

**THE RUBY MILLS LIMITED**  
**CODE OF CODUCT**  
**FOR**  
**PROHIBITION OF INSIDER TRADING**

**OBJECTIVE**

A code of conduct for prevention of insider trading by employees of the Company, including the directors, in relation to the securities of the Company.

In line with The Securities and Exchange Board of India(Prohibition of Insider Trading) Regulations, 2015, the following “Insider Code” to be adopted by the Board of directors of the Company at its meeting to be held on 15<sup>th</sup> May, 2015 and thereafter modified from time-to-time.

## **TRADING WINDOW AND TRADING RESTRICTION.**

- Designated employees and their dependents shall not buy/sell securities of the Company during closure of the “Trading Window”, i.e., the period during which trading in the securities of the Company is prohibited.
- Trading Window shall be closed during the following periods:
- From the date of circulation of the agenda for the meeting of the Board of directors, in which any material, price sensitive and unpublished event, including the following, are proposed:
  - Issue of securities;
  - Buy – back and splitting of securities;
  - Dividends;
  - Significant expansion plans or new projects;
  - Acquisition, amalgamation, merger, takeover of companies / business;
  - Disposal of whole or substantially the whole of the undertaking;
  - Significant changes in plans or operations of the Company.

The trading window shall open 48 hours after close of the Board meeting at which decisions in respect of the above events are taken or after the information in respect of the above events is made public, whichever is later.

## **PROCEDURE OF PRE-CLEARANCE.**

- Designated employees and their dependents shall require prior clearance from the compliance officer in respect of purchase / sale of securities of the Company, where the quantity exceeds 2000 (Two thousand) shares in a month (either in on transaction or in a series of transactions) in Form P1. Such purchase/sale of securities by the compliance officer shall require prior clearance from the managing director.
- Purchase/sale transaction, for which prior clearance has been obtained, shall be executed within seven days after the approval of preclearance is given, failing which a fresh pre-clearance shall be required.
- Persons covered under the pre-clearance requirement shall file the details of the transactions in the format prescribed under Form P2 with the compliance officer within 30 (thirty) days of the exercise of the trade. Even in cases where the transaction has not been undertaken, the same should be reported in the above format.

- Designated employees in possession of unpublished price sensitive information shall not apply for any pre-clearance even if the trading window is not closed.

#### MINIMUM HOLDING PERIOD.

Designated employees who buy or sell any number of equity shares of the Company shall not enter into an opposite transaction, i.e., sell or buy any number of equity shares during next six months following prior transaction.

#### THRESHOLD LIMIT AND DISCLOSURES.

Designated employees and their dependent family members and any person who is promoter or part of promoter group shall make the following disclosures of shares and other securities held in the Company by them to the compliance officer;

- Disclosure shall be made by designated employees of the number of shares and other securities held, and position taken in derivatives by designated employees and his dependents in **Form B**. This disclosure shall be made within 7 working days of becoming a designated employee.
- Disclosure shall be made of the number of shares and other securities held, upon becoming a promoter or person belonging to promoter group, at any point of time in **Form B**. This disclosure shall be made within 7 working days of becoming a Promoter or part of Promoter group.
- Annual disclosure of number of shares and other securities held as on 31<sup>st</sup> March, including details of purchase/sale of shares, positions taken in derivatives and other securities during the financial year including statement of dependent family members shall be made by the designated employees. This disclosure shall be made within 30 days from the close of each financial year.
- Disclosures shall also be made by designated employees holding more than 5 percent shares to the Company in **Form C** of the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5 per cent, if there has been change in such holdings from the last disclosure made and such change exceeds 2 per cent of the total shareholding or voting rights in the Company.
- Disclosures shall also be made by designated employees to the Company and to the stock exchanges where the securities of the company are listed about the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such shareholding of such designated employees and

their dependents and the change exceeds Rs.5 lakh in value or 25,000 equity shares or 1 per cent of total shareholding or voting rights, whichever is lower. This disclosure shall be made within 2 working days in **Form D**.

- Disclosures shall also be made by any person who is a promoter or part of promoter group to the Company and to the stock exchanges where the securities of the Company are listed about the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such shareholding of such persons and the change exceeds Rs.5 Lakhs in value or 25,000 equity shares or 1 per cent of total shareholding or voting rights, whoever is lower. This disclosure shall be made within 2 working days in **Form D**.

## **RECORDS.**

The compliance officer shall maintain records of all the declarations made in the appropriate form for a minimum period of 5 years.

The compliance officer shall also maintain a record of the designated employees and any changes made in the list of the designated employees.

## **PENALTIES FOR CONTRAVENTION.**

- Persons governed by this Code who trade in securities or communicate any information for trading in securities in contravention of the provisions of this Code shall be penalized and appropriate action may be taken by the company.
- Persons governed by this Code who violate the provisions of this Code shall be subject to disciplinary action by the company which may include wage freeze, suspension, and ineligibility for future participation in employees stock option scheme, etc.
- It is hereby clarified that notwithstanding any penal action taken by the company, it shall not in any way preclude SEBI from taking any action in violation of the Regulations or any other applicable laws and enactments.

- Any material contravention of the Insider Code shall be placed before the stakeholder's relationship committee (SRC) and actions shall be initiated with due consultation with the Chairman and managing director (CMD) and stakeholder's relationship committee of the Company.

#### **AUTHORITY TO MAKE ALTERATIONS.**

The Board of directors are authorized to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

#### **GENERAL**

A copy of the Regulations is enclosed. Designated Employees are advised to peruse the Regulations carefully and acquaint themselves with all the provisions contained therein. The compliance officer will be available for clarifications/assistance that may be necessary.

**ANNEXURE 2**

SPECIMEN OF APPLICATION FOR PRE – CLEARANCE APPROVAL

Date: \_\_\_\_\_

To,

The Compliance Officer  
The Ruby Mills Limited  
Ruby House, J.K. Sawant Marg,  
Mumbai-400028.

Dear Sir/Madam,

APPLICATION FOR PRE-DEALING APPROVAL IN SECURITIES OF THE COMPANY Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval for purchase/ sale/subscription of the \_\_\_\_\_Securities (give description) of the Company as per the details given below:

NAME \_\_\_\_\_

State whether

Director     Officer     Designated Employee     Dependent

EMPL NO. _____						
DESIGNATION _____ DEPARTMENT _____						
LOCATION _____						
PAN Number _____						
Nature of transaction (Buy/ sell/ subscribe)	*Name of Proposed Buyer/ Seller	No. Of Securities	**Date of purchase / allotment	***Previous approval no. and date for purchase/ allotment )	DP/BEN ID of the account / folio no. where the securities will be credited/ debited	No. of Securities held in such Account /Folio No.


I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

\_\_\_\_\_

(Signature of Applicant)

Note : This application has to be necessarily submitted through electronic mail at the dedicated e-mail id [pankajp@rubymills.com](mailto:pankajp@rubymills.com) and followed by a hard copy.

FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

UNDERTAKING

To,

The Ruby Mills Limited Ltd.

I, \_\_\_\_\_, resident of \_\_\_\_\_, hereby declare that I am Director/Employee of \_\_\_\_\_ Ltd. I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information [as defined in the Company's Code of Conduct for Prevention of Insider Trading (the Code)] up to the time of signing this Undertaking. In case I have access to or I receive any Price Sensitive Information after signing this Undertaking but before execution of the transaction, I shall inform the Compliance Officer of the change in my position and I would, and ensure that my Dependents would completely refrain from Dealing in the Securities of the Company till the time such Price Sensitive Information becomes public. I declare that I have not contravened the Code as notified by the Company from time to time. I undertake to submit the necessary report within four days of execution of the transaction/a 'Nil' report if the transaction is not undertaken. I am aware that, I shall be liable to face penal consequences as set forth in the Code including disciplinary action under the Code of the Company, in case the above declarations are found to be misleading or incorrect at any time. I declare that I have made full and true disclosure in the matter. \_\_\_\_\_