

CANTABIL RETAIL INDIA LIMITED

POLICY FOR PROHIBITION OF INSIDER TRADING

AS PER

**SEBI (PROHIBITION OF INSIDER TRADING)
REGULATIONS, 2015**

1. THE CONCEPT

The **SEBI (Prohibition of insider Trading) Regulations, 2015** have been devised by the Securities and Exchange Board of India to deter the practice of insider Trading in the shares of listed companies. The objective is to make for a level playing field for the company employees and the outside investors in the securities thereby ensuring transparency and fair play in securities' transaction(s). SEBI seeks to achieve this objective through barring insiders of a listed company to deal in its securities, while in possession of unpublished price sensitive information.

"Insider" covers in its ambit

- Any person who is a connected person or
- Any person who is in possession of or having access to unpublished price sensitive.

Insider Trading thus refers to a practice whereby a person's access to confidential (inside) and non-published (advance) information gives him an unfair advantage over others in the trading of a company's securities.

2. COMBATING INSIDER TRADING

Trading on inside information at the expense of outside investors is regarded as injustice to outside investors and to curb that, regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 requires all listed companies to develop their own code of conduct for prevention of insider trading, in a manner as near thereto the Model code of Conduct as prescribed in the subject regulations.

The Company has therefore framed a policy for Prohibition of Insider Trading, which is produced below:

APPLICABILITY

The policy is applicable to the following categories of persons including their dependant family members i.e. spouse, dependent children, dependent parents, dependent Brothers and sisters:

- All Directors of the Company;
- Officers including Company Secretary;
- Employees and connected persons designated on the basis of their functional role (“designated persons”);
- The Statutory Auditors of the Company.

The policy is also applicable to any person who is a Promoter or part of Promoter Group.

3. POLICY PROVISIONS

3.1. Definitions

(i) “Code” shall mean this code for prevention of Insider trading, as may be amended from time to time;

(ii) “Company” means Cantabil Retail India Limited;

(iii) “Insider Trading” means

- an act of subscribing buying, selling or agreeing to subscribe buy, sell or deal in any securities by any person either as principal or agent, if such person is reasonably expected to have access to any price sensitive information.
- an act of counseling for procuring or communicating directly or indirectly any price sensitive information to any other person.

3.2 Compliance Officer: -

compliance officer" means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing; of designated employees' and their dependents' trades (directly or through respective department heads as decided by the company), monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of the listed company or the head of an organization, as the case may be;

3.3 Price Sensitive Information Or Unpublished Price Sensitive Information (PSI) 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:

- financial results;
- dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- changes in key managerial personnel; and
- material events in accordance with the listing agreement

4. PROHIBITION ON DISCLOSURE OF PSI

The Directors/ Officers/ Designated Employees/ Promoters or Person who is part of Promoter Group / Statutory Auditors shall maintain the confidentiality of all 'Price Sensitive Information' (PSI) and shall not disclose or communicate or counsel or procure directly the PSI to any person (except sharing of information by the nominee directors with their nominating authorities) until the same is made available to the general public. The Directors/ Officers/ Designated Employees/ Promoters or Person who is part of Promoter Group, when in

possession of PSI shall not buy/ sell securities of the company either on their own behalf or on behalf of any other person.

5. TRADING PLANS

5. (1) An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

(2) Such trading plan shall:-

- not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- 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;
- entail trading for a period of not less than twelve months;
- not entail overlap of any period for which another trading plan is already in existence;
- 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.

(3) compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of plan.

(4) The trading plan once approved shall be irrevocable and the insider 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 insider 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 so as to avoid a violation of sub-regulation (1) of regulation 4.

- (5) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

6. DISCLOSURES

General provisions.

6.(1) Every public disclosure under this Chapter shall be made in such form as may be specified.

(2) The disclosures to be made by any person under this Chapter shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

(3) 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 for purposes of this Chapter: Provided that trading in derivatives of securities is permitted by any law for the time being in force.

(4) The disclosures made under this Chapter shall be maintained by the company, for a minimum period of five years, in such form as may be specified.

(1) Initial Disclosure

(a). Every promoter, key managerial personnel and director of every company whose securities are listed on any recognised stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect;

(b). Every person on appointment as a key managerial personnel or a director of the company or upon becoming a promoter shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming a promoter.

(2) Continual Disclosure

(a). Every promoter, employee and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates

to a traded value in excess of ten lakh rupees or such other value as may be specified;

(b). Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

Explanation. — It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) of sub-regulation (2).

(3) Disclosure by other connected persons

Any company whose securities are listed on a stock exchange may, at its discretion 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.

FORMS/ CONTENTS OF CONTINUAL DISCLOSURES

- For Initial Disclosure under Regulation 7(1)(a) FORM A is specified. (see **Annexure 3**).
- For Initial Disclosure under Regulation 7(1)(b) FORM B is specified. (see **Annexure 4**).

FORMS/ CONTENTS OF CONTINUAL DISCLOSURES

- For Continual Disclosure under Regulation 7(2) FORM C is specified. (see **Annexure 5**).

The above Initial disclosure and continual disclosure received by the company shall also to be sent to the stock exchanges where the company's shares are listed within 2 working days of receipt of information by the company.

FORMS/ CONTENTS OF DISCLOSURE BY OTHER CONNECTED PERSONS

- For Continual Disclosure under Regulation 7(3) FORM D is specified. (see **Annexure 6**).

7. PENALTY FOR CONTRAVENTION

Every person, to whom the Policy is applicable, shall be individually responsible for complying with the provisions of this policy including to the extent the provisions hereof are applicable to his/ her dependants.

Any person who violates the Policy, shall, in addition to any other penal action that may be taken against him under any law, also be subject to disciplinary action by the company.

Employees/officers/directors of the company who violate the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans, etc.

8. REPEAL AND SAVINGS

(1) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 are hereby repealed.

(2) Notwithstanding such repeal,—

- (a) the previous operation of the repealed regulations or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the repealed regulations, any penalty, forfeiture or punishment incurred in respect of any offence committed against the repealed regulations, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid, shall remain unaffected as if the repealed regulations had never been repealed; and
- (b) anything done or any action taken or purported to have been done or taken including any adjudication, enquiry or investigation commenced or show-cause notice issued under the repealed regulations prior to such repeal, shall be deemed to have been done or taken under the corresponding provisions of these regulations;

(3) After the repeal of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, any reference thereto in any other regulations made, guidelines or circulars issued thereunder by the Board shall be deemed to be a reference to the corresponding provisions of these regulations.

ANNEXURE 1

APPLICATION FOR PRE-CLEARANCE OF TRADES

To Compliance Officer

Cantabil Retail India Limited

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Policy for Prohibition of Insider trading, 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.

ANNEXURE 2

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

To
To Compliance Officer
Cantabil Retail India Limited

I, _____, s/o _____, r/o _____, hereby declare that I am a Director/ Promoter/ Employee (state designation) of Cantabil Retail India Limited.

I further declare that I am not in possession of or otherwise privy to an 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 not before execution of the transaction, I shall inform the Compliance Officer of the change in my position and I 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 Company Policy on prohibition of Insider Trading.

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 Shareholding	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

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) regulation, 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 appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company 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 Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Future 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

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

Signature:

Designation:

Date:

Place:

ANNEXURE 5

FORM C

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

Name of the Company: _____

ISIN of the Company: _____

Name, PAN., CIN/DIN & address with Contact nos.	Category of Person (Promoters/KMP/Directors/immediate relatives/others etc)	Securities held prior to acquisition/disposal		Securities acquired/disposed			% of Shareholding		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public rights/preferential offer/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.)	Pre-transaction	Post-transaction	No.	From	To	Buy			Sell				
										v			a	v	a		
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) regulation, 2015.

Signature:

Designation:

Date:

Place:

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

Signature:

Designation:

Date:

Place: