

**GMR INDUSTRIES LIMITED**

**Code of Conduct for  
Prevention of Insider Trading**

**&**

**Code of Corporate Disclosures Practices  
For Prevention of Insider Trading**

**GMR INDUSTRIES LIMITED**  
**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

**I. PREAMBLE**

As part of Company's commitment to transparency and good governance this Policy has been framed with a view to preserving the confidentiality of unpublished price sensitive information, to prevent misuse of such information while trading in Company's securities and to ensure fairness in dealing with all stakeholders. It is applicable to Directors/Officers/Designated Employees of GMR Industries Limited and its subsidiaries (the "Company" or "GMR INDUSTRIES LTD."), and insiders as defined hereinafter with respect to transactions in Company's securities viz., equity shares and debt instruments that may be issued from time to time.

This Policy along with operating procedure for shareholding disclosure practices and the Code of Corporate Disclosure Practices has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India (SEBI), for prevention of Insider Trading in terms of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended up to date.

**II. DEFINITIONS & INTERPRETATION**

Definitions given in the Code and the Code of Corporate Disclosure Practices are as per Regulations framed by SEBI. Terms that have not been defined in this Code shall have the same meaning assigned to them in the Companies Act, 1956 and / or any other SEBI Regulations(s) as amended from time to time.

1. **"Code"** means this Code of Conduct for Prevention of Insider Trading
2. **"Company"** means GMR Industries Limited
3. **"Compliance officer"** shall mean Company Secretary of the Company.
4. **"Dealing in Securities"** means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by person either as principal or agent.
5. **"Dependent Family Members"** shall mean spouse, dependent children, parents and dependent brothers and sisters, of the Directors / employees / officers of the company.
6. **"Designated Employee"** shall mean
  - All President(s) / Executive Vice President(s) / Vice Presidents / Associate Vice President(s) and General Manager(s)
  - All employees of Finance, Accounts, and Secretarial Departments of the Company.
  - Other Employees as designated by the Board of Directors from time to time.

7. An **“Insider”** means any person who –
- (a) is or was connected with the Company, or  
(b) is deemed to have been connected with the Company,
- And
- is expected to have access to / any unpublished price sensitive information in respect of securities of the Company, as mentioned above, or
- who has received or has had access to such unpublished price sensitive information.
8. **“Officer of a Company”** means any person as defined in Clause (30) of Section 2 of the Companies Act, 1956 including any Auditor of the Company
9. **“Price-sensitive information” (hereinafter called PSI)** means any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of securities of the Company. Such price-sensitive information will include but shall not be limited to :
- Periodical financial results of the Company.
  - Business plans comprising of targets, cash flows, forecasts, etc.
  - Investment plans/major expansion plans/execution of new projects
  - Significant changes in shareholding pattern(before they take place)
  - Intended declaration of interim / final dividend.
  - Issue of securities or buy-back of securities
  - Major changes in Senior Management.
  - Proposal for amalgamation/acquisition or merger or takeover.
  - Disposal of assets / undertaking (whole or substantially the whole).
  - Any significant change in policies, plans or operations of the Company.
  - Any information which, if disclosed, is likely to materially affect the price of the securities of the Company.
10. **“Threshold Limit** “means deal in the securities **for 2000 or more shares of the Company** or Rupees Three Lakhs in market value, whichever is less during trading window shall be Threshold Limit.
11. **“Trading Window”** means the period during which the transactions in the Company’s Securities can be made.
12. **“Unpublished price sensitive information” (hereinafter called UPSI)** means price sensitive information which is not published by the Company or its agents and is not specific in nature.

Explanation: Speculative reports in print or electronic media shall not be considered as published information.

### 13. "Compliance Cell"

A Compliance Cell has been constituted in accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992 comprising of:

- The Managing Director
- The Chief Financial Officer
- The Company Secretary

### III. APPLICABILITY

This revised Code shall be applicable to all the Directors/officers/Designated Employees, present and future.

### IV. CODE

#### **Prohibition to buy / sell securities of the company by designated employees**

Directors/Officers/Designated Employees shall not (i) either on his own behalf or on behalf of any other person, deal in securities of the Company when in possession of any unpublished price sensitive information; or (ii) communicate or counsel or procure directly or indirectly any unpublished price sensitive information to any person who while in possession of such unpublished price sensitive information shall not deal in the securities of the Company.

#### **Restriction to buy / sell securities by Directors/Officers/Designated Employees**

Directors/Officers/Designated Employees shall not trade in the securities of the Company during the closure of the Trading Window, i.e. the period during which trading in the securities of the Company is prohibited.

The trading window shall remain closed during the period commencing **15 days preceding the date of Board Meeting\***, for consideration of *inter alia* the following matters:

- i). The annual audited accounts or quarterly audited / unaudited accounts,
- ii). Declaration / recommendation of dividend (interim or final),
- iii). Issue of Bonus/Rights shares, Public/Private offer of shares,
- iv). Investment plans/major expansion plans/execution of new projects, award of major contracts etc.
- v). Amalgamation, merger, takeovers and buyback etc

till the **end of the first trading day**, following the date of public disclosure of such price-sensitive information (hereinafter called the "**prohibited period**") or **during any other prohibited period as may be decided from time to time and communicated to the employees.** \* the date of the Board Meeting is finalized and communicated to the stock exchanges.

The trading window for the following events shall be advised by the Compliance Officer for the purpose of this Code:

- Business plans comprising of targets, cash flows, forecasts, etc.
- Significant changes in shareholding pattern (before they take place)
- Major changes in Senior Management.
- Disposal of assets / undertaking (whole or substantially the whole).
- Any significant change in policies, plans or operations of the Company.
- Any information which, if disclosed, is likely to materially affect the price of the securities of the Company.
- Decision with regard to ESOP/Rights Issue/Bonus Issue etc.

### **Prior Approval**

All Directors/Officers/Designated Employees of the Company are required to obtain the pre-clearance of the proposed acquisition / purchase / sale transactions by themselves or through their dependent family members if the said transaction of the securities of the Company is in excess of 2,000 shares in number or Rupees Three lakhs in market value, whichever is lower, in a single day. The application for pre-clearance shall be made to the Compliance Officer in the format as specified in **Annexure - A** of the Code and an undertaking in the format as specified in **Annexure-B** of the Code.

The Compliance Officer will scrutinize the application within two working days of submission and communicate the approval / refusal (along with reasons therefore) to the applicant. The decision of the Compliance Officer in this regard will be final. In the absence of the Compliance Officer, the pre-clearance application will be decided upon by the Compliance Cell.

The pre-clearance approval shall be valid for one week from the date of approval and shall lapse thereafter. If the transaction is not consummated within one week from the approval date, the Director/Officer/Designated Employee will be required to follow the process of pre-clearance again.

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 (buy or sell) any number of shares during the next six months following the prior transaction. All Director/Officers/Designated Employees shall also not take positions in derivative transactions in the shares of the Company at any time.

The requirement of pre-clearance of a proposed transaction shall not apply in the following cases:

- (i) In the event of participation of a public event i.e. a Rights or a Bonus issue.
- (ii) In the case of any acquisition of shares through transmission or inheritance, or like mode.
- (iii) By way of any court settlement or award thereof.

## Disclosures

Director/Officer/Designated employees shall make the following disclosures of shares and other securities held in the Company by them and their dependent family members, to the Compliance Officer.

	Disclosure requirement	Time period within which disclosure is to be made
Initial disclosure by Director/Officer/Designated Employee	Number of Securities or voting rights held by them and their dependent family members (as per format specified in <b>Annexure - C</b> ) of this Code)	Within 2 days of his joining the Company. In case of existing Directors/Officers /Designated Employee within 2 days of coming into effect of this Code.
Annual disclosure by all Directors/Officers/Designated Employee	Number of Securities or voting rights held by them and their dependent family members (as per format specified in <b>Annexure D</b> of this Code)	Annual disclosure of number of securities held as on 31 <sup>st</sup> March shall be made within 30 days.
Disclosure by Designated Employee and their dependents if there has been change in shareholding and such change exceeds Rs. 3 lakhs or 2000 shares or 1% of the total shareholding of the Company, whichever is lower or any other limit notified by SEBI	Number of Securities or voting rights held by them & their dependent family members (as per format specified in <b>Annexure - E</b> of this Code)	Within 2 working days of receipt of intimation of allotment/ acquisition / sale / transfer or shares.

## V. ROLE AND DUTY OF THE COMPLIANCE OFFICER

1. Shall report to the Managing Director / Chief Executive Officer
2. To suggest any improvements required in the policies, procedures, etc., to ensure effective implementation of the code and preservation of Price Sensitive Information.
3. To assist all the Directors/Officers/Employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the company's code of conduct.
4. To maintain a list of all information termed as 'price sensitive information'.
5. To maintain a record of names of files containing confidential information deemed to be *price sensitive* information and persons in charge of the same.

6. To ensure that the 'Trading Window' is closed at times as prescribed in Code.
7. To ensure that the closure of the trading window is duly intimated to all concerned.
8. To ensure that the trading window is opened 24 hours after the price sensitive information mentioned is made public.
9. To ensure that trading restrictions are strictly observed and that all directors / officers / designated employees conduct all their dealings in the securities of the company only in a valid trading window and do not deal in any transaction involving the purchase or sale of the company's securities during the period when trading window is closed or during any other period as may be decided by the company from time to time.
10. To procure an undertaking-cum-Indemnity Bond in favour of the company from persons applying for pre-clearance of transactions in the prescribed format.
11. To receive and maintain records of periodic and annual statement of holdings from directors / officers / designated employees and their dependent family members.
12. To maintain records of all the declarations in the appropriate form given by the directors / officers / designated employees for a minimum period of three years.
13. To place before the MD or a committee of directors as may be specified for the purpose, on a monthly basis all the details of the dealings in the securities by employees / director / officers of the company and the accompanying documents that such persons had executed under the pre-clearance procedure.
14. To implement the punitive measures or disciplinary action prescribed for any violation or contravention of the code of conduct.
15. To inform the SEBI of any violation observed. (within 7 days of knowledge thereof)
16. To maintain a record of the designated employees and any changes made in the list of designated employees.

## **VI. PENALTIES FOR CONTRAVENTION**

Violation of this Code will invite severe disciplinary action by the Company which may include wage freeze, suspension, ineligible for future participation in employee stock option plans etc. Such disciplinary action will be irrespective of action that may be taken by the SEBI under the Regulations.

## **VII. GENERAL**

Employees are advised to peruse the Code and Securities and Exchange of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time, carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

**ANNEXURE - A**

**PRE-DEALING APPLICATION FORM**

**From**

Name :

Emp. ID. :

**To**

The Compliance Cell  
GMR Industries Limited  
#25/1, Skip House,  
Museum Road,  
Bangalore - 560 025

Dear Sir,

**SUB : TRADING IN SECURITIES**

As per the requirement of the GMR Industries Ltd. Code of conduct for prevention of Insider Trading, I request you to allow me / my dependent relative(s) to enter into following transaction in the securities of the Company:

TYPE OF TRANSACTION : BUY / SELL /SUBSCRIBE  
No. of shares :  
DP ID / Client ID :  
Date of proposed dealing :  
Previous approval No./Date:  
Reason for Dealing :

I confirm that the transaction will be completed within a trading window, which shall be within one week after the approval of pre-clearance is given, failing which I undertake to pre-clear the transaction again. I further confirm that I have read the Company's Code of conduct for prevention of Insider Trading and have made an informed judgment as to my possession of unpublished price-sensitive information. The above is a full and true disclosure in the matter.

Thanking you,  
Yours faithfully,

.....  
(Signature of the employee/Director)  
Name & Employee No.

Place :

Date :

**UNDERTAKING**

This undertaking is made by ..... S/o / D/o / W/o.....Residing at ..... in favour of GMR Industries Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at #6-3-866/1/G2, Greenlands, Begumpet, Hyderabad-500 016 (“the Company”).

**WHEREAS** the Code of conduct for Prevention of Insider Trading (hereinafter referred to as the Policy”) has been implemented by the Company with effect from 1<sup>st</sup> November, 2006;

**AND WHEREAS**, the Code provides that an employee / director / officer of the Company must comply with the pre-dealing procedure before dealing in securities, as envisaged in the Policy;

**AND WHEREAS**, the pre-dealing procedure requires an undertaking to be furnished to the Company by the concerned employee/ Director / officer;

I, ..... (Employee /Director / officer of the Company), do hereby undertake to adhere to the Code, as currently in force. I understand that my misrepresentation and / or false undertaking given herein may attract penalties as laid down under the Code. In particular, I undertake and declare the following:

- (a) That I, do not have any access to, or have not had any access to unpublished price-sensitive information as defined in the Code (hereinafter referred to as “UPSI”) by virtue of my position in or connection with the Company or illegally or inadvertently or otherwise, upto the time of signing this Undertaking.
- (b) That, in case I am in possession of UPSI, then I would deal in securities of the Company only after making a full and true disclosure of the same and by setting out the reasons for my intended dealing in the securities of the Company to the Compliance Officer.
- (c) That in case I have access to or receive UPSI after the signing of this undertaking but before the execution of any transaction in securities of the Company, I shall inform the Compliance Officer and would completely refrain from dealing in the securities of the Company on the basis of the said UPSI.
- (d) That I have not received UPSI from any source, consciously or otherwise.
- (e) That I shall not enter into an opposite transaction i.e., sell or buy (buy or sell) any number of shares during the next six months following this transaction.I shall also not take positions in derivative transactions in the shares of the Company.
- (f) That I have not contravened the Code as is currently in force.
- (g) That I am not dealing in the securities of the Company motivated by any UPSI.
- (h) That I shall be bound by the Laws in India in respect of this Undertaking and the jurisdiction of the Courts at Mumbai.
- (i) That I have made a full and true disclosure in this regard.

**The terms and expressions contained in this Undertaking shall have the same meaning as defined in the Policy.**

.....  
(Signature of the employee/Director)  
Name :  
Client ID:

Place :  
Date :

**Annexure C**

Date .....

The Compliance Officer  
GMR Industries Limited  
#25/1, Skip House,  
Museum Road,  
Bangalore – 560 025

Dear Sir,

**FORM B**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992**

**[Regulation 13 (2) and (6)]**

Regulation 13 (2) – Details of shares of GMR Industries Ltd. held by Director / employee or officer (including their dependent relatives)

Name & Address of Director/ Officer / employee	Date of assuming office of Director / Officer/ employee	No. & % of shares/ voting rights held at the time of becoming Director / Officer/ employee (including their dependent relatives) / initial disclosure	Date of intimation to company	Mode of acquisition (market purchase / public / rights / preferential offer etc.)	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value
1	2	3	4	5	6	7	8	9

Signature :.....  
Name :.....  
Emp Code No.....  
Client ID:.....

**Annexure D**

Dated:

To  
The Compliance Officer  
GMR Industries Limited  
#25/1, Skip House,  
Museum Road,  
Bangalore – 560 025

Dear Sir,

Sub : Annual Disclosure of Securities held pursuant to the Code of Conduct for Prevention of Insider Trading

I, hereby disclose that I am holding \_\_\_\_\_Number of Securities of GMR Industries Limited (including those held by dependent family members) as per following details as on March 31, .....

Name	
Designation , Department & Employee Code	
Client Id & Details of Depository – Name & ID	
Name (s) of Account Holder (s) **	
Relation with Designated Employee**	
Number of securities held ( including those held by dependent family members) :	

Thanking you,

( Signature)

Notes:

1. \*\* Applicable in case of dependent family member of Designated Employee
2. A separate Statement should be attached in respect of number of Shares held by dependent family members.

**Annexure E**

Date : .....

The Compliance Officer  
GMR Industries Limited  
#25/1, Skip House,  
Museum Road,  
Bangalore – 560 025

Dear Sir,

**Sub : Continual disclosure of shareholding under Regulation 13(4) of SEBI (Prohibition of Insider Trading) Regulations 1992.**

**FORM D**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992  
[Regulation 13 (4) and (6)]**

**Regulation 13(4) – Details of change in shareholding of Director / Employee or Officer or their dependent relatives in GMR Industries Ltd.**

Name & Address of Director/ Officer/ employee	No. & % of shares/ voting rights held by the Director/ Officer/ employee (including their dependent relatives)	Date of receipt of allotment advice/ acquisition / sale of shares/voting rights	Date of intimation to company/ Date of Pre-clearance of Transaction by Compliance Cell	Mode of acquisition (market purchase / public/rights/preferential officer etc.)	No. & % of shares/ post acquisition/ voting rights sale	Trading member through whom the trade was executed with SEBI Registrati on no. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value	Sell quantity	Sell value	Total
1	2	3	4	5	6	7	8	9	10	11	12	13

Signature : .....

Name : .....

Emp Code No.....

Client ID:.....

**GMR INDUSTRIES LIMITED**

**CODE OF CORPORATE DISCLOSURES PRACTICES FOR PREVENTION  
OF INSIDER TRADING**

## **Preamble**

This Code has been framed in pursuance of the SEBI (Prohibition of Insider Trading) Regulations 1992 and the purpose of this Code is to ensure timely and adequate disclosure of price sensitive information. The following norms shall be followed by the Company.

## **Disclosure of Price Sensitive Information**

Price Sensitive Information shall be given to the Stock Exchanges and disseminated promptly on a continuous basis. For this purpose, Price Sensitive Information means any information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of shares of the Company. The following shall be deemed to be Price Sensitive Information.

- Periodical financial results of the Company.
- Business plans comprising of targets, cash flows, forecasts, etc.
- Investment plans/major expansion plans/execution of new projects
- Significant changes in shareholding pattern(before they take place)
- Intended declaration of interim / final dividend.
- Issue of securities or buy-back of securities
- Major changes in Senior Management.
- Proposal of amalgamation/acquisition or merger or takeover.
- Disposal of assets / undertaking (whole or substantially whole).
- Any significant change in policies, plans or operations of the Company.
- Any information which, if disclosed, is likely to materially affect the price of the securities of the Company.

## **Overseeing and coordinating disclosure**

The Compliance Officer (i.e. Company Secretary) shall be responsible for ensuring that the Company complies with the continuous disclosure requirements. He shall also be responsible for overseeing and coordinating disclosure of price sensitive information to Stock Exchanges, Analysts, Shareholders and Media.

Information disclosure / dissemination may normally be approved by the Compliance Officer.

If information is accidentally disclosed without the prior approval of Compliance Officer, the person responsible shall inform the Compliance Officer immediately even if the information is not considered price sensitive.

## **Disclosure / dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors, etc.**

The Company should follow the guidelines given hereunder while dealing with Analysts and Institutional Investors.

- (i) Only Public Information is to be provided to such Analysts / Research person and Institutional Investors. Alternatively any information given to Analysts / Research Person should be simultaneously made public at the earliest.

- (ii) In order to avoid mis-quoting or mis-representation it is desired that two Company representatives be present at the meetings with Analysts, brokers and Institutional Investors and the discussion should be recorded.
- (iii) The Company should be careful while dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response should be furnished later. If the answer includes price sensitive information, a public announcement should be made before responding.
- (iv) The Company shall make a press release or post relevant information on its website when it organizes meetings with analysts, after every meet.

**Procedures for responding to any Query or Request by Stock Exchanges and Market Rumours**

Replies to all queries or requests for verification or market rumours shall be sent only after obtaining the approval of the Managing Director.

Such replies shall be signed by the Compliance Officer. In his absence, such replies shall be signed by such other officer / person as may have been authorised.

A copy of such replies shall also be sent to other stock exchanges where shares of the Company are listed.

The Compliance Officer shall oversee corporate disclosure. He shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

**Timely reporting of shareholdings and changes in Ownership.**

Disclosure of shareholding / ownership by major shareholders and disclosure of changes in the ownership as provided under any regulations or made under the act and the listing agreement shall be made in a timely and adequate manner.