

**CODE OF INTERNAL PROCEDURES AND CONDUCT FOR REGULATING,
MONITORING AND REPORTING OF TRADING BY INSIDERS EFFECTIVE 1ST
APRIL, 2019.**

Preamble

Securities and Exchange Board of India (SEBI) had on January 15, 2015 notified SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. These regulations are further amended vide SEBI Notifications dated December 31, 2018 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and on January 21, 2019 as SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019.

Regulation 9 of the Regulations requires that Board of Directors of every listed company shall ensure that CEO/MD formulates a code of conduct with their approval to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations, adopting minimum standards as set out in Schedule B of the Regulations, without diluting the provisions of the Regulations in any manner.

The Code and Obligations

To achieve the objectives of this Code, the Company hereby notifies that this code of conduct shall be followed by all promoters, directors, key managerial personnel, employees, connected persons and designated persons along with their immediate relatives.

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every promoter, director, key managerial personnel, employee of the Company, any connected person and designated persons along with their immediate relatives has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the company. No such person may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

Definitions

“**Act**” means the Securities and Exchange Board of India Act, 1992.

“**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 **Bhoruka Aluminium Limited** as amended from time to time.

“**Company**” means **Bhoruka Aluminium Limited**

“**Compliance Officer**”

As per Regulation 2 (1) © ‘Compliance Officer’ means any senior officer, who is financially literate. ‘Financially Literate’ means a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account and statement of cashflow.

“Compliance Officer” for the purpose of this Code means the Company Secretary of the Company. In absence of the Company Secretary, the Board of Directors may authorize such other officer of the Company to discharge the duties of Compliance Officer under the 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 of Directors of the Company.

Managing Director is performing the duty of Compliance Officer on a limited and temporary basis until the Company Secretary is appointed. The Company is utilizing the services of Practising Company Secretary to ensure strict compliance of the provisions of the Company Law, SEBI and BSE Regulations.

“Chief Investor Relations Officer”

“**Chief Investor Relations Officer**” means the Compliance Officer of the Company.

“Connected Persons” means

- (i) Any designated persons and his/her immediate relatives who is or has during the six months prior to the concerned act been associated with a 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 designated persons unless the contrary is established,
 - a. an immediate relative of designated 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. 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.

“Associate Company” means a company in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company.

“Dealing in Securities” means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

“Designated Persons” shall mean :

- i. Every Promoter of the Company;
- ii. Every Director of the Company;
- iii. Executive Assistant / Secretaries to Executive Directors;
- iv. Whole-time Director and Employees up to two level below Whole-time Director of the Company and its material subsidiary(ies);
- v. Every employee including Heads of business of finance, accounts, business planning and development, products, services, human resources, secretarial, legal and such other departments as may be determined and informed by the Compliance Officer; and any other employee as may be determined and informed by the Compliance Officer from time to time.
- vi. Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the Company by the Board of Directors.
- vii. All promoters of the Company and promoters who are individuals or investment companies for intermediaries or fiduciaries.
- viii. Chief Executive Officer and employees upto two levels below Chief Executive Officer of the Company, intermediary, fiduciary and its material subsidiaries irrespective of their functional role in the Company or ability to have access to unpublished price sensitive information.
- ix. Any support staff of the Company, intermediary or fiduciary such as IT staff or secretarial staff who have access to unpublished price sensitive information
- x. Any other person as may be determined and informed by the Compliance Officer from time to time.

“Officer” shall mean and include

- (i) Statutory, Secretarial and Other Officers
- (ii) Person occupying the position as an officer or an employee of Boruka Aluminium Limited or holds a position involving a professional or business relationship between himself and Boruka Aluminium Limited whether temporary or permanent and who may reasonably be expected to have an access to unpublished price sensitive information in relation to that company.
- (iii) Any other person as decided by the Board of Directors of Boruka Aluminium Limited

“Director” means a member of the Board of Directors of the Company.

“Employee” means every employee of the Company including the Directors in the employment of the Company.

“Generally available Information” means information that is accessible to the public on a non-discriminatory basis.

‘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;

Note: if spouse is financially independent and doesn’t consult an insider while taking trading decisions, the spouse won’t be exempted from the definition of immediate relative. A spouse is presumed to be an “immediate relative”, unless rebutted so.

“Insider” means

Any person in receipt to UPSI pursuant to legitimate purpose shall be considered an **‘insider’** and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with these regulations. Insider Trading is trading by Insider and Insider do not mean employees or key managerial person of a company, insider could be connected to the information of the company and securities of the company. Trading by insiders while in possession of unpublished price sensitive information thereby possibly gaining unfair advantage on the basis of information is received is called Insider Trading.

‘Promoter’ shall have the meaning assigned to it under Regulation of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

‘Promoter group’ 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;

“Key Managerial Person” means person as defined in Section 2(51) of the Companies Act, 2013 i.e. Key Managerial Personnel, in relation to the Company,

- (i) the Chief Executive Officer or the Managing Director or the manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act.

“Legitimate purposes”

As per Regulation 3(2A) the board of directors of a listed company shall make a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct” formulated under regulation 8.”

The term “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.”

"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;

“Sensitive Transactions” shall mean any proposed / ongoing transaction or activity of and relating to the Company (including its Subsidiary, Holding & Associate Companies) and/or its securities, directly or indirectly, information of which is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the transaction(s) and/or events as mentioned in the definition of UPSI of this Code.

"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, buying, selling, dealing, or agreeing to subscribe, 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”

“Unpublished price sensitive information” (UPSI) the information relating to material events in accordance with the listing agreement may or may not be price sensitive. Considering the fact that the definition of UPSI is an inclusive one, there is no reason to mandatorily include material events in the definition of UPSI.

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

"Regulations" shall mean the Securities And Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

Responsibility of Managing Director / Chief Executive Officer

The Managing Director / Chief Executive Officer of the Company shall formulate/amend this Code with the approval of the Board of Directors of the Company to regulate, monitor and report trading by its designated persons and their Immediate relatives towards achieving compliance with SEBI (Prohibition on Insider Trading) Regulations, 2015 ("PIT Regulations"), adopting the minimum standards set out in Schedule B of PIT Regulations, as may be amended from time to time, without diluting the provisions of its regulations in any manner.

Determination of Designated Persons

The Board of Directors shall in consultation with the Compliance Officer of the Company, shall determine the list of designated persons on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation, who shall be covered by this Code.

Applicability of this Code

This Code is applicable to the designated persons as may be specified by the Board of Directors and immediate relatives of such designated persons.

Preservation of "Unpublished Price Sensitive Information"

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

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.

"Need to Know basis" means that Unpublished Price Sensitive Information should be disclosed only to those within the Company and legal advisors, consultants & auditors, 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.

"Whistle Blower" means an employee who reports instance of leak of price sensitive information under this Code.

"Periodical Reporting to the Board/Audit Committee"

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 & to the Chairman of the Board of Directors at half yearly intervals.

"Communication or Procurement of Unpublished Price Sensitive Information"

1. All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.
2. Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which entails:

3. 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 sharing of such information is in the best interests of the Company; or
4. Not attracting 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 sharing of such information is in the best interests of the Company and the information that constitute unpublished price sensitive information 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 to be adequate and fair to cover all relevant and material facts.

However, the Board of Directors 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 purposes as mentioned hereinabove and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

Dissemination of "Price Sensitive Information"

1. No information shall be passed by way of making recommendation for the purchase or sale of securities of the Company.
2. The following guidelines shall be followed while dealing with analysts, research personnel, media persons & institutional investors.
3. Only public information to be provided.
4. Unanticipated questions may be taken on notice and a considered response given later.
5. If the answer includes unpublished price sensitive information, a public announcement should be made before responding.

Trading Plans

A Designated Person shall be entitled 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 on his/her behalf in accordance with such plan.

Such trading plan shall:-

- a) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan

- b) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- c) entail trading for a period of not less than twelve months'
- d) not entail overlap of any period for which another trading plan is already in existence;
- e) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and not entail trading in securities for market abuse.
- f) The trading plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the Designated Person at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchange on which the securities are listed.

Trading Window

Designated persons may execute trades subject to compliance with this Code and the Regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the Designated Persons.

The trading window shall be closed when the Compliance Officer 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.

Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed.

The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc. and their immediate relatives, assisting or advising the Company.

The notice of closure of Trading Window intimated to the Stock Exchange, where the securities of the Company are listed, by the Compliance Officer, shall be deemed as intimation to the Designated Persons / Insiders for adherence and compliance with this Code.

The timing for re-opening of the trading window shall be determined taking into account various factors including the unpublished price sensitive information 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.

The period prior to declaration of unpublished price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Key Managerial Personnel and Designated Persons will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Directors, Key Managerial Personnel and Designated Persons of the Company and their immediate relatives will have to forego the opportunity of trading in the Company's securities.

The Directors, Key Managerial Personnel and Designated Persons of the Company and their immediate relatives shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

The trading window shall be, inter alia, closed at the time of :-

- (a) Declaration of Financial results (quarterly, half-yearly and annual)
- (b) Declaration of dividends (interim and final)
- (c) Issue of securities by way of public/ rights/bonus, etc.
- (d) Any major expansion plans or execution of new projects
- (e) Amalgamation, mergers, takeovers and buy-back
- (f) Disposal of whole or substantially whole of the undertaking
- (g) Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
- (h) Commencement of any new commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;
- (i) Developments with respect to changes in pricing / realisation on services arising out of changes in government policy;
- (j) Litigation / dispute with a material impact;
- (k) Revision of credit ratings assigned to any debt or equity instrument of the Company;
- (l) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;
- (m) The Compliance Officer shall also close the trading window 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.

(n) The trading window shall be opened 48 (Forty Eight) hours after the unpublished price sensitive information becomes generally available.

(o) Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

Explanation:

The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

All Designated Persons 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 purchase or sale of the Company's securities during the periods when the trading window is closed, as referred to above or during any other period as may be specified by the Company from time to time.

Trading Restrictions

All directors, key managerial personnel and designated persons of the Company and immediate relatives of designated persons shall be subject to trading restrictions enumerated.

Pre-clearance of Deals in Securities.

- (a) When the trading window is open, trading by Designated Persons and their immediate relatives shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trades is above threshold limit. No Designated Person/their immediate relatives shall apply for pre-clearance of any proposed trade if they are in possession of unpublished price sensitive information even if the trading window is not closed.
- (b) Designated Persons / their immediate relatives intending to deal in the securities of the Company upto the threshold limit, as defined and provided hereinbefore, may do so without any pre-clearance from the Compliance Officer. In all other cases, they should pre-clear the transactions as per the pre-dealing procedure as provided hereinafter.
- (c) Designated Persons / their immediate relatives shall make an application in the prescribed Form I, to the Compliance Officer indicating the estimated number of

securities that he/she intends to deal in, the details as to the depository(ies) with which he/she maintains a Demat/Trading account, the details as to the securities in such depository mode and such other details as may be required by the Compliance Officer in this matter.

- (d)** He / She shall execute an undertaking in favour of the Company, incorporating, therein, inter alia, the following clauses:
- (e)** that he/she does not have any access or has not received Unpublished Price Sensitive Information upto the time of signing the undertaking;
- (f)** that in case he/she has access to or receives Unpublished Price Sensitive Information after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his/her position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes generally available;
- (g)** that he/she has not contravened any provisions of this Code and the Regulations;
- (h)** that he/she has made a full and true disclosure in the said matter.
- (i)** 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.
- (j)** Designated Persons / their immediate relatives shall execute their transactions in respect of securities of the Company within seven (7) trading days after the approval of pre-clearance is given failing which the transaction has to be pre-cleared again.
- (k)** Reporting of trades executed or decisions not to trade and recording of such reasons shall be made/done in such Form . They shall not execute a contra trade during the six months following the prior transaction. In case of emergency the six months holding period may be waived by the Compliance Officer (application to be made in such Form after recording in writing the reasons in this regard provided that such relaxation does not violate this Code/ Regulations.
- (l)** In case of the Compliance Officer intending to deal in the securities of the Company beyond the threshold limit, the pre-clearance of the Managing Director or in his absence, the Chairman of the Board, will have to be obtained. Similarly in case of emergency Compliance Officer may obtain the waiver from the Managing Director or in his absence, the Chairman of the Board, provided that such relaxation does not violate this Code/ Regulations.
- (m)** In case a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the SEBI under the Act.

A. "Initial Disclosure"

Every person on appointment as KMP or director or upon becoming promoter or member of promoter group shall disclose his /her holding of securities to company on date of appointment or on becoming promoter or member of promoter group, or within 7 days of appointment or becoming promoter or member of promoter group.

B. "Continual Disclosure"

Every promoter, designated person and director shall disclose the no. of shares acquired or disposed of within **two trading days** of transaction if value in any calendar quarter exceeds 10 lakh rupees or as specified.

C. Disclosure by the Company to the Stock Exchange(s)

- (i) The Company shall notify the particulars of such trading to the stock exchanges on which the securities are listed, as applicable, within **two trading days** of receipt of the disclosure or from becoming aware of such information.
- (ii) The disclosure of the incremental transactions after any disclosure shall be made by persons as specified in (i) above, when the transactions effected after the prior disclosure crosses the threshold specified in this clause.

Note:

Trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for the purpose of making Initial/Continual disclosures as stated above in Clause A and B

Disclosures made under Clause A and B above shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.

D. Annual Disclosures

Designated Persons shall furnish to the Compliance Officer the Annual statement of all their holdings in securities of the Company to be submitted within 30 days of the close of each Financial Year .

Trading when in possession of unpublished price sensitive information.

No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

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

Provided that the insider may prove his innocence by demonstrating the circumstances including the following : -

- (a) the transaction is an off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of Regulation 3 (3) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and both parties had made a conscious and informed trade decision;
- (b) Provided further that 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
- © the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under Regulation 3 (3) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

- (a) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bonafide transaction.
- (b) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- © in the case of non-individual insiders: -

the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and

appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

the trades were pursuant to a trading plan set up in accordance with Clause 9 of this Code.

In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

MECHANISM ON INTERNAL CONTROL

For ensuring adequate and effective system of internal controls in line with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the following procedure shall be followed:

1. Sharing of information pursuant to Legitimate Purpose

- a. Any person in receipt of Unpublished Price Sensitive information pursuant to legitimate purpose shall be considered Insider for the purpose of the Code.
- b. Advance Notice shall be served on such person by way of email/ letter to maintain confidentiality while in possession of such Unpublished Price Sensitive information.
- c. Such person has to ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the Code.

2. Limited Access to Confidential Information

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

3. Documents to be shared by Designated Person with Company

Designated person shall be required to disclose names and PAN or any other identifier authorised by law, of the following persons, to the Company, on an annual basis and as when the information changes:

- a. Immediate Relatives;
- b. Person with whom such designated person(s) share a material financial relationship; and
- c. Phone, mobile and cell number which are used by them.

In addition, the name of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation:

The term "material financial relationship" shall mean a 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."

The Companies shall have a process for how and when people are brought "inside" on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information

Chinese Wall

- (a) To prevent the misuse of confidential information, the Company shall adopt a "Chinese Wall" policy separating those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing/operations or other departments providing support services, considered "public areas".
- (b) Demarcation of the various departments as inside area may be implemented by the Company.
- (c) The employees in inside area may be physically segregated from employees in public area.
- (d) The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area.
- (e) In exceptional circumstances, Designated Persons from the public areas may be brought "over the wall" and given confidential information on the basis of

"need to know" criteria, under intimation to the compliance officer.

MAINTENANCE OF STRUCTURED DIGITAL DATA BASE

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 regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law Designated Person along with their immediate relatives 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."

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

The Board of Directors of the Company 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, and shall not otherwise trade in securities of the Company when in possession of UPSI.

Whistle Blowing in case of leak of Unpublished Price Sensitive Information ("UPSI")

- a. Any instance of leak of UPSI should be on the basis of a direct first- hand experience of the Whistle Blower. It should not be based on any secondary, unreliable source such as grapevine or any other form of informal communication.
- b. The Whistle Blower may report leak of UPSI by an email to the Managing Director at his e-mail ID mentioning the subject line –LEAK OF UPSI.
- c. On the basis of reporting, the Managing Director shall conduct examination about the genuineness of the reporting before conduct of inquiry.
- d. The Managing Director as soon as ascertaining the genuineness of the reporting about leak of UPSI, intimate to Board of Directors and Audit Committee.
- e. The Company shall take further action based on the recommendations of Board of Directors and Audit Committee accordingly.
- f. The instance of leak of UPSI made by the Whistle Blower must be genuine with adequate supporting data/proof. If it is established that the allegation was made with mala-fide intentions or was frivolous in nature or was not genuine, the Whistle Blower shall be subject to Disciplinary Action.

PROCESS TO BE FOLLOWED IN SENSITIVE TRANSACTION(S)

1. In case of Specific Transaction(s)

The Whole-time Director shall give prior notice to employee who are brought inside on sensitive transaction(s) and also made aware about the duties and responsibilities attached to receipt of inside information and liability that attaches to misuse or unwarranted use of such information on case to case to basis.

2. In general

Non-Disclosure Agreement shall be executed with every incoming/existing employee of the Company.

3. Documentation

The Compliance Officer shall maintain following documents/ records for a minimum period of five years:

- a. Register of initial & continuous disclosure;
- b. Register of Designated Persons and Changes therein;
- c. Record of date of closing and opening of trading window;
- d. Record of application made for pre clearance along with undertaking taken thereof;
- e. Record of cases waiving holding period during emergency;
- f. Record of periodical and annual statement.

4. PENALTY FOR CONTRAVENTION

- i.** Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- ii.** Any designated person, who trades in securities or communicates any information for trading in securities in contravention of this Code, shall be penalized and appropriate action shall be taken against them by the Company after giving reasonable opportunity to them to show-cause.
- iii.** He/ she shall also be subject to disciplinary action, as deemed appropriate by the Board of Directors which may include wage freeze, suspension, in-eligibility for future participation in ESOPs etc.
- iv.** In addition to the action which may be taken by the Company, the persons violating the Regulations or this Code shall also be subject to action under SEBI Act.

Penalties for Non-compliance with Securities & Exchange Board of India Act, 1992

Chapter VI A provides for various penalties, extracts of which are:

15A. If any person, who is required under this Act or any rules or regulations made thereunder -

- (a) to furnish any document, return or report to the Board, fails to furnish the same, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less;
- (b) to file any return or furnish any information, books or other documents within the time specified therefore in the regulations, fails to file return or furnish the same within the time specified therefore in the regulations, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less;
- (c) to maintain books of accounts or records, fails to maintain the same, he shall be liable to a penalty of one lakh rupees for each day during which such failure continues or one crore rupees, whichever is less.

15G. If any insider who -

- (i) either on his own behalf or on behalf of any other person, deals in securities of a body corporate listed on any stock exchange on the basis of any unpublished price sensitive information; or
- (ii) communicates any unpublished price sensitive information to any person, with or without his request for such information except as required in the ordinary course of business or under any law; or
- (iii) counsels, or procures for any other person to deal in any securities of anybody corporate on the basis of unpublished price sensitive information, shall be liable to a penalty twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher.

Without prejudice to any award of penalty by the adjudicating officer under this Act, if any person contravenes or attempts to contravene or abets the contravention of the provisions of this Act or of any rules or regulations made thereunder, he shall be punishable with imprisonment for a term which may

extend to ten years, or with fine, which may extend to twenty-five crore rupees or with both.

(2) If any person fails to pay the penalty imposed by the Adjudicating Officer or fails to comply with any of his directions or orders, he shall be punishable with imprisonment for a term which shall not be less than one month, but which may extend to ten years or with fine, which may extend to twenty-five crore rupees or with both.

Without prejudice to the directions under regulation 11, if any person violates provisions of these regulations, he shall be liable for appropriate action under Sections 11, 11 B, 11D, Chapter VIA and Section 24 of the Act.

GENERAL

The decision of the Board of Directors with regard to any or all matters relating to this Code shall be final and binding on all concerned. The Board of Directors shall have the power to modify, amend or replace this Code in part or full, as may be thought fit from time to time in their absolute discretion.

DISCLAIMER

This policy is only internal code of conduct and one of the measures to avoid insider trading. Every insider is required to familiarize with the SEBI regulation as it will be the responsibility of each insider to ensure compliance of this code, SEBI regulation and other related statutes fully.

SEBI REGULATIONS AND STATUTORY PROVISIONS PREVAIL

In case the SEBI regulation or any statutory provisions are more stringent than those contained in the Code, the SEBI Regulations/Statutory provisions will prevail.

The Board of Directors of the Company, subject to applicable Laws, Rules and Regulations may amend/substitute any provisions with a new provisions or replace this entire policy with a new Policy.

In any circumstance where the terms of this Policy differ from any Laws, Rules, and Regulations etc. for the time being in force, the Laws, Rules, Regulations etc. shall take precedence over this Policy.

Subsequent modification(s) / amendment (s) to SEBI (Prohibition of Insider Trading) Regulations, 2015 shall automatically apply to this Code.

This Code has been adopted by the Board of Directors of **Bhoruka Aluminium Limited** through Resolution by Circulation passed by the Directors on **1st April 2019** and shall be deemed to have come into force from **1st April, 2019**.