

The Company Secretary, being the Compliance Officer shall report to the Board of Directors. He / she shall provide reports to the Chairman of the Audit Committee or to the Board once in every Quarter as stipulated by the Board.

Information relating to the Company shall be handled in the following manner:

- Not all information shall be made available to everyone in the organisation;  
All information shall be shared and handled within the organization only 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, and if necessary the Company shall create e-mail groups to enable flow of information only to certain groups who have a need to know.
- All Employees shall sign the Employee Proprietary and Inventions Agreement at the time of joining employment
- Employees should ensure that the information they receive is kept confidential and not shared with anyone unconnected to it.
- Employee shall also ensure that they obtain proper authority before divulging the information to unconnected persons.
- UPSI shall generally be made available only to the following persons: -
  - i. Managing Director;
  - ii. Board of Directors
  - iii. Key managerial personnel
  - iv. Officers, i.e, 3 tiers of the Company management which includes employees designated AGM and above of the Company its Material Subsidiaries, and all employees in the Accounts, Secretarial and Finance department.
  - v. and in rare instances, to the above persons' relatives
  - vi. and in specific cases to the company's Partners, Collaborators, Lenders, Customers, Suppliers, Merchant Bankers, Legal Advisors, Auditors, Insolvency Professionals, potential suitors or other advisors or consultants etc and other Connected Persons, only in a connection with a "Legitimate Purpose".

- Chinese wall Procedures and processes:

1) The Company operates within a secure registered domain within which the information systems resides

2) All users are provided login and passwords to access the domain. The passwords are centrally controlled and enforces the users to change password periodically

3) The Company has a secure firewall which prevents threats from the Internet. It also controls the flow of information to and from the outside world

4) All systems are protected with Antivirus system to prevent any loss or leakage of information as a result of virus infection

5) To filter unsolicited emails that has the potential to carry malwares we have implemented Email gateways and spam filters

6) Internet proxy servers are implemented for content filtering and preventing download of unsolicited data from internet which can carry threats

7) Virtual Private Networks are implemented to implement travelling and overseas employees to securely access the organizations information systems.

8) Internal Firewall systems have been implemented for controlled access to information systems and to route information securely within the Company and its various branches

9) Access to all critical systems are provided only based on request and approvals

10) Non-employees or third parties are required to sign an NDA before they are given access to information systems

11) Information Assets are allocated only after the employee's signs an undertaking which stipulates the code of conduct for usage of such assets

- The precautions to be taken before disclosure of UPSI shall include but not limited to signing non-disclosure agreements with such persons before the UPSI is disclosed, warning them in advance that any disclosure, inadvertent or otherwise will invite legal action, blacklisting and initiating appropriate legal action against persons who have violated the non-disclosure agreements and/or who have traded in company's securities having been in possession of UPSI. Trades in company's securities while in possession of UPSI by such persons would be presumed to have been motivated by the knowledge and awareness of such information in their possession.
- The following employees and connected persons are designated as "**Designated Persons**" for the purpose of this policy:-
  - i. Managing Director;
  - ii. Board of Directors
  - iii. Key managerial personnel
  - iv. Officers, i.e, 3 tiers of the Company and the Company's material subsidiaries ( as defined in SEBI LODR Regulations, 2015 as amended from time to time) management which includes employees designated AGM and above, and all employees in the Accounts, Secretarial and Finance department.
  - v. the above persons 'relatives
  - vi. the company's Partners, Collaborators, Lenders, Customers, Suppliers, Merchant Bankers, Legal Advisors, Auditors, Insolvency Professionals, or other advisors or consultants, and any others, when for Legitimate Purposes, UPSI has been shared with the foregoing persons/entities, and their promoters who are individuals or investment companies.
  - vii. promoter and promoter group of the company

viii. support staff of the company and the entities named in vi.

These designated persons are likely to be in possession of UPSI, hence they will be governed by the following Internal Code of Conduct governing dealing in securities. The Board may in consultation with the Company Secretary, add or delete from the list above persons to be covered as designated persons on the basis of their role and function in the Company, having due regard to the access that such role and function would provide to UPSI in addition to seniority and professional designation.

- The designated persons may trade in the Company's securities only if they are in compliance with the Regulations. The Company Secretary shall have the authority to open or close the trading window. If the Company Secretary determines that one or more designated persons can reasonably be expected to have possession of UPSI, he/she shall close the trading window in relation to the securities to which such UPSI. Designated persons and their immediate relatives shall not trade in Company's securities when the trading window is closed.
- Trading restriction period shall be from the end of every quarter (30/06, 30/09, 31/12 & 31/03) till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting shall be narrow as possible on the same day to avoid leakage of material information.
- 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 forty-eight hours after the information becomes generally available. Trading by designated persons when the trading window is open is subject to Company Secretary's clearance.
- Prior to approving any trades, the Company Secretary shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He/she shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- Trades that have been pre-cleared by the Company Secretary shall be completed by the designated persons within 7 trading days. If the designated persons were unable to trade within the 7 trading days, fresh pre-clearance has to be obtained. Pre clearance of trades shall not be required for a trade executed as per an approved trading plan and trading window norms and

restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

- For a period of six months from the date a designated person is permitted to trade, he/she shall not execute a trade without paying for it. The company secretary may relax this condition for reasons to be recorded in writing and without violating the Regulations. If the designated person indulges in a contra trade, the profits from it will be surrendered to the board for credit to the investor protection and education fund administered by SEBI; provided that this condition shall not be applicable for trades pursuant to exercise of stock options.
- When designated persons trading in the company's securities when in possession of UPSI, his/her/their trades would be presumed to have been motivated by the knowledge and awareness of such information in his/her/their possession.
- For the purposes of this code of conduct, the Company Secretary is identified and designated as the compliance officer to administer this code of conduct.
- The formats as in Annexures A to D shall be used to monitor compliance with the Regulations. The Company Secretary shall obtain declaration as in Annexure D when the designated persons and their relatives trades in the securities of the Company in one transaction or a series of transactions over any calendar quarter, aggregate to a traded value in excess of Rs.10 Lakhs .
- Any violation of this Code of Conduct shall be construed as a misconduct and appropriate disciplinary action will be initiated for any contravention in accordance with the following:
  - Contravention committed for the first time – Warning letter will be issued
  - Contravention committed for the second time – 50% of the monthly wages shall be frozen. (month in which the contravention was committed)
  - Contravention for the third time – Will lead to suspension from service for One Month.
  - Contravention for the fourth time – May lead to termination of employment and recovery claw back.

- The Board of Directors shall promptly inform SEBI if there has been any violation of these regulations
- Designated persons shall disclose their names and Permanent Account Number or any other identifier authorized by law with the following details to the Company on an annual basis or when there is an information change:
  - a. immediate relatives
  - b. persons with whom such designated persons shares a Material Financial Relationship
  - c. phone, mobile number
  - d. educational institutions where such designated persons have graduated and names of their past employer

Duties & responsibilities of people handling inside information / sensitive transactions of the Company:

**Safeguarding the Interest of Employee/s:**

Notwithstanding any contrary terms in this Code of Conduct, the Company will not tolerate harassment or victimization and will take action to protect Employee/s who has/have filed a Voluntary Information Disclosure Form with the Board, irrespective of whether the information is considered or rejected by the Board or he/she is eligible for a Reward under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019, by reason of: (i) filing a Voluntary Information Disclosure Form under these regulations; (ii) testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board; or (iii) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner. The Company assures every Employee, protection against discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against such Employee/s or any other disciplinary action or unlawful retaliation in any manner for having filed the Voluntary Information Disclosure Form.

The Company will refrain from:

- Impeding Employee/s from communicating with the Board by way of any threat or enforcement of confidential agreement.
- Requiring the Employee/s to notify or take approval or consent or guidance regarding the filing of Voluntary Information Disclosure Form under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019.
- Precluding any person other than an advocate from submitting information to the board relating to the violation of securities laws

Rights/Privileges of an Employee include:

- Approaching the competent court or tribunal for appropriate relief if he/she believes to have been subject to retaliation or victimization by the Company.
- The rights and privileges of or remedies available under any other law in force remaining unaffected.

**Definitions:**

**“ Board” means the Securities and Exchange Board of India**

**“ Employee/s” ( for the purpose of the heading “Safeguarding the Interest of Employee/s) means any employee/s of the Company who during their employment term become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form with the Board under the Securities and Exchange Board of India ( Prohibition of Insider Trading) ( Third Amendment) Regulations, 2019**

**“ Original Information” means any relevant information submitted in accordance with these regulations pertaining to any violation of insider trading laws that is:- (i) derived from the independent knowledge and analysis of the Informant; (ii) not known to the Board from any other source, except where the Informant is the original source of the information; (iii) is sufficiently specific, credible and timely to - (1) commence an examination or inquiry or audit, (2) assist in an ongoing examination or investigation or inquiry or audit, (3) open or re-open an investigation or inquiry, or (4) inquire into a different conduct as part of an ongoing examination or**

investigation or inquiry or audit directed by the Board; (iv) not exclusively derived from an allegation made in a judicial or administrative hearing, in a Governmental report, hearing, audit, or investigation, or from the news media, except where the Informant is the original source of the information; and (v) not irrelevant or frivolous or vexatious. Explanation. –Information which does not in the opinion of the Board add to the information already possessed by the Board is not original information.

**‘Reward’** means any gratuitous monetary amount for which an Informant is declared eligible as per the provisions of the Securities and Exchange Board of India ( Prohibition of Insider Trading) ( Third Amendment) Regulations, 2019

**“Voluntary Information Disclosure Form”** means voluntarily furnishing of Original Information in the prescribed form of the Board before receiving any request, inquiry, or demand from the Board, any other Central or State authorities or other statutory authority about a matter, to which the information is relevant.

**“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 related 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/illness of key managerial personnel
- (vi) details of production
- (vii) quality aspects of company's products

- (viii) outcome of litigations
- (ix) introduction of new products
- (x) significant breakthrough in R&D/Technology

Any changes to the above definition that may be introduced by SEBI will be deemed to be incorporated into the above, and in the event of any inconsistencies, the definitions as laid out by SEBI from time to time will prevail.

**Regulations:** SEBI (Prohibition of Insider Trading) Regulations 2015

**Key Managerial Personnel:** Managing Director, Chief Financial Officer & Company Secretary and Senior Management personnel one level below the Board

**Legitimate Purposes:**

“Legitimate Purposes” shall mean:

- i. In response to specific queries of shareholders, analysts and investors during quarterly calls on results, e-mails and annual analyst and investor meet;
- ii. In connection with obtaining a rating from agencies like ICRA, CRISIL etc;
- iii. In response to specific queries of statutory auditors, statutory authorities, regulators and judicial and quasi -judicial bodies;
- iv. To protect company’s interests in a judicial or arbitral or mediation or conciliation proceeding;
- v. Disclosure required by law;

vi. Disclosure in connection with a proposal for tender for supply of goods and services;

vii. Disclosure to critical suppliers to consider supplying specific components to company;

viii. Disclosure to key business partners and collaborators in connection with the negotiation, finalisation and signing of a dealership/distributorship/collaboration/technology transfer agreement;

ix. Disclosure to certifying agencies like BvQi, ISO etc;

x. Disclosure to service providers in connection with implementation of security systems for the company;

xi. Disclosure in connection with a takeover, merger, amalgamation or any other corporate action;

xii. Disclosure of Company's bi-monthly performance to the employees in the Employee Communication Meetings;

xiv. Disclosure as determined necessary by the Board of Directors in the overall interests of the company and/or its shareholders.

The Board of Directors have weighed, and shall in future weigh, the following factors before deciding whether disclosure of UPSI by company will constitute Legitimate Purpose or not.

i. Whether the disclosure is in company's interest?

ii. Whether the disclosure is in shareholders' interest?

iii. Whether the disclosure will violate any applicable laws?

iv. Whether the disclosure is being unfair to a section of shareholders?



**CODE OF CONDUCT TO REGULATE,  
MONITOR AND REPORT TRADING BY  
DESIGNATED PERSONS**

**Policy Number :**

**PO/COR/SEC/10/R01**

Date of Creation: 30/10/2015

Date of Modification: 20/03/2019

Date of second modification: 08/11/2019

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**Material Financial Relationship:** relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions

**ANNEXURE – A****SEBI (Prohibition of Insider Trading) Regulations, 2015****APPLICATION FOR PRE-CLEARANCE OF TRADE IN COMPANY'S SECURITIES**

1	Name of the Designated Person	
2	Position held in the organisation	
3	Date of Application	
4	Whether the Designated Person is in possession of Unpublished Price Sensitive Information of the Company	YES / NO
5	Company's securities proposed to be traded	EQUITY SHARES / PREFERENCE SHARES
6	Nature of trade	BUY / SELL/ DEAL/ SUBSCRIBE/ AGREEING TO BUY, SELL, DEAL, SUBSCRIBE
7	No. of securities proposed to be traded	
8	Value of the proposed trade	

I hereby declare that the above particulars are true. I agree not to indulge in any trade without paying for it for a period of Six months from the date the Company Secretary provides the clearance. My relatives and I shall not trade in the Company's Securities when the trading window is closed. I agree to execute the trade within 7 trading days from the date my proposed trades are pre-cleared by the Company Secretary.

Signature:

Date:

Place:

**\*UPSI – Unpublished Price Sensitive Information**

**ANNEXURE – B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**FORMAT FOR REPORTING OF EXECUTION OF TRADES IN COMPANY'S  
SECURITIES**

1	Name of the Designated Person	
2	Position held in the organisation	
3	Date of Notification	
4	Whether the Designated Person is in possession of Unpublished Price Sensitive Information of the Company	YES / NO
5	Company's securities traded	EQUITY SHARES / PREFERENCE SHARES
6	Nature of trade	BUY / SELL/ DEAL/ SUBSCRIBE/ AGREEING TO BUY, SELL, DEAL, SUBSCRIBE
7	No. of securities traded	
8	Value of the trades	
9	Date of trade	

I hereby declare that the above particulars are true.

Signature:

Date:

Place:

**\*UPSI – Unpublished Price Sensitive Information**

**ANNEXURE – C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**FORMAT FOR REPORTING DECISION NOT TO TRADE AFTER SECURING PRE –  
CLEARANCE AND REASONS FOR NOT TRADING AFTER SECURING PRE –  
CLEARANCE**

1	Name of the Designated Person	
2	Position held in the organisation	
3	Date of Notification	
4	Whether the Designated Person is in possession of Unpublished Price Sensitive Information of the Company	YES / NO
5	Company's securities that were proposed to be traded	EQUITY SHARES / PREFERENCE SHARES
6	Nature of trade	BUY / SELL/ DEAL/ SUBSCRIBE/ AGREEING TO BUY, SELL, DEAL, SUBSCRIBE
7	No. of securities that were proposed to be traded	
8	Value of the proposed trade	
9	Date of securing pre – clearance	
10	Reasons for not executing trade after securing pre -	



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clearance

I hereby declare that the above particulars are true.

Signature:

Date:

Place:

**FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading)  
Regulations, 2015**

**[Regulation 7 (2) read with Regulation 6(2)]**

Name of the company: ELGI EQUIPMENTS LIMITED

ISIN of the company: INE285A01027

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/ DIN, & address of Promoter/ Employee / Director with cont	Category of Person (Promoters/ KMP / Directors / Immediate relatives/ others	Securities held prior to acquisition/ disposal		Securities acquired /Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/ public rights/ preferential offer /	Trading in derivatives (Specify type of contract, Futures or Options etc)		Exchange on which the trade was executed
		Type of	No	Type of	No	Pre tra	P o	Fr o	T o			Buy	Sell	

This is electronic approved documents, Hence physical signature not required



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act nos	etc.)	secu rity	secu rity	ns a ction	st r a n s a ct ion	m	off mar ket/ Inte r-se tran sfer etc.	Va lu e	Nu mb er of uni ts	V al u e	N u m b e r o f u n i t s

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place: