) "**Key Managerial Personnel**" means person as defined in Section 2(51) of the Companies Act, 2013.

ix) "**Promoter**" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.

x) "**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.

xi) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities include trading in derivatives of securities, and "trade" shall be construed accordingly;

xii) "**Trading Day**" means a day on which the recognized stock exchanges are open for trading.

xiii) “**Unpublished Price Sensitive Information (UPSI)**” 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:

- i) financial results;
- ii) dividends;
- iii) change in capital structure;
- iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v) changes in key managerial personnel; and
- vi) material events in accordance with the listing agreement.

### **3. Role of Compliance Officer :**

The Compliance Officer shall report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the Board of Directors.

The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company’s aforesaid Codes.

The Compliance Officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for preclearance of trades.

### **4. Preservation of “ Unpublished Price Sensitive Information”**

Employees / Designated Persons shall maintain the confidentiality of all UPSI. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for entering into any trade in the Securities of the Company or in any other manner whatsoever nor shall they allow or facilitate access to such information.

#### ***Prevention of misuse of “ Unpublished Price Sensitive Information”***

1. The Company shall specify a trading period from time to time to be called "Trading Window", for trading in the Company’s Securities. The trading window shall be closed during the time the information referred to in para (V) 3 is un-published.

2. Employees / Designated Persons and Immediate Relatives shall not trade in the Securities of the Company during the Closure of the “Trading Window” i.e. the period during which trading in Securities of the Company is prohibited.

3. The “Trading Window” shall be, closed Inter alia at the time of : -

- (i) periodical financial results of the Company;
- (ii) intended declaration of dividends/ Interest (both interim and final);

- (iii) mergers, de-mergers, acquisitions, delisting, disposal and expansion of business; and
- (iv) any material events in accordance with the listing agreement.

The period of commencement of closure of Trading Window shall be intimated, in advance, by the Company, from time to time.

4. The Trading Window shall be opened 48 hours after the information referred to in para 3 or any other information which could be deemed to be of a price sensitive nature, becomes public.
5. All Employees / Designated Persons and Immediate Relatives shall trade in the Securities of the Company only during the free period and not during the periods when Trading Window is closed, as referred to in para (V) 3 above or during any other period as may be specified by the Company from time to time.
6. The Trading Window shall also be applicable to persons who are having contractual or fiduciary relations with the Company including the Auditors, Accountancy Firms, Law Firms etc., assisting or advising the Company.

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

1. All Employees / Designated Persons, for themselves and also for their Immediate Relatives, who intend to trade in Securities of the Company, aggregating to trade value of Rupees Ten Lacs or more, during a calendar quarter, should obtain a preclearance of the transactions.
2. An application for pre-clearance of the proposed transaction shall be made in attached format (Application for Pre-Clearance of Trade) in this regard, to the Compliance Officer.
3. An undertaking shall be executed in favour of the Company, in the attached format.
4. All Employees / Designated Persons and Immediate Relatives shall execute their order for trading in the Securities of the Company within one week after the approval of pre-clearance is given, failing which fresh pre-clearance would be needed for the trades to be executed.
5. No Employee / Designated Person and Immediate Relatives, shall apply for pre clearance of any proposed trade when in possession of an UPSI, even if the trading window is not closed.

## **6. Restriction on opposite transaction till six months**

All Designated Persons and their Immediate Relatives who trade in the Securities of the Company shall not execute a contra trade, during the next six months following the preceding transaction.

*For the sake of clarity, if any Designated Person and their Immediate Relatives has bought or has been allotted any shares / Securities of the Company (including under ESOPs / Preferential Issue), he / she cannot sell any Securities of the Company, within a period of six months, from the date of such purchase / allotment.*

*Similarly, in case any Designated Person and their Immediate Relatives has sold any Securities, he / she cannot acquire any Securities, including by way of allotment through ESOPs / Preferential Issue, within a period of six months, from the date of such sale.*

## **7. Reporting Requirements for transactions in Shares**

1. The following disclosures of the Securities held in the Company shall be made to the Compliance Officer :

(a) Every person on appointment as the key managerial personnel or a director of the Company or upon becoming its promoter, shall disclose his holding of the 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;

(b) Every promoter, employee or director of the Company and its subsidiaries shall disclose the number of such Securities, purchased or sold within 2 (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 Rs. Ten Lacs. The disclosure shall be made in the format prescribed for the purpose under the Regulations.

For the avoidance of doubts, it is clarified that the disclosure of the incremental transaction, after any disclosure under (b) above, shall be made, when the transactions effected after the prior disclosure cross the threshold limit of Rs. Ten Lacs.

## **8. Penalty for contravention of code of conduct**

1. Any Employees including Designated Person, who himself/herself or through his/her Immediate Relatives trades in Securities of the Company or communicates any UPSI, for trade in Securities or facilitates the communication of such information, in contravention of this Code of Conduct may be penalized and appropriate action may be taken by the Company.

2. Designated Person who violates the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, withholding of promotions and including ineligibility for future participation in employee stock option plans, etc.

3. The action by the Company shall not preclude SEBI from taking any action against any Employee including Designated Person in case of violation of these Regulations & Company's Code of Conduct.

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**APPLICATION FOR PRE-CLEARANCE OF TRADE**

Date : \_\_\_\_\_

The Compliance Officer  
K World Estate Private Limited  
B-2/4, Plot No. 2, Ashok Nagar, DB Gupta Road,  
Near Faiz Chowk, Karol Bagh, New Delh-110005

Dear Sir,

Sub. : Application for Pre-Clearance of Trade to be executed by Designated Persons or the Immediate Relatives (strike out what is not applicable)

I, \_\_\_\_\_ S/o Mr. \_\_\_\_\_, Director / Employee of K World Estate Pvt. Ltd (KWEPL) intend to sell / purchase \_\_\_\_\_ (\_\_\_\_\_ only) Shares of IHFL through myself/----- (my -----)

Details of Depository Account in which such Shares will be debited / credited, are as under:

Name of the first Holder of the DP Account  
Name of the DP  
DP ID  
Client ID  
Nos. of KWEPL Shares in the said account

Kindly provide pre-clearance for the above trade. Necessary undertaking is enclosed.

Thanking you,  
Yours truly,  
Signature \_\_\_\_\_  
Name : \_\_\_\_\_

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I Confirm the above facts stated by me in respect of myself/ my -----

Signature of the Designated employee : \_\_\_\_\_  
Name of the Designated Employee : \_\_\_\_\_  
Date : \_\_\_\_\_

## UNDERTAKING

I, \_\_\_\_\_ S/o Mr. \_\_\_\_\_ aged \_\_\_\_\_ years, residing at \_\_\_\_\_ do hereby undertake that the following information submitted by me to K World Estate Pvt. Ltd, having its registered office at B-2/4, Plot No. 2, Ashok Nagar, DB Gupta Road, Near Faiz Chowk, Karol Bagh, New Delhi-110005 is true and correct :

1. That I do not have any access to or have not received any “price sensitive information” upto the time of signing this undertaking.
2. That in case I receive or have access to any “price sensitive information” after signing the undertaking but before the execution of the transaction which I intend to do, as disclosed in my Application for Pre-Clearance of Trade (“the Application”), I shall refrain from dealing in Shares of the Company either personally or through any Immediate Relative of mine, till such information becomes public and shall necessarily inform the Compliance Officer of the Company, of the same.
3. That I have not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company.
4. I undertake that the transaction stated in the application shall be executed within one week from the date of pre-clearance by the Company, and if the same is not executed within a week, I shall seek a fresh pre-clearance of the transaction.
5. I undertake that in case of purchase of Shares of the Company, the same shall be held by me/ my Immediate Relative, for investment purposes.
6. I undertake that I myself or through any Immediate Relative of mine, shall not enter into an opposite transaction i.e. sell or buy any number of Shares during the next six months following this transaction.
7. I confirm that I myself or through any Immediate Relative of mine, have not entered into an opposite transaction of buy/sell in the past six months, in relation to the Shares of the Company.
8. That the disclosure made by me in this regard, is full and true.

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Date : \_\_\_\_\_

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**DECLARATION REGARDING IMMEDIATE RELATIVES**

Date : \_\_\_\_\_

The Compliance Officer  
K World Estate Private Limited  
B-2/4, Plot No. 2, Ashok Nagar, DB Gupta Road,  
Near Faiz Chowk, Karol Bagh, New Delh-110005

Dear Sir,  
Sub. : Details of Dependent Family Members

I \_\_\_\_\_ Director / Employee of K World Estate Pvt. Ltd. (KWEPL), hereby declare that following persons are my Immediate Relatives

1. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

2. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

3. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

Thanking you,  
Yours truly,  
Signature : \_\_\_\_\_  
Name : \_\_\_\_\_