

## ALKA INDIA LIMITED

**CIN: L99999MH1993PLC168521**

Regd. Address: Gala No. D- 3/4/5, Hatkesh Udyog Nagar-1, Off. Mira Bhayandar road, GCC Road, Mira Near Hatkesh Substation Thane - 401 107, Mira Road, Thane, Vasai, Maharashtra, India, 401107

Corporate Office Address: A 1115 Titanium Business Park, Near Makarba Underpass, Jivraj Park, Ahmedabad, Gujarat, India, 380051

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

### **PREAMBLE:**

The Securities and Exchange Board of India (SEBI), as part of its efforts to protect the interest of investors in general, had issued the SEBI (Insider Trading) Regulations, 2015, under the powers conferred on it by the SEBI Act, 1992. Applicable to all listed companies, these Regulations came into force with effect from May 15, 2015.

"Alka India Limited's Code of Internal Procedure and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" (hereinafter referred as the Code of Conduct or the Conduct or the Code) is framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended vide SEBI (Prohibition of Insider Trading) Regulations, 2018.

This Code is applicable to the Designated Persons as may be specified by the Board of Directors and their Immediate Relatives. This Code will be effective from 30<sup>th</sup> May, 2025.

### **DEFINITIONS:**

**"Act"** means the Securities and Exchange Board of India Act, 1992 as may be amended from time to time.

**"Board"** means the Board of Directors of the Company.

**"Code"** or **"Code of Conduct"** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders of "Alka India Limited" as amended from time to time.

**"Company"** means 'Alka India Limited'.

**"Compliance Officer"** means Company Secretary or any senior officer designated by Board, who is financially literate (i.e. having ability to understand basic financial statements) 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the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.

**Explanation:** For the purpose of this code, "financially literate" shall mean 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.” “**Connected Person**” means:

1. any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the Company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
2. 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) a 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 a company or his relative or banker of the company, has more than ten per cent of the holding or interest; or
  - (k) a firm or its partner or its employee in which a connected person specified in clause (1) of this definition, is also a partner; or
  - (l) a person sharing household or residence with a connected person specified in clause (1) of this definition.

“**Designated Persons**” means:

1. All Promoters of the Company;
2. Members of the Board of Directors of the Company including, executive or non-executive or independent or nominee directors;
3. Chief Executive Officer (CEO), Chief Operating Officer, Chief Financial Officer

(CFO) and Company Secretary of the Company;

4. Sr. Manager and above of the Finance & Accounts, MIS, Corporate Communication, IT, Legal and Secretarial Departments of the Company and its material subsidiaries;
5. Employees upto two levels below of Chief Executive Officer of the Company and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
6. Any support staff of the Company, such as IT and secretarial departments, who have access to unpublished price sensitive information.

**“Generally available information”** means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.

**“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.

**“Insider”** means any person who is:

- a) a connected person; or
- b) in possession of or having access to unpublished price sensitive information including a person having access to such information by virtue of a legitimate purpose.

**“Key Managerial Person”** means person as defined in Section 2(51) of the Companies Act, 2013.

**“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

**“Regulation”** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended.

**“Relative”** shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii) of this definition; and
- (vi) spouse of the person listed at sub-clause (iv) of this definition.

**“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.

**“Takeover Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

**“Trading”** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and “trade” shall be construed accordingly.

**“Trading Day”** means a day on which the recognized stock exchanges are open for trading.

**“Unpublished Price Sensitive Information”** or **“UPSI”** means any information, relating to the 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:

- a) financial results;
- b) dividends;
- c) change in capital structure;
- d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
- e) changes in key managerial personnel;

#### **INTERPRETATION:**

- ❖ Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other relevant legislation/law applicable to the Company, as amended from time to time and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation. It is also clarified that capitalized terms defined in Section 2 above shall have the same meaning ascribed to them, when used in the lower case in this Code.
- ❖ This Code can be modified/amended/ altered only by Board of Directors of the Company.
- ❖ In case of any statutory modification or amendment or alteration of the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015, the newly modified/amended/ altered provisions of the Regulation shall be deemed to be implemented in the Code immediately with effect from the date of the statutory notification for modification or amendment or alteration etc.

- ❖ The amended Code should be placed before the Board of Directors of the Company in the Board Meeting held immediately after the date of statutory notification for modification/amendment/alteration etc of the Regulation for noting.

#### **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 on a quarterly basis.
- ❖ The Compliance Officer shall assist all employees in addressing any clarifications regarding the Regulations and the Company's Code of Conduct.

#### **PRESERVATION OF CONFIDENTIALITY OF UPSI / CONFIDENTIAL INFORMATION**

- ❖ All information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Explanation: For the purpose of above Clause, legitimate purpose shall mean sharing of information by the Company with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants in its ordinary course of business.

- ❖ The Company shall however, in no circumstances share information solely for the purpose of evading the compliances of the Regulations or circumventing the prohibitions of these Regulations.
- ❖ Notwithstanding the above, unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-
  - entail 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;
  - not attract 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.

❖ However, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive 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.

❖ Confidential Information / UPSI shall be kept with adequate security.

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

❖ Digital database of information

The board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

The board of directors or head(s) of the organisation of every person required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

**PREVENTION OF MISUSE OF “UNPUBLISHED PRICE SENSITIVE INFORMATION:**

Designated employees designated on the basis of their functional role in the Company (and their immediate relatives) shall be governed by an internal code of conduct governing trading in securities.

No insider shall trade in securities of the Company on a stock exchange when in possession of unpublished price sensitive information:

**TRADING PLAN:**

- An insider shall be entitled, at his option, 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 in accordance with such plan.
- Such trading plan shall:
  - a) not entail commencement of trading on behalf of the Insider earlier than 120 (one hundred twenty) calendar days from the public disclosure of the plan;
  - b) not entail overlap of any period for which another trading plan is already in existence;
  - c) set out following parameters for each trade to be executed:
    - (i) either the value of trade to be effected or the number of securities to be traded;
    - (ii) nature of the trade;
    - (iii) either specific date or time period not exceeding five consecutive trading days;
    - (iv) price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
      - a. for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent higher than such closing price;
      - b. for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent lower than such closing price.

**Explanation:**

- (i) While the parameters in sub-clauses (i), (ii) and (iii) shall be mandatorily mentioned for each trade, the parameter in sub-clause (iv) shall be optional.
- (ii) The price limit in sub-clause (iv) shall be rounded off to the nearest numeral.
- (iii) Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.
- d) not entail trading in securities for market abuse.

- The Compliance Officer shall review such trading plan to assess whether the plan would have any potential for violation of this Code and/ or Regulation and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan.

- The trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either execute any trade in the securities outside the scope of the trading plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.

Provided that the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, any UPSI in possession of the Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation.

Provided further that if the insider has set a price limit for a trade under the approved trading plan, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

- The compliance officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

## **TRADING WINDOW AND WINDOW CLOSURE**

- The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- The trading period, i.e. the trading period of the stock exchanges, called 'trading window", is available for trading in the Company's securities.
- The trading window shall be, inter alia, closed from the end of every quarter till 48 hours after declaration of financial results. Trading Window for events other than financial results, shall be closed for the period as may be determined by the Compliance Officer of the Company from time to time. The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.
- During closure of trading window, Designated Persons (and their immediate relatives) shall not trade in the securities of the Company.
- All Designated Persons (and their immediate relatives) shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred above or during any other period as may be specified by the Company from time to time.

The trading window restrictions mentioned above shall not apply in respect of –

- (a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of Regulations and in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the Board;
- (b) transactions which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open