

**ALBERT DAVID LIMITED**

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## **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

### **BRIEF INSTRUCTIONS FOR DESIGNATED PERSONS**

**Designated persons (including “immediate relatives#” of Designated Persons) of Albert David Ltd. (“ADL”) are advised as follows:**

- Trading or dealing in ADL’s securities (shares) (including forward dealings) when you have inside information or sharing it with others is illegal and can result in severe penalties/prosecution. Never buy or sell or deal in ADL’s or any companies’ securities if you have any inside information about such Company or its securities.
- Trade is permitted after obtaining pre-clearance from the Compliance Officer if the traded value exceeds the threshold mentioned in the Code.
- Never trade in ADL’s shares when the Trading Window is closed.
- **All concerned are advised to refer to the Company’s website [www.albertdavidindia.com](http://www.albertdavidindia.com) and read the Policies / Codes / Trading Window Closure Notices of the Company hosted therein.**
- Trading/dealing indirectly when in possession of inside information of ADL and/or its securities, for example through family members or others, or providing “tips” is prohibited.
- Never spread false information to manipulate the price of any listed securities.
- Follow the same principles in relation to inside information of other Companies.
- The rules continue to apply even when you are no longer an ADL employee.
- Please read this Code of Conduct and in case of any doubt, consult the Compliance Officer.

*# “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*

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## PART – I PRELIMINARY AND RESTRICTIONS ON INSIDER TRADING

### 1.1 PREAMBLE

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) seek to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading. This Policy is a measure to avoid instances of “Insider Trading” in the shares of Albert David Limited.

Insider Trading involves trading/dealing in the securities of a company listed or proposed to be listed, by Insiders, Designated Persons, Connected or deemed to be connected persons or any persons in possession of or with access to unpublished price sensitive information not available to the public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an ‘insider’ is regarded unfair when it is predicated upon utilization of ‘inside’ information to profit at the expense of other investors who do not have access to the same information.

The Board of Directors of Albert David Limited (“ADL” or the “Company”) adopted the “Code of Conduct for Prevention of Insider Trading on 27<sup>th</sup> July 2002.

The Code was amended on 9<sup>th</sup> February 2015 to align it with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

This “Code of Conduct to Regulate, Monitor and Report Trading by Insiders” (the “Code”) of Albert David Limited was adopted by the Board of Directors on 14<sup>th</sup> February 2019 in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2019 and made effective from April 1, 2019.

In view of further amendments to the Regulations, the Board of Directors have in their meeting held on 14th March 2024 revised the earlier policy and adopted this policy effective from even date.

### 1.2 OBJECTIVE

This Code has been prepared by adopting the standards set out in Schedule B of the Regulations to regulate, monitor, and report trading by ADL’s designated persons and immediate relatives of such designated persons towards achieving compliance with the Regulations.

### 1.3 DEFINITIONS

- (a) “**Act**” means the Securities and Exchange Board of India Act, 1992 or any modification thereto.
- (b) “**Company**” means Albert David Limited (“ADL”).
- (c) “**Compliance Officer**” means any senior officer, designated so and reporting to the Board of Directors of the company and who is financially literate, i.e. who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows, and is capable of appreciating requirements for legal and regulatory compliance under these regulations 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;
- (d) “**Connected person**” means:
  - (i) Any person who is or has during the 6 (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 connected persons unless the contrary is established -
- a) an immediate relative of connected 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 recognized or authorized by the Board; or
  - i) a banker of the company; or
  - j) a concern, firm, trust, Hindu undivided family, company, or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest.
- (e) **“Dealing in securities”** 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.
- (f) **“Designated Persons”** means:
- (i) Members of the Board of Directors of ADL.
  - (ii) The Managing Director & Chief Executive Officer.
  - (iii) Chief Financial Officer.
  - (iv) Company Secretary.
  - (v) Auditors of ADL.
  - (vi) All employees of the Accounts, Finance, Legal & Secretarial Department of ADL.
  - (vii) Secretaries/Executive Assistants reporting to the Chairman or the Managing; Director/Whole Time Director/CFO/CS.
  - (viii) All Departmental Heads of the Company (For e.g. Finance Head, Purchase Head, Sales Head etc.).
  - (ix) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Compliance Officer on a case-to-case basis.
  - (x) All promoters of the Company.
  - (xi) Employees up to two levels below of Chief Executive Officer of the Company irrespective of their functional role in the company or ability to have access to unpublished price sensitive information.
  - (xii) Any support staff of the Company, such as IT staff or Secretarial staff, Legal Staff, Finance Staff, Strategy Staff who may have access to unpublished price sensitive information.
  - (xiii) Such other persons as may be identified by the Compliance Officer.
- (g) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.
- (h) **“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.
- (i) **“Insider”** means:
- (i) Designated person(s) & their immediate relatives
  - (ii) Connected person or deemed to be connected persons.
  - (iii) Person in possession of or having access to unpublished price sensitive information.
  - (iv) any person in receipt of unpublished price sensitive information pursuant to a Legitimate Purpose
- (j) **“Key Managerial Personnel”** means:
- (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
  - (v) such other officer as may be prescribed under the Companies Act 2013.
- (k) **“Legitimate purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, auditors, collaborators, lenders, customers, suppliers, legal advisors, merchant bankers, insolvency professionals, investor relation advisors/ agencies, credit rating agencies/ advisors, registrar & share transfer agent, depositories, consultants, any other advisers/ consultants/ partners, any other business relationship not specifically covered above, which necessitates sharing of UPSI.
- (l) **“Promoter”** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- (m) **“Promoter group”** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- (n) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof, except units of a mutual fund.
- (o) **“Regulations”** shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- (p) **“Sensitive Transactions”** shall mean any proposed / ongoing transaction or activity of and relating to the Company (including its Subsidiary, Holding & Associate Companies, if any) 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.
- (q) **“Takeover Regulations”** means the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations and any amendments thereto.
- (r) **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly. Gifts, Off-market transactions, creation of pledge are also construed as a trade.
- (s) **“Trading day”** means a day on which the recognized stock exchanges are open for trading.
- (t) **“Unpublished price sensitive information” (“UPSI”)** shall mean 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 include, but not restricted to, information relating to the following.
- (i) Financial Results
  - (ii) Dividends
  - (iii) Change in capital structure.
  - (iv) Mergers, demergers, amalgamation, acquisitions, delisting, arrangement, takeover, disposals, spin-off, sale of a division or whole or substantially whole of the undertaking, major expansion plans, new projects, and such other similar nature information/transactions.
  - (v) Changes in Key Managerial Personnel
  - (vi) Information which may be prescribed to be “UPSI” under any applicable law

#### 1.4 COMPLIANCE OFFICER

ADL has appointed the Company Secretary, as the Compliance Officer for the purposes of the Regulations, who shall work subject to guidance of the Managing Director and/ or the Executive Chairman and the Board of Directors.



## 1.5 RESPONSIBILITY OF MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER

The Managing Director / Chief Executive Officer of ADL 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, adopting the minimum standards set out in Schedule B of the Regulations, as may be amended from time to time.

## 1.6 DETERMINATION OF DESIGNATED PERSONS

The Board of Directors in consultation with the Compliance Officer of the Company shall determine the list of "Designated Persons" based on 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.

## 1.7 APPLICABILITY OF THIS CODE

This revised Code is applicable to the Insiders which include Designated Persons and their immediate relatives, Connected, or deemed to be connected persons or any persons in possession of or with access to unpublished price sensitive information not available to the public in general.

## 1.8 COMMUNICATION OR PROCUREMENT OF UPSI

- (1) No insider shall communicate, provide, or allow access to, or procure from, or cause the communication, by any insider of any UPSI relating to ADL or securities listed or proposed to be listed by ADL, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (2) Notwithstanding anything contained herein, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - (i) entail an obligation to make an open offer under the SEBI (SAST) Regulations, where the Board of Directors of ADL is of informed opinion that the sharing of such information is in the best interests of the Company.
  - (ii) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of ADL is of informed opinion that the proposed transaction is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days, or such other time period prescribed by SEBI, prior to the proposed transaction being effected in such form as the ADL's Board of Directors may determine.
- (3) For purposes of point (2) above, the Company shall require the parties to execute agreements/memorandum of understanding to ensure confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of the above point (2), and shall not otherwise trade in securities of ADL when in possession of UPSI.

## 1.9 TRADING IN ADL's SECURITIES

### (i) Restriction on trading in ADL Securities

No Insider shall trade in ADL's securities at any time when he/she is in possession of any unpublished price sensitive information. Such insider shall also maintain the confidentiality of all prices sensitive information and shall not pass on such information to any person directly or indirectly by way of making recommendation for the purchase or sale of ADL's securities.

**Note: 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.**

No employee of the Company, including key managerial personnel or director or promoter of the Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as public shareholders.

Further, when the trading window is open, trading by Designated Persons shall require prior approval of the Compliance Officer, if the traded value exceeds Rs.10,00,000/- (Rupees Ten Lakhs only).

**(ii) Joint holding**

The provisions of this Code shall also be applicable for trading either as a first named shareholder or as a joint holder.

**(iii) Trading Plan**

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. The Compliance Officer shall only approve a Trading Plan in accordance with the applicable provisions of the regulations. Such trading plan shall-

- not entail commencement of trading on behalf of the insider earlier than six months from 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 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.
- not entail trading in securities for market abuse.

The 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 express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan. Pre-clearance of trades shall not be required for a trade executed as per approved trading plan and trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with approved trading plan.

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. 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.

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

**1.10 DEFENSE TO INSIDER WHEN TRADING IN ADL SECURITIES WHEN HAVING UPSI**

In the event of inadvertent trading in securities when in possession of any unpublished price sensitive information, the insider may prove his innocence by demonstrating the circumstances including the following:

- a) the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision.
- b) in the case of non-individual insiders:
  - i. 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
  - ii. 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.
- c) the trades were pursuant to a trading plan submitted by the insider to the Compliance Officer and has been made available in public domain.

#### 1.11 PRESERVATION OF UPSI & CHINESE WALL

All information shall be handled within the Company on a need-to-know basis. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Unpublished price sensitive information may be communicated, provided, allowed access to, or procured, in connection with a transaction that would:

- i. entail an obligation to make an open offer under the takeover regulations where the Board of Directors is of informed opinion that the sharing of such information is in the best interest of the Company; or
- ii. not attract the obligation to make an open offer under the takeover regulations but where the Board is of informed opinion that sharing of such information is in the best interest of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.

For the abovementioned purpose, 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 abovementioned purpose, and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

#### CHINESE WALL

To prevent the misuse of confidential information, ADL hereby lays down its own Chinese Wall procedure, which separate those areas of ADL that routinely have access to confidential information, considered "inside areas" from those which deal with sales / marketing / investment advice or other departments providing support services, considered "public areas".

Accordingly, the following guideline are to be adhered:

- (i) Employees in the inside area shall not communicate any UPSI to anyone in the public area.
- (ii) The Company shall have process of maintaining securely, computer files containing confidential information and physical storage of documents relating to UPSI.
- (iii) All the UPSI is to be handled on "need to know basis", i.e., UPSI should be disclosed only to those within ADL who need the information to discharge their duties and whose possession of such information will not give rise to a conflict of interest or apparent misuse of the information.
- (iv) All the non- public information directly received by any employee should immediately be reported to the head of the department.
- (v) In exceptional circumstances employees from the public areas may be brought "inside" or "over the wall" and given confidential information based on "need to know" criteria, under intimation to the Compliance Officer.

#### 1.12 PRE-CLEARANCE OF TRADES

- i. All Designated Persons who intend to trade in the securities of ADL (either in their own name or in any immediate relative's name) i.e. buy or sell securities and if the value of the securities likely to be traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of **Rs.10,00,000/- (Rupees Ten Lakhs Only)**, should obtain pre-clearance of the proposed transactions by making an application in the format set out in **Annexure A** to the Compliance Officer and also declare that he/she is not in possession of unpublished price sensitive information. An undertaking in **Annexure B** shall be executed in favor of the Company, forming part of the Application Form as mentioned hereinabove.
- ii. Provided that the pre-clearance is not applicable for subscription to the stock grants upon its vesting. However, for any subsequent sale of shares acquired under Employee Stock Options Plans / Schemes (ESOPs), pre-



clearance shall be applicable as per limits prescribed as above.

- iii. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.
- iv. The Compliance Officer shall also determine whether any such declaration is reasonably capable of being rendered inaccurate.
- v. All Designated Persons and their immediate relatives shall execute their order in respect of securities of ADL within 7 (seven) days from date of pre-clearance order to be given by the Compliance Officer upon being duly satisfied in the format as per **Annexure C**. If the order is not executed within 7 (seven) days from pre-clearance order, concerned employee must inform the Compliance Officer and shall be required to make fresh application for pre-clearance for the transaction.

### 1.13 TRADING WINDOW CLOSURE

- (i) The trading period during which ADL's securities can be traded is called trading window. The trading window shall be closed during the time the price sensitive information is un-published.
- (ii) When the trading window is closed, the Designated Persons (including their immediate relatives) shall not trade in ADL's securities.
- (iii) The trading window shall, inter-alia, be closed at the time of:
  - (a) Declaration of Financial results
  - (b) Declaration of dividends
  - (c) Change in capital structure.
  - (d) Mergers, de-mergers, acquisitions, delisting, disposals, and expansion of business
  - (e) Changes in key managerial personnel
  - (f) Such other time as the Compliance Officer determines that a designated person or class of designated person are reasonably expected to be in possession of unpublished price sensitive information.
  - (g) Under any other regulation or situation as the Compliance Officer decides.
- (iv) The Compliance Officer may also decide to 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.
- (v) The trading window shall be opened not earlier than 48 (Forty Eighty) hours after the unpublished price sensitive information becomes generally available.
- (vi) The trading restriction period shall also be made applicable from the end of every quarter till 48 hours after the declaration of financial results is made to the stock exchanges.
- (vii) The trading window shall also be applicable to any person having contractual or fiduciary relation with ADL, such as Auditors, Accountancy Firms, Law Firms, Analysts, Consultants etc., assisting or advising ADL.
- (viii) All Designated Person of the Company and their immediate relative(s) 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 the purchase or sale of the Company's securities during the periods when Trading Window is closed as referred above or during any other period as may be specified by the Compliance Officer from time to time.
- (ix) The Compliance Officer shall intimate the closure of Trading Window to all the Designated Person(s) of the Company when he / she determines that a designated person or class of Designated Person(s) 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.
- (x) The Compliance Officer after considering various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than 48

(Forty-Eight) hours after the information becomes generally available.

- (xi) However, subject to the SEBI Act, Rules, and Regulations, in the case of ESOPs, exercise of options may be allowed during the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the trading window is closed.

#### 1.14 HOLDING PERIOD / CONTRA TRADE

- (i) Designated person (including their immediate relatives) who is permitted to trade shall not execute a contra trade i.e. enter an opposite transaction during the next 6 (six) months, or such other time as may prescribed by SEBI, following the prior transaction (“contra trade”). However, the restriction on contra trade shall not apply to:
- (a) Exercise of the options under the Company’s ESOPs.
  - (b) Sale of shares acquired under the Company’s ESOPs, provided that designated person is not in possession of UPSI at the time of sale.
- (ii) The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.

#### 1.15 TRADING BY PORTFOLIO MANAGERS

This Code is also applicable to insiders who engage Portfolio Managers to manage their investment portfolio and hence such insiders are expected to take due precaution while trading in securities through Portfolio Managers by adopting the following practices:

- Informing Portfolio Managers about closure of trading window.
- Ensuring to seek pre-clearance, wherever applicable, when the Portfolio Manager proposes to trade in the company’s shares exceeding the pre-clearance threshold limit and make continual disclosures, wherever applicable, as provided in this Code.
- Ensuring that the portfolio manager abides by the requirement of minimum holding period and does not execute contra trade as provided in this Code.
- Prohibiting the Portfolio manager to trade in securities of the Company at his own discretion or when the Insider is in possession of UPSI.

Despite the above, if any trading is done by portfolio managers, it will be treated as trading done by the concerned Insider, and the insider will be held responsible for such non-compliance and subjected to such penalties/prosecution as may be applicable.

## PART II

### DISCLOSURES & REPORTING REQUIREMENTS UNDER THE CODE / REGULATIONS

Apart from the restrictions mentioned in Part I of this Code, in terms of the Regulations, the Company is required to obtain certain disclosures and levy penalties as and when deemed fit. The disclosures to be made by any person under this Part shall also include those relating to such person’s immediate relatives and any other person for whom such person takes trading decisions.

The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be considered for purposes of this Part provided that trading in derivatives of securities is permitted by law for the time being in force.

#### 2.1 INITIAL DISCLOSURE

Every person on appointment as a Key Managerial Personnel or a Director of ADL or upon becoming a Promoter or a member of the promoter group shall disclose his holding of securities of the Company as on date of such appointment as a Key Managerial Personnel / Director or of becoming a Promoter or member of the promoter group, within 7 (seven) days of such appointment or becoming a Promoter / Key Managerial Personnel / Director inform the Company in **Annexure E** (as prescribed or amended by SEBI, from time to time).

#### 2.2 CONTINUAL DISCLOSURE

Every Promoter, member of the Promoter group, Designated person (including their immediate relatives) and Director of ADL shall disclose to the Company in the format set out in **Annexure F** (as prescribed or amended by SEBI, from time to time), the number of such securities acquired or disposed of within 2 (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 **Rs.10,00,000/- (Rupees Ten Lakh Only)** or such other value as may be specified.

The disclosure shall be made within 2 (two) working days of the receipt of intimation of allotment of shares, or the acquisition or sale of shares or voting rights, as the case maybe.

### 2.3 DISCLOSURE BY OTHER CONNECTED PERSONS

The Compliance Officer at his discretion may require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of ADL at such frequency and as and when he deems fit to monitor compliance with these Regulations in the format set out in **Annexure G** (as prescribed or amended by SEBI, from time to time).

### 2.4 DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGES

Upon receipt of disclosure or becoming aware of trading information, the Company shall notify the particulars of such trading to the stock exchanges on which the securities of the Company are listed, within two trading days.

### 2.5 DISCLOSURE BY DESIGNATED PERSONS

#### a) One Time

The Designated person shall disclose the following information (in a format as may be prescribed by the Compliance Officer), one time basis to ADL within 15 days from the date on which this code shall become effective or date of joining of the designated person:

- (i) his/her Phone, mobile and cell numbers
- (ii) his/her Permanent Account Number or any other identifier authorized by law.

#### b) Annual Disclosure and Continual Disclosure

The Designated person shall disclose the following information (in a format as may be prescribed by the Compliance Officer), on annual basis, to ADL within 30 days from the end of the Financial Year and on continual disclosure basis, as and when the information changes within 7 days of such change.

- (i) Name of Immediate Relatives
- (ii) Persons with whom such designated person shares a material financial relationship.
- (iii) Permanent Account Number or any other identifier authorized by law of (i) & (ii)
- (iv) Phone, mobile and cell numbers of (i) & (ii)

Here, "Material Financial Relationship" shall mean a relationship as 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.

### 2.6 SYSTEM DRIVEN DISCLOSURE IN SECURITIES MARKET

The SEBI has laid down a framework for System Driven Disclosure ("SDD") in the securities market to do away with the manual disclosure system. With the advent of SDD, listed companies are now required to submit the Permanent Account Number (PAN) and other details of designated persons, promoters, directors, employees up to two levels below the CEO, into the depository system. The depository system through its PAN based transaction tracking mechanism identifies transactions by such persons in securities of the listed company (ADL) and intimates stock exchanges. The Compliance Officer, while adding the PAN particulars, intimates the concerned person simultaneously.

### 2.7 DISSEMINATION OF PRICE SENSITIVE INFORMATION

No information shall be passed on by Designated Persons by way of making recommendation for the purchase or sale or dealing in the securities of the company. Disclosure / dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors should be undertaken adhering to the following guidelines:

- a. Only public information can be provided.
- b. At least 2 (two) Company representatives should be present at meetings with analysts, media persons and institutional investors.

c. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.

d. Simultaneous release of information into public domain after every such meet in compliance with applicable regulatory provisions.

## 2.8 REPORTING TO THE BOARD AND MAINTENANCE OF DISCLOSURES

(i) The Compliance Officer shall report to the Audit Committee and the Board of Directors of ADL on the compliance of the Regulations and/or the Code once a year.

(ii) The Compliance Officer shall maintain records of all the declarations in appropriate forms given by the Designated Persons for such period as may be prescribed from time to time.

## 2.9 AMENDMENT OF THIS CODE

The Managing Director / CEO / Compliance Officer, with the approval of the Board of Directors of ADL, are authorized to amend this Code as may be required from time to time.

### PART – III PENALTIES FOR VIOLATION

### 3.1 PENALTY FOR NON-COMPLIANCE

Any insider who trades/deals in securities in contravention of the provisions of this Code and/or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 shall be guilty of “**insider trading**” and shall, inter-alia, be liable for **punishment, penalty and prosecution** as mentioned in this Code and the Securities and Exchange Board of India Act, 1992.

### 3.2 PENALTY FOR NON-COMPLIANCE WITH THE CODE OF CONDUCT

Any Employee / Officer / Director / Promoter / Designated Person / Insider / Intermediary / Fiduciary of the Company who trades/deals in securities or communicates any information for trading/dealing in securities, in contravention of the Code shall be subject to such penalty and action as may be taken by ADL and/or concerned Regulator / Authority.

Procedural non-compliances	Penal/disciplinary action
Executing transaction after expiry of 7 (Seven) days from date of pre-clearance.	<b>First instance:</b> Written warning notice. <b>Second instance:</b> Minimum Rs.10,000/- (Rupees Ten Thousand Only) <b>Third / repeated non-compliance:</b> Up to Rs.25,000/- (Rupees Twenty-Five Thousand Only). Beyond third repeated act of non-compliance, it would be treated as substantive non-compliance resulting in such action as the Board may deem fit, which may include suspension, freeze on increment/promotion, demotion, employment termination, recovery, claw back, as deemed appropriate.
Non-reporting of completion of transaction after pre-clearance.	
Non-reporting of transactions aggregating to Rs.10,00,000/- (Rupees Ten Lakh Only) per calendar quarter (such transaction should not be based on UPSI and should not be undertaken during trading window closure periods).	
Substantive non-compliances	Penal / disciplinary action
Trading in ADL Securities during trading window closure period.	Any of the following or combination thereof depending on the severity of the case: <ul style="list-style-type: none"> <li>• If the gain or loss avoided is less than Rs.10,000/- (Rupees Ten Thousand Only), the penalty is Rs.10,000/- (Rupees Ten Thousand Only).</li> <li>• If the gain or loss avoided is more than Rs.10,000/- (Rupees Ten Thousand Only), twice the actual gain made, or loss avoided.</li> <li>• Such other penal action the Board may deem fit which may include suspension, freeze on increment/promotion, demotion, employment termination, recovery, claw back.</li> </ul>
Dealing in ADL Securities without obtaining pre-clearance.	
Undertaking opposite transactions / derivative transactions	
Passing on price sensitive information or making recommendations directly or indirectly for dealing in securities based on such information	

**Notes:**

The action by ADL shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015, as the SEBI may deem fit. In case it is observed by the Compliance Officer that there has been a violation of the Regulations, Stock Exchanges and/or SEBI shall be informed by ADL as per requirement of applicable regulations. The Board of Directors or the Compliance Officer may decide the penalty within the above framework by taking into consideration of relevant factors.

### 3.3 PENALTIES FOR NON-COMPLIANCE WITH SECURITIES & EXCHANGE BOARD OF INDIA ACT, 1992

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

- 15A. If any person, who is required under this Act, or any rules or regulations made thereunder -
- 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.
  - 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.
  - 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 -
- 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
  - 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
  - counsels, or procures for any other person to deal in any securities of any body 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.

24. (1) 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.

## PART IV OTHER CONNECTED MATTERS

In pursuance of amendments to the SEBI (Prohibition of Insider Trading) Regulations, 2015 the following new systems, policies & procedures have been implemented by the company:

#### 4.1 NEW POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES FOR SHARING UPSI”

ADL has formulated a policy for determination of “legitimate purposes for sharing UPSI” as a part of “Codes of Fair Disclosure and Conduct” available on the company’s website at [www.albertdavidindia.com](http://www.albertdavidindia.com).

#### 4.2 NEW POLICY OF “PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI”

ADL has formulated a written policy for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which has been approved by Board of Directors of the company and accordingly ADL shall initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries. This policy is available on the company’s website at [www.albertdavidindia.com](http://www.albertdavidindia.com).



#### 4.3 IDENTIFICATION OF UPSI AND MAINTAINING ITS CONFIDENTIALITY

All the unpublished price sensitive information shall be identified, and its confidentiality shall be maintained as per the requirements of this Code and the SEBI (PIT) regulations.

#### 4.4 DIGITAL DATABASE OF PERSONS WITH WHOM UPSI IS SHARED

A structured digital database will be maintained containing the names of such persons or entities with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

#### 4.5 PROCESS FOR HOW AND WHEN PEOPLE ARE BROUGHT 'INSIDE' ON SENSITIVE TRANSACTIONS

A person(s) shall be brought inside on any proposed or ongoing sensitive transaction(s) of the Company who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants etc. for legitimate purpose which shall include the following.

- (i) in the ordinary course of business.
- (ii) in furtherance of performance of duty
- (iii) for discharge of legal obligation
- (iv) for any other genuine or reasonable purpose as may be determined by the Company
- (v) for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, on this behalf, as may be amended from time to time.

#### 4.6 INTIMATION OF DUTIES AND RESPONSIBILITIES AND THE LIABILITY TO THE PERSON(S) WHO HAS/HAVE BEEN BROUGHT INSIDE' ON SENSITIVE TRANSACTION(S).

Any person(s) who has/have been brought inside on any proposed and/or ongoing sensitive transaction(s) and in receipt of unpublished price sensitive information shall be considered an "insider" for purposes of this Code and due notice shall be given to such persons:

- (i) To make aware such person that the information shared is or would be confidential.
- (ii) To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- (iii) To make aware to such person the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.

#### 4.7 INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING / INTERNAL CONTROL SYSTEM

The Managing Director & CEO of the Company shall put in place an adequate and effective system of internal controls to ensure compliance with the requirements of these regulations to prevent insider trading.

Internal control shall include the following:

- a. All employees having access to UPSI shall be identified as designated employees.
- b. All the UPSI shall be identified, and its confidentiality shall be maintained as per the regulations.
- c. Adequate restrictions shall be placed on communication and procurement of UPSI as required by these regulations.
- d. List of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed, or notice shall be served to all such employees and persons for maintaining confidentiality.
- e. All other relevant requirements specified under these regulations shall be complied with.
- f. Periodic process review shall be undertaken to evaluate the effectiveness of such internal controls.
- g. All insiders to whom UPSI is shared shall 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.

The Company shall have in place a whistle-blower policy and makes its employees aware of any such changes in the policy to enable them to report instances of leak of unpublished price sensitive information.

If any inquiry is initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, then the relevant intermediaries and fiduciaries shall co-operate

with the Company in connection with such inquiry conducted by the Company. There shall be adequate and effective system of internal controls to ensure compliance with the requirements given in these Code and Regulations to prevent insider trading.

#### **4.8 REVIEW OF COMPLIANCES OF PIT CODE AND VERIFICATION OF INTERNAL CONTROL SYSTEM**

The Audit Committee of ADL shall review compliance with the provisions of these Code and the Regulations at least once in a Financial Year and shall verify that the systems for internal control are adequate and are operating effectively. The relevant policies have been made available in the website of ADL at [www.albertdavidindia.com](http://www.albertdavidindia.com).

#### **4.9 PROTECTION AGAINST RETALIATION AND VICTIMIZATION**

Pursuant to amendment to the Regulations, an employee is also entitled to voluntarily submit any “Original Information” to SEBI pertaining to any alleged violation of insider trading laws that has occurred, is occurring or has a reasonable belief that it is about to occur, in a manner provided under the Regulations.

It may be noted that any employee will be provided suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files/ submits such voluntary information/disclosure to SEBI, as per the Regulations.

For filling any such voluntary information/ disclosure to SEBI the employee need not seek any prior permission or consent or guidance of the Company or the Board or his/ her manager, whether before or after such filing of voluntary information/ disclosure.

For the above purpose “employee” shall mean any individual who during employment of the company may become privy to information relating to violation of insider trading laws and files a “Voluntary Information Disclosure Form” under the Regulations and is a Director, Partner, Regular or Contractual Employee, but does not include an Advocate.

Date: 14-03-2024

Place: Kolkata