

RUNIT INVESTMENTS CO. LTD.

CODE OF CONDUCT

TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Pursuant to SEBI (Prohibition of Insider Trading Regulations, 2015)

On January 15, 2015, the Securities and Exchange Board of India (SEBI) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“2015 Regulations”) to be effective from May 15, 2015, i.e. 120th day from the notification of the Regulations, replacing the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Regulation 9(1) of the aforesaid Regulations casts a duty upon the Board of Directors of every listed company to formulate a code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with these regulations, adopting the minimum standards set out in the Schedule B to the Regulations.

Accordingly the Company Policy on Prohibition of Insider Trading framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992 stands replaced with this Code of Conduct to Regulate, Monitor and Report Trading by Insiders, with effect from 30th May 2015.

Compliance Officer

The Company Secretary of the Company shall act as the Compliance Officer of the Company for the purposes of these Regulations and is responsible to comply with the provisions as contained herein. The Compliance officer under the overall supervision of the Board of Directors shall report to Mr. Navin Kumar Bhartia, Director and CEO of the Company.

Who is an Insider?

Under the 2015 Regulations, an Insider means – A Connected Person

- Any Person who is in possession of or is having access to Unpublished Price Sensitive Information

The definition of Connected Person is given under Regulation 2(d) of the 2015 Regulations pursuant to which a person is a connected person, if he has a connection with the Company that is expected to put him in possession of Unpublished Price Sensitive Information.

Applicability

The Code applies to the following categories of persons including their 'immediate relatives'

- Promoters
- Directors
- KMPs (Key Managerial Persons as defined under the Companies Act, 2013)
- Designated Persons/ Employees
- All employees in the cadre of General Manager and above
- All the Accounts and Finance Personnel of the Company at Head Office as well as the Finance/Commercial Heads of all the Units/ Branches
- Any other person as may be determined by the Compliance officer, based on their functional role in the organization, for the purpose of monitoring adherence to the Code for preservation of UPSI.

Immediate Relative

Immediate relative means spouse of a person and includes parent, sibling and child of such person/ or the spouse, if any of them is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

In addition to the above stated categories, all the connected persons in possession of or having access to Unpublished Price Sensitive Information shall also be covered under the Code and accordingly the Company may ask such persons or class of connected persons to make disclosures of their holdings and trading in securities of the Company.

Unpublished Price Sensitive Information (UPSI)

Any information, relating to the Company or its securities, that is not generally available would be Unpublished Price Sensitive Information if it is likely to materially affect the price of the securities upon coming into public domain.

Ordinarily, the types of matters that would give rise to Unpublished Price Sensitive Information are:

- ☒ Financial Results
- ☒ Dividends
- ☒ Change in Capital Structure
- ☒ Mergers, De-mergers, acquisitions, delistings, disposals and material expansion of business and such other transactions
- ☒ Changes in Key Managerial Personnel
- ☒ Material Events in accordance with the listing agreement

The above is only an illustrative list and there might be other instances in relation to which certain unpublished information, upon becoming public, might materially affect the price of securities of the Company.

Preservation of Unpublished Price Sensitive Information

- ☒ All information shall be handled within the organization on a need-to-know basis.
- ☒ No Connected person or anyone who is in possession of or has access to unpublished price sensitive information relating to the Company shall communicate it to any other person except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations.
- ☒ The Designated Employees and Connected persons shall maintain the confidentiality of all Unpublished Price Sensitive Information and shall not disclose or communicate or counsel or procure directly or indirectly the Unpublished Price Sensitive Information to any person (except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations) until the same is made available to the general public.

Restriction on Trading while in Possession of UPSI

The Promoters, Directors, KMPs, Designated Employees and Connected persons, when in possession of UPSI shall not trade in securities of the Company either on their own behalf or on behalf of any other person.

However, trades pursuant to a “Trading Plan” set up in accordance with Regulation 5 of the 2015 Regulations may be permitted subject to the approval of Trading Plan by the Compliance Officer and public disclosure of it on the Stock Exchanges.

Notional Trading Window - Trading Period and Trading Limit

The Promoters, Directors, KMPs, Designated Persons and their immediate relatives shall not trade in securities when the (notional) trading window is closed. The trading window shall be closed when the Compliance Officer determines that these persons can reasonably be expected to have possession of UPSI. The Trading Window shall be closed 7 days before the date of Board Meeting related with any item that may give rise to UPSI.

Trading window shall open 48 hours after the UPSI is made generally available.

When the Trading Window is open, there is no restriction for trading of securities if the value of securities traded, whether in 1 transaction or a series of transactions, in a financial year, aggregates to a traded value upto Rs. 5,00,000/- in value or 2,500 in no. of shares, whichever is lower.

Beyond these stipulated thresholds, trading by these persons shall be subject to pre-clearance by Compliance Officer, if the value of proposed trades is above the aforesaid thresholds. However, no person shall be entitled to apply for pre-clearance of any proposed trade if such person is in possession of UPSI even if trading window is open.

Procedure for pre-clearance

1. An Application may be made to the Compliance Officer or in case the applicant is Compliance Officer himself, to the MD in the prescribed format (**refer Annexure 1**).
2. An **Undertaking (refer Annexure 2)** shall be executed by these Person(s) stating that: -
 - o he/ she does not have access to or received UPSI upto the time of signing the undertaking
 - o that in case he/ she has access to or receives UPSI after signing the undertaking but before execution of transaction, he/ she shall inform the Compliance Officer forthwith and refrain from trading in securities till the UPSI becomes generally available
 - o he/ she has not contravened the provisions of the Code on PIT.
 - o he/ she has made full disclosure in the matter
3. The applicant may execute the order within one week i.e. 7 days of the permission, else fresh clearance will be required.

Restriction on Contra-Trade for 6 months

In all cases, these Persons who are permitted to trade in securities of the Company, shall not execute a contra-trade i.e. he/she shall not enter into an opposite transaction within 6 months following a prior transaction.

Should a contra-trade be executed inadvertently or otherwise, in violation of the aforesaid restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the IEPF administered by it.

In case of ESPS, allotment of shares by the Company, to the Eligible Employee upon Exercise of Shares granted, may be allowed during the period when the Trading Window is closed. Sale of shares allotted on exercise of Shares granted under ESPS shall not however be allowed when the Trading Window is closed.

The Compliance Officer of the Company shall disclose the information regarding the closure and open of Trading Window to the concerns from time to time.

DISCLOSURES

INITIAL DISCLOSURES OF SHAREHOLDING TO THE COMPANY

1. Every Promoter, KMP and Director of the Company, shall, disclose his/ her holding of securities of the Company as on the date of these Regulations take effect i.e. as on 15th May, 2015, to the Company. **(refer Annexure 3)**
Timeline for disclosure – 30 days
2. Upon becoming a Promoter or appointment as a KMP or Director of the Company, such person, shall, disclose his/ her holding of securities of the Company as on the date of becoming a promoter or appointment as a KMP or Director, to the Company. **(refer Annexure 4)**
Timeline for disclosure – 7 days

CONTINUAL DISCLOSURES OF TRADING IN SHARES TO THE COMPANY

1. Every Promoter, Employee and Director of the Company, shall, disclose the no. of securities acquired or disposed, if the value of securities traded, whether in 1 transaction or a series of transactions, over any calendar quarter, aggregates to a traded value exceeding Rs. 10 lakhs. **(refer Annexure 5)**
Timeline for disclosure – 2 trading days

2. Disclosure of incremental transactions further to the above, shall be made as and when the transaction is effected.
(refer Annexure 5)
Timeline for disclosure – 2 trading days

3. Disclosures by other Connected Persons. The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company as per **Form D** set out in **Annexure 7** at such frequency as he may determine.

NOTIFICATION OF CONTINUAL DISCLOSURES BY THE COMPANY TO STOCK EXCHANGES

The Company shall notify the Stock Exchanges on receipt of continual disclosure (as above) or becoming aware of such information.
Timeline for disclosure – 2 trading days.

ANNUAL DISCLOSURE OF SHAREHOLDING

Every Promoter, Director, KMP and Designated Employee of the Company, shall, disclose his/ her holding of securities of the Company as on date of every financial year ending 31st March, to the Company. (refer Annexure 6)

Timeline for disclosure – 30 days

For the purpose of all the above prescribed disclosures, whether initial, continual or annual, the disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account accordingly

PENALTY FOR CONTRAVENTION

Every person, to whom the Code is applicable, shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/ her immediate relatives). Any person who violates the Code, shall, in addition to any other penal action that may be taken against him under any law, also be subject to disciplinary action, including wage freeze, suspension etc.

Note: The amended code adopted by the Company w.e.f 30.05.2015

APPLICATION FOR PRE-CLEARANCE OF TRADES

To
The Compliance Officer
RUNIT INVESTMENTS COMPANY LIMITED

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct to Regulate, Monitor and Report Trading by Insiders, I seek approval for purchase/ sale/ subscription of the securities of the Company as detailed below:

Name	Designation	No. of shares held (with Folio/ DP ID/ Client ID)	Nature of transaction for which approval is sought	No. of shares to be dealt

I hereby enclose the form of undertaking signed by me.

Signature

Date

Footnotes:

1. No application for pre-clearance can be made during closure of trading window; neither any pre-cleared transaction can be carried out during closure of trading window.
2. Pre-clearance required whenever Director(s)/ KMP/ Promoter or Person who is part of Promoter Group/ Designated Employee(s) intend dealing in its securities of the of value Rs. 5,00,000 in value or 2,500 shares.
3. Pre-cleared order must necessarily be executed within 7 days of approval.
4. A statement of holdings to be furnished in **Annexure 5** after dealing in pre-cleared transaction.

ANNEXURE 2

UNDERTAKING TO BE EXECUTED AT THE TIME OF APPLYING FOR PRE-CLEARANCE

To

The Compliance Officer

RUNIT INVESTMENTS CO. LTD

I, s/o _____, r/o _____, hereby declare that I am a Promoter / Director / KMP / Designated Employee (state designation) of RUNIT INVESTMENT CO LTD.

I further declare that I am not in possession of or otherwise privy to any unpublished price sensitive information upto 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 completely refrain from trading in the securities of the Company till the time such price sensitive information becomes public / generally available.

I declare that I have not contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Insiders. I declare that I have made full disclosure in the matter.

Signature

Date

ANNEXURE 3

FORM A

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,
2015 [Regulation 7 (1) (a) read with Regulation 6 (2)]**

Name of the Company: _____

ISIN of the Company: _____

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such Persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relatives/ others etc)	Securities held as on the date of regulation coming into force		% of Share holding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts* lot size)	Notional value in Rupee terms	Number of units (contracts* lot size)	Notional value in Rupee terms
(1)	(2)	(3)	(4)	(5)	(6)		(7)	

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:

ANNEXURE 4

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6 (2)]

Name of the Company: _____

ISIN of the Company: _____

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such Persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relatives/ others etc)	Date of appointment of Director / KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/ appointment of Director/KMP		% of Share holding	Open Interest of the Future contracts held at the time of becoming Promoter/ appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/ appointment of Director/ KMP	
			Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts* lot size)	Notional value in Rupee terms	Number of units (contracts* lot size)	Notional value in Rupee terms
(1)	(2)	(3)	(4)	(5)	(7)	(8)		(9)	

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:

ANNEXURE -5

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: _____

ISIN of the Company: _____

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). OR Details of trading subsequent to pre-clearance.

Name, PAN No., CIN/DIN & addresses with contact nos.	Category of Person (Promoters/ KMP/ Directors/ immediate relatives/ others etc)	Securities held prior to acquisition/ disposal		Securities acquired/ Disposed		% of Share holding		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 / off market/ Inter-se transfer etc	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)

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:

ANNUAL DISCLOSURE
STATEMENT OF HOLDINGS OF SECURITIES / DERIVATIVES OF PROMOTER, DIRECTOR, KMP AND DESIGNATED
EMPLOYEE AND HIS/ HER IMMEDIATE RELATIVES

To
Compliance Officer
RUNIT INVESTMENTS CO LTD.

i. Statement of Holdings of Promoters, KMPs and Directors

Name	Designation	Department	No. of shares/ derivatives held as on 1st April, 20...	No. of shares bought / (sold) during the financial year	Date of purchase / (sale) during the financial year	No. of shares/ derivatives held as on 31st March, 20....	Folio No./ DP ID/ Client ID

ii. Statement of Holdings of Immediate Relatives of Promoters, KMPs and Directors

Name	Designation	Department	No. of shares/ derivatives held as on 1st April, 20...	No. of shares bought / (sold) during the financial year	Date of purchase / (sale) during the financial year	No. of shares/ derivatives held as on 31st March, 20....	Folio No./ DP ID/ Client ID

Signature:
Designation
Date:
Place

ANNEXURE 7

FORM D (Indicative format)

Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations, 2015 Regulation 7(3) * – Transactions by Other connected persons as identified by the company

*(*According to Regulation 7(3), the Company, at its discretion, may require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with these Regulations.)*

Name of the Company: _____

ISIN of the Company: _____

Name, PAN No., CIN/DIN & address of connected persons, as identified by the company with contact nos.	Connection with company)	Securities held prior to acquisition/ disposal		Securities acquired/ Disposed		% of Share holding		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 / off market/ Inter-se transfer etc	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. - Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From To				Buy		Sell		
								Value	Number of units (contracts * lot size			Value	Number of units (contracts * lot size			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)

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: