CODE OF CONDUCT FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI) 2023-24

GILADA FINANCE & INVESTMENTS LTD.
GILADA GROUP
BANGALORE

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CODE OF CONDUCT FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI) 2023-24

PREAMBLE

"Gilada Finance and Investments Limited" (the Company) endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. The Company is committed to transparency, fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations in force

Securities and Exchange Board of India (SEBI) vide Gazette notification no. LAD-NRO/GN/2014-15/21/85 dated 15th January 2015 had issued Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. As per the said guidelines, the Board of Directors of every company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information.

Every Director and other Designated Persons of the Company has a duty to adopt this Code of practices and procedures for fair disclosure of unpublished price sensitive information (the "Code"). The Audit Committee of the Board (the "ACB") is empowered to review and amend this Code from time to time.

1. OBJECTIVE

The code was framed as per the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015, as amended.

2. CODE OF CONDUCT

2.1 This code is formulated to regulate, monitor and report trading by Designated Persons and is applicable to all Designated Persons and Immediate Relatives of Designated Persons of Gilada Finance and Investments Limited as Defined in this code

2.2 This code is formulated under the provisions of Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and may be modified by the Board of Directors of the Company from time to time.

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3. DEFINITION

3.1 "Act" means the Securities and Exchange Board of India Act, 1992.

3.2 "Connected person" 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 director, officer or an 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 be deemed to be connected persons unless the contrary is established –

a. an immediate 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 the Company or his immediate relative, has more than ten percent of the holding or interest;

3.3 "Designated Persons" The following class of persons will be treated as Designated Persons for the purpose of the Code:

1) Promoters of the Company
2) All the Directors of the Company and its material subsidiary

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3) Employees based on functional role and access to UPSI - All the officers (Scale and above) of following departments -

a) Finance and Accounts
b) Strategy
c) Management Information System (MIS)
d) Treasury
e) Risk Management
f) Compliance
g) Stressed Asset Management
h) Audit and Inspection
i) Board Secretariat
j) MD & CEO's Secretariat
k) Executive Directors' Secretariat
l) Secretaries of all Chief General Managers (CGMs)/General Managers (GMs) posted at Central Office of the Company.
m) Employees posted at Department of Information Technology (DIT), identified by the Chief General Manager/General Manager (DIT) on quarterly basis based on their access to unpublished price sensitive information.

4) Employees up to two levels below Board of Directors of the Company and its material subsidiary irrespective of their functional role in the Company or ability to have access to unpublished price sensitive information.

The employees referred above in sub-clause 3 and 4 are hereinafter referred to as ***"Designated Employees"*** *for the purpose of the code..*

3.4 "Generally available information" means information that is accessible to the public on a non- discriminatory basis.

3.5 "immediate relative" means any of the following who is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities-

a) Spouse
b) Father
c) Mother
d) Brother
e) Sister
f) Son (including step-son)
g) Daughter (including step-daughter)

3.6 "Insider" means any person who is:

(i) A connected person; or
(ii) In possession of or having access to unpublished price sensitive information.

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(iii) Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose"

Note: It may be clarified here that anyone in possession of or having access to unpublished price sensitive information should be considered an "insider" regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.

3.7 "Unpublished price sensitive information" (UPSI) means any information, relating to 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
e) Change in Key Managerial Personnel'

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.

3.8 "Legitimate Purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations and this code.

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4. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

4.1 Communication or procurement of Unpublished Price Sensitive Information.

4.1.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.1.2 No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.1.3 Department Heads shall identify all the UPSI available in their departments and shall ensure its confidentiality as per the requirements of this code.

4.1.4 Adequate restrictions shall be placed by the Department Head on communication or procurement of UPSI.

4.1.5 The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this code along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

4.2 Policy for determination of legitimate purposes

4.2.1 Any communication or access to any UPSI, relating to the Company to any person including other insiders in furtherance of legitimate purposes as mentioned in regulation 3.2 shall be approved by the Compliance Officer. In case of doubt, the Compliance Officer shall consult and seek approval of the Chairman or Managing Director or Whole Time Director before disclosure / dissemination of such information.

4.2.2 Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of these regulations and due

notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with these regulations.

5 CODE.

5.1 Limited access to Confidential Information:

5.1.1 The files containing confidential information shall be kept secured under lock and key.

5.1.2 Confidential documents/ files shall be marked **"confidential"** and access to documents/ files shall be made available on need to know basis.

5.1.3 Confidential Computer files shall have adequate security of login and passwords.

5.1.4 Documents/ Files containing confidential information should be deleted/ destroyed after its use. Shredders should be used wherever necessary for the destruction of physical files.

5.1.5 Chinese Wall Procedure and process as detailed hereinafter shall be followed by departments dealing with confidential information.

5.2 Prohibition of Unlawfully Procedure Possession of UPSI:

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

5.3 Chief Investor Relation Officer (CIRO):

Chief Financial Officer (CFO) shall be designated as Chief Investor Relations Officer (the "CIRO"). The CIRO shall deal with uniform and universal dissemination of information and disclosure of unpublished price sensitive information.

5.4 Need to Know:

'Unpublished Price Sensitive Information' shall be handled on a 'need to know' basis. Such 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. All non-public information directly received by any Employee should be reported to the head of his/her department/Compliance Officer immediately.

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5.5 Trading Window:

5.5.1 The Compliance Officer shall intimate Designated Persons, about Closure of Trading Window etc. from time to time. The trading window shall be closed from the end of every quarter till 48 hours after the declaration of financial results. Such closure shall be imposed in relation to such securities to which such UPSI relates. In other cases, the Compliance Officer shall decide the closing and re-opening of the trading window. Designated Persons and their Immediate Relatives shall not trade in securities when the trading window is closed.

5.5.2 The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 hours after the information becomes generally available.

6. DISCLOSURES

Code of Conduct for Fair Disclosure of UPSI and every amendment thereto shall be promptly intimated to the stock exchanges where Company's securities are listed and Code shall be published on Company's official website. **Code of Conduct for Fair Disclosure of UPSI 2022-23.**

7. TRADING RESTRICTIONS WHEN IN POSSESSION OF UPSI

7.1 No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of UPSI.

7.2 When a person who has traded in securities has been in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

7.3 Such off-market trades shall be reported by the insiders to the Company within two working days. Every Company shall notify the particulars of such trades to the Stock Exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

References:

- SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended
- SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

This policy is only internal code of conduct and one of the measures to avoid insider trading. It will be the responsibility of each designated persons to ensure compliance of SEBI guidelines and other related statutes fully.

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