

# **Birla Precision Technologies Limited**

**CODE OF CONDUCT FOR PROHIBITION OF INSIDER  
TRADING  
EFFECTIVE FROM MAY 23, 2025**

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## 1. **Introduction and Objective of the Code:**

Insider trading refers to the malpractice of trading a company's securities by individuals who have access to non-public information due to their professional roles. Such practices undermine investor confidence, impact market fairness, and compromise the integrity of capital markets. To address this, the Securities and Exchange Board of India (SEBI) introduced the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations or Insider Trading Regulations"), effective from May 15, 2015. These regulations provide a legal and regulatory framework to prohibit the communication and misuse of Unpublished Price Sensitive Information ("UPSI") related to listed companies in India.

In compliance with Regulation 9 of the PIT Regulations, Birla Precision Technologies Limited ("The Company") has formulated this "Code of Conduct for Insider Trading" to regulate, monitor, and report trading activities by designated persons and their immediate relatives. This Code upholds the highest standards of integrity, transparency, and ethical conduct while ensuring fair treatment of all stakeholders. It provides guidance on insider trading laws, pre-clearance and disclosure procedures, and the process for investigating leaks or suspected leaks of UPSI. Additionally, the Code is designed to prevent insider trading by restricting dealings in securities and ensuring compliance with the minimum standards set out in Schedule B of the PIT Regulations.

By adhering to this Code, the Company aims to safeguard its reputation, maintain market integrity, and promote investor confidence in its operations.

## 2. **Applicability:**

The Code will be applicable to designated persons and immediate relatives of designated persons, connected person/persons deemed to be connected persons, Insiders as detailed in the policy.

## 3. **Definitions:**

As used in this Code:

- 1) **"Act"** means the Securities and Exchange Board of India Act, 1992.
- 2) **"Audit Committee"** shall mean the committee of the Board of the Company constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (**"SEBI LODR"**)
- 3) **"Board"** means the Board of Directors of the Company.
- 4) **"Director"** means a member of the Board of Directors of the Company.
- 5) **"Code" or "Code of Conduct"** shall mean the "Code of Conduct for Prevention of Insider Trading.
- 6) **"Company"** means **Birla Precision Technologies Limited**.
- 7) **"Compliance Officer"** means Company Secretary of the Company or such other senior officer designated as such and reporting to the Board, or the 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 SEBI Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the codes under SEBI Regulations under the overall supervision of the Board.

[Explanation – For the purpose of this clause, “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows]

**8) “Connected Person” means:**

- (i) Any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the company, that allows such a 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) A relative of connected persons specified in the above sub-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 the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest; or
  - (k) A firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (8) is also a partner; or
  - (l) A person sharing household or residence with a connected person specified in sub-clause (i) of clause (8);

**9) “Generally available information”** means information that is accessible to the public on a nondiscriminatory basis and shall not include unverified event or information reported in print or electronic media.

**10) “Contra Trade”** means a trade or transaction which involves buying or selling securities of the Company and within six months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.

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

**12) “Designated Person”** shall consist of:

- i. Promoters and members of the Promoter Group of the Company.
- ii. Directors, Key Managerial Personnel, and Senior Management Personnel of the Company and its material subsidiaries.
- iii. Employees in the Finance and Accounts, Corporate Planning, Legal, Enterprise Risk Management,

Corporate Strategy, Investor Relations, Information Security, Data Privacy, Mergers & Acquisitions, Corporate Secretarial, Marketing, Compensation and Benefits and any other departments of the Company and its material subsidiaries, if any, on the basis of their functional role or that have access to UPSI, designated from time to time.

- iv. Chief Executive Officer (“CEO”) and employees up to two levels below the CEO of the Company and material subsidiaries. (In case of BPTL, CEO shall be replaced by the word Managing Director)
- v. Executive Secretaries of Directors, Key Managerial Personnel and Executive Officers of the Company, any other support staff of the Company, such as IT staff or secretarial staff who are likely to have access to UPSI.
- vi. Any other person designated by the Company on the basis of their functional role and such function would provide access to UPSI.

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

**14) “Relative”** shall mean the following:

- (i) Spouse of the person;
- (ii) Parent of the person and parent of its spouse;
- (iii) Sibling of the person and sibling of its spouse;
- (iv) Child of the person and child of its spouse;
- (v) Spouse of the person listed at sub-clause (iii); and
- (vi) Spouse of the person listed at sub-clause (iv)

**15) “Immediate Relative”** means a spouse of a person, and includes parents, 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.

**16) “Insider”** means any person who is:

- i. a connected person; or
- ii. in possession of or having access to unpublished price-sensitive information.

**17) “Key Managerial Person”** shall have the meaning assigned to it under the Companies Act, 2013.

**18) “Leak of UPSI”** shall refer to such act/circumstance(s) under which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

Explanation: It covers the instances where the UPSI has been shared by a person to any person, association, body, firm, agency, society, entity or to a group thereof except in compliance with applicable law.

**19) “Legitimate Purpose”** shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

**20) “Material Financial Relationship”** shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

**21) Promoter and Promoter Group:**

“Promoter” shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure

Requirements) Regulations, 2018 or any modification thereof.

**"Promoter Group"** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

- 22) "Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof.
- 23) "Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- 24) "Trading"** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, pledge (including revocation or invocation thereof), deal in the Company's Securities either directly or through portfolio management services, and "trade" shall be construed accordingly.
- 25) "Trading Day"** means a day on which the recognized stock exchanges are open for trading;
- 26) "Digital Database"** shall be a database maintained by the Compliance Officer of the Company Permanent Account Numbers ("PANs") or any other identifier authorized by law where such PAN is not available, disclosures and other details of Designated Persons, Fiduciaries and Insiders who have are possession of or likely to have access to Unpublished Price Sensitive Information in accordance with the Code;
- 27) "Fiduciary / Fiduciaries"** shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company at any point in time, for the purpose of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- 28) "Unpublished Price Sensitive Information" ("UPS")** 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 include but is not restricted to, information relating to the following:
- (i) Financial Results;
  - (ii) Dividends;
  - (iii) Change in Capital Structure;
  - (iv) Mergers, De-mergers, Acquisitions, Delisting, Disposals and Expansion of business, Award or Termination of order/contracts not in the normal course of business and such other transactions;
  - (v) Changes in Key Managerial Personnel other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
  - (vi) Change in rating(s), other than ESG rating(s);
  - (vii) Fund raising proposed to be undertaken;
  - (viii) Agreements, by whatever name called, which may impact the management or control of the Company;
  - (ix) Fraud or Defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

Explanation 1:

- **'Fraud'** shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

- **'Default'** shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (x) Resolution Plan/ Restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
- (xi) Admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- (xii) Initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- (xiii) Action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- (xiv) Outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- (xv) Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- (xvi) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;
- (xvii) Such other matters that the Company may decide.

**Explanation 2:** For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

Words and expressions used but not defined in this Code will have the same meaning as contained in (i) Insider Trading Regulations (ii) the Securities and Exchange Board of India Act, 1992 (iii) the Companies Act, 2013 (iv) Securities (Contract) Regulation Act, 1956 and (v) The Depositories Act, 1996 read with rules framed thereunder, as may be modified from time to time.

#### 4. **Roles and Responsibilities:**

##### **Compliance Officer:**

- The compliance officer shall report on insider trading to the Board and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board at such frequency as may be stipulated by the Board, but not less than once in a year;
- Monitoring adherence to the regulations for the preservation of "UPSI", Grant of pre-clearance approvals to the Designated Persons for dealings in the Company's Securities by them/their Dependents and monitoring of such dealings;
- Maintain and preserve the records under this Code as per the Insider Trading Regulation;
- The Compliance Officer shall assist all the Employees in addressing any clarifications regarding the Insider Trading Regulation and this Code;
- Determination of trading window closure and re-opening periods;
- Seeking declarations from the applicant regarding possession of UPSI and its accuracy;

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An ISO 9001:2000 & ISO 14001:2004 **Company CIN:** L29220MH1986PLC041214

- The compliance officer shall approve and publicly disclose the trading plan presented to him/her by the insider pursuant to which trades may be carried out on his/her behalf in accordance with such plan;
- The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of the 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 the plan;
- In case any UPSI is in possession of an insider at the time of formulation of trading plan, the compliance officer shall confirm that unless such unpublished price sensitive information becomes generally available, the commencement of any trading plan shall be deferred;
- The compliance officer shall notify the trading plan to the stock exchanges on which the securities of the Company are listed;
- Ensuring compliance of policies, procedures, maintenance of records, preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the regulations and submit a report of compliance with the Audit Committee at least once in a financial year;
- Where there is a violation of regulations, the compliance officer or the company shall promptly inform the stock exchange(s) where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time about such violation.

**Designated Person:**

- Do not communicate, provide, or allow access to any UPSI related to the Company or its securities, to any person (including other Designated Persons), except in furtherance of a legitimate purpose, performance of duties, or discharge of legal obligation(s) as defined under the Insider Trading Regulations;
- Do not procure from, or cause communication, by any Designated Person, of UPSI related to the Company or its securities, except in furtherance of a legitimate purpose, performance of duties or discharge of legal obligation(s) as defined under the Insider Trading Regulations;
- Designated Person may communicate, provide, or allow access to any UPSI only on need-to-know basis, in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as permitted under the Insider Trading Regulations;
- Determination of legitimate purposes forms part of the Company's Code of Fair Disclosure of Unpublished Price Sensitive Information & Policy for Legitimate Purpose. The decision of the Company on what constitutes 'legitimate purpose' / 'fair disclosure' shall be final and binding.

**5. Digital Database:**

The Board of Directors shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under the Insider Trading Regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

The Compliance Officer shall maintain and preserve the records in the structured digital database as per the Insider Trading Regulations.

Every UPSI recipient who disseminates the information to any person for a legitimate purpose or on a need-to-know basis will be responsible to sensitize the recipient that such information is UPSI and needs to be

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maintained under strict confidentiality.

Every UPSI dissemination needs to be intimated to the UPSI owner for entering into the digital database. The UPSI recipient, who disseminates the information to any person for a legitimate purpose or on a need-to-know basis, will be responsible for updating the details of dissemination in the digital database maintained for such UPSI.

Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

Such a digital database shall be preserved for such period as stated in the Insider Trading Regulations and on completion of the statutory period, will be dealt as per Company's internal policy and process.

#### **6. Prohibition on communicating or procuring UPSI:**

- All Designated Persons, Fiduciaries and Insiders must:
  - a. Maintain confidentiality of all UPSI;
  - b. Not communicate, provide or allow access to any UPSI to any person including other Insiders except where such communication is in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code;
  - c. Not procure from or cause the communication by any Insiders and their Immediate Relatives of any UPSI except in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code; and
  - d. Not to pass on such information to any person directly or indirectly by way of making a recommendation for the Trading of Securities of the Company based on the same.
- All information within the Company must be handled strictly, on a 'need to know' basis. Any UPSI should be disclosed only for the furtherance of a Legitimate Purpose as per the policy approved by the Board, to discharge their duties and legal obligations and whose possession of such information will not give rise to a conflict of interest or misuse of information.
- Prior to sharing any UPSI, the Insider shall provide its details, details pertaining to its employees, agents or representatives who are likely to have access to the said UPSI which shall include name, designation, address, PAN or any other identifier authorised by law where PAN is not available in the format prescribed under this Code. The said details shall be updated by the Compliance Officer in the Digital Database.
- **Implementation of Chinese Walls:**
  - a. Chinese Walls shall be implemented to prevent the unauthorized flow of UPSI between different business areas.
  - b. Inside areas (departments with routine access to UPSI) must be segregated from public areas (departments without such access).
  - c. Employees in insider areas are prohibited from sharing UPSI with those in public areas.
  - d. In exceptional cases, employees may be allowed to "cross the wall" and access UPSI based on the need-to-know principle, subject to Compliance Officer approval and proper documentation.

Provided that nothing contained above shall be applicable when the UPSI is communicated, provided, allowed access to or procured:

- i. in furtherance of Legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate notice, confidentiality and non-disclosure agreements being executed; or

- ii. in the event the Board directs or causes the public disclosure of UPSI in the best interest of the Company.
- iii. entail an obligation to make an open offer under the Takeover Regulations where the Board is of the informed opinion that sharing of such information is in the best interests of the Company;
- iv. not attract the obligation to make an open offer under the Takeover Regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute UPSI is disseminated to be made Generally Available Information at least 2 (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 purposes of this clause, the Board shall require the parties to such transaction 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 purpose of this clause, and shall not otherwise trade in Securities of the Company when in possession of such UPSI.

#### **7. Prohibition on Insider Trading:**

1. An Insider shall not, directly or indirectly:
  - i. Trade in Securities of the Company that are listed or proposed to be listed when in possession of UPSI;
  - ii. Trade in Securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI; and
  - iii. Provide advice/ tips to any third party on trading in the Company's securities while in possession of UPSI.
2. An Insider who has ceased to be associated with the Company shall not, for a period of six months from the date of such cessation, directly or indirectly Trade in the Company's Securities while in possession of UPSI.
3. No Insider, while in possession of UPSI about any other public Company gained in the course of employment with the Company, (a) Trade in the Securities of the other public Company, (b) disclose such non-public information concerning that Company to anyone, or (c) give trading advice of any kind to anyone concerning the other public Company.
4. No Insider may take positions in derivative transactions in the Securities of the Company at any time.

When a person has traded in securities while in possession of UPSI, his Trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

#### **8. Trading Window and Window Closure:**

1. The Compliance Officer shall notify a 'trading window' during which the Designated Persons may trade in the Company's Securities after securing pre-clearance from the Compliance Officer in accordance with the Insider Trading Regulations.
2. The competent authority for pre-clearing the trade of the Compliance Officer shall be the Managing Director or Whole-Time Director of the Company.

3. Designated Persons and their Immediate Relatives shall not trade in the Company's Securities when the trading window is closed.
4. The Trading Window shall be closed on account of declaration of financial results from the last day of each quarter and extend up to the expiry of 48 (forty-eight) hours after the declaration/ publication of the financial results. The gap between the clearance of accounts by the audit committee and the Board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.
5. Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that such Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer. Designated Person or class of Designated Persons will receive a notification for the same.
6. The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available information or is no longer classified as UPSI.
7. The trading window restriction shall not apply for below cases;
  - i. Off Market Inter-Se Transfer between insiders who were in possession of the same UPSI without violating the Code and both parties had made a conscious and informed trade decision;
  - ii. Transaction carried out through the block deal window mechanism between persons who were in possession of the UPSI without violating the Code and both parties had made a conscious and informed trade decision;
  - iii. Transaction carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;
  - iv. Transaction undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations;
  - v. Trades executed as per the Trading Plan set up in accordance with the Code;
  - vi. Pledge of shares for a bona fide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer;
  - vii. Transactions undertaken in accordance with respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

#### **9. Pre-clearance of Trading:**

1. All Designated Persons who intend to Trade in Securities of the Company (either in their own name or through their Immediate Relatives) i.e. buy or sell Securities during the trading window open period and if the value of the proposed trades is above 25,000 Shares or 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 pre-clear the transactions by making an application in the format set out in "**Annexure-1**" to the Compliance Officer indicating the estimated number of units of Securities that the Designated Person or Immediate Relative(s) intends to trade and

such other details as specified in the form and also declare that the applicant is not in possession of UPSI as per “**Annexure - 2**”.

2. The Compliance Officer shall not approve any proposed Trade by the Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
3. The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
4. The Managing Director or Whole-Time Director of the Company shall be the approving authority for the pre-clearance application of the Compliance Officer.
5. The Designated Person shall, within two days of the execution of the trade, submit the details of such trade to the Compliance Officer as per “**Annexure-3**”. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
6. If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure fresh pre-clearance for the transaction.
7. Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.
8. All designated persons who trade in Securities of the Company shall not enter into a Contra Trade during the next six months following the prior transaction. In case any Contra Trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.
9. The Compliance officer may grant relaxation from the strict application of the restriction mentioned in paragraph 8, for reasons to be recorded in writing, subject to the condition that the relaxation does not violate the PIT Regulations.
10. The restriction in paragraph 8, shall not apply in case of exercise/sale of Employee Stock Option Plan (‘ESOP’) shares, provided the designated persons do not possess UPSI and the sale is executed when the trading window is open and after obtaining pre-clearance.
11. A designated person who trades in securities of the Company without complying with the pre-clearance procedure as envisaged in these Rules or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in these Rules.

#### **10. Trading Plan:**

1. An Insider shall be entitled to formulate a trading plan in compliance with the Insider Trading Regulations and present it to the Compliance Officer for approval and public disclosure under which trades may be carried out on his/her behalf in accordance with such plan.
2. The Trading Plan under sub-clause 1 above shall:
  - a. Not entail commencement of trading on behalf of the insider earlier than a cool-off period of 120 (One Hundred and Twenty) calendar days from the public disclosure of the plan;
  - b. not entail overlap of any period for which another trading plan is already in existence;
  - c. set out the following parameters for each trade to be executed:

- i. either the value of the trade to be effected or the number of securities to be traded
  - ii. nature of the trade
  - iii. either a specific date or time period not exceeding five consecutive trading days
  - iv. price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
    1. **for a buy trade:** the upper price limit shall be between the closing price on the day before submission of the trading plan and up to 20% higher than such closing price;
    2. **for a sell trade:** the lower price limit shall be between the closing price on the day before submission of the trading plan and up to 20% lower than such closing price.
  - d. not entail trading in securities for market abuse.
3. The parameters specified under sub-clause 2(c)(i), (ii) and (iii) shall be mandatorily mentioned for each trade and the parameter under sub-clause 2(c)(iv) shall be optional. The price limit under sub-clause 2(c)(iv) shall be rounded off to the nearest numeral.
  4. If the insider has set a price limit for a trade under sub-clause 2(c)(iv), the insider shall execute the trade only if the execution price of the security is within such limit. The trade shall not be executed if the price of the security is outside the price limit set by the insider.
  5. In the event of corporate actions related to bonus issue and stock split occurring after the approval of the trading plan, the insider is entitled to make adjustments, with the approval of the Compliance Officer, in the number of securities and price limit and the same shall be notified on the Stock Exchanges on which the securities are listed.
  6. The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the PIT Regulations and shall be entitled to seek such express undertaking as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
  7. A Trading Plan, once approved, shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either execute any trade in the securities outside the scope of the trading plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.
  8. The Implementation of any trading plan shall not be commenced if any UPSI 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.
  9. In case of non-implementation (full/partial) of the trading plan due to sub-clauses 4, 7, 8 or failure of execution of trade due to inadequate liquidity in the scrip:
    - a. The insider shall intimate non-implementation (full/partial) of trading plan to the compliance officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.
    - b. Upon receipt of information from the insider, the compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-

implementation (full/partial) was bona fide or not.

- c. The decision of the Audit Committee shall be notified by the compliance officer on the same day to the Stock Exchanges on which the securities are listed.
- d. In case the Audit Committee does not accept the submissions made by the insider, then the compliance officer in consultation with Managing Director or CEO or Whole-Time Director shall take action as per this Code.

10. The Compliance Officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the Stock Exchanges on which the securities are listed, on the day of approval.

## **11. Disclosure Requirements:**

### **1. Initial Disclosure:**

- a. Every person, on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or member of the Promoter Group, shall disclose his/her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming a Promoter or member of the Promoter Group, to the Company within seven days of such appointment or becoming a promoter or member of the Promoter Group, as per 'Form B' set out in "Annexure - 4".
- b. Every Designated Person shall disclose details like Permanent Account Number or any other identifier authorized by law, names of educational institutions from which they have graduated and names of their past employers for the following:
  - (i) Immediate Relative;
  - (ii) persons with whom such Designated Person(s) shares a material financial relationship;
  - (iii) phone, mobile and cell numbers which are used by them.

### **2. Continual Disclosure:**

- a. Every Promoter, member of the Promoter Group, Designated Person and Director of the Company shall disclose the number of 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 Rs.10,00,000/- (Rupees Ten Lakh Only), or trading in shares in excess of 25,000 Shares as per Form C set out in Annexure 5
- b. Every Designated Person shall disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Company on an annual basis and as and when the information changes:
  - (i) Immediate Relative;
  - (ii) persons with whom such Designated Person(s) shares a material financial relationship;
  - (iii) phone, mobile and cell numbers which are used by them.

### **3. Disclosures by other Connected Persons:**

- a. 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 - 6" at such frequency as the Compliance Officer may determine.

## **12. Institutional Mechanism for Prevention of Insider Trading:**

1. The CEO, Managing Director (“MD”), or such other analogous person of the Company shall, in consultation with the Compliance Officer, General Counsel, and other relevant members of the Company’s senior management, put in place and take steps to maintain an adequate and effective system of internal controls in place for compliance with PIT Regulations, including periodic process review to evaluate the effectiveness of such internal controls and other matters stated therein.

The internal controls shall include the following:

- a. All employees who have access to unpublished price-sensitive information are identified as designated persons;
  - b. All the unpublished price-sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of this Code;
  - c. Adequate restrictions shall be placed on communication or procurement of unpublished price-sensitive information as required by this Code;
  - d. Lists of all employees and other persons with whom unpublished price-sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
  - e. All other relevant requirements specified under this Code shall be complied with;
  - f. Periodic process review to evaluate the effectiveness of such internal controls.
2. The Board shall ensure that the CEO/MD and other members of the Company’s senior management referred to above have taken steps to comply with the requirements of the above sub-clause 12(1).
  3. The Audit Committee shall review compliance with the provisions of PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effective.

## **13. Penalty for Insider Trading:**

4. A Designated Person shall be individually responsible for complying with the provisions of this Code of Conduct (including to the extent the provisions hereof are applicable to his / her Relatives).
5. Any Designated Person who violates any provision of the Code, may face disciplinary action / penal consequences such as monetary penalties, salary suspension, wage freeze, suspension etc.
6. The Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, etc., and ineligibility for future participation in the Company’s Stock Option Plans or termination.
7. In the event that a Designated Person and/or his/ her relatives contravene the provisions of this Code and/or PIT Regulations, the Company will report such contravention and action taken by the Company in this regard to the stock exchanges, as may be required under the PIT Regulations.
8. Any amount collected as a penalty under this Code shall be credited to the Investor Protection and Education Fund administered by SEBI.

9. In addition, if any Designated Person and/ or his/ her Immediate Relatives contravenes any of the provisions of the Code and/or PIT Regulations, may also be liable for appropriate penal actions in accordance with the provisions of the Securities and Exchange Board of India Act, 1992 and the Insider Trading Regulations.

**14. Inquiry in case of leakage of UPSI:**

- The Company has formulated written policies and procedures for inquiry, in case of an alleged leak or misuse of UPSI.
- Employees can raise concerns against any alleged leak, or suspected attempt to leak UPSI, or unethical use of UPSI, in accordance with the informant mechanism introduced by SEBI, or as per the Company's Whistle Blower mechanism.
- Retaliation for reporting suspected violations is strictly prohibited under the Code and the Company's Whistle Blower Mechanism. An employee who reports alleged violations of insider trading laws will be protected against any direct or indirect discharge, discrimination, termination, demotion, suspension, threats, or harassment.
- This Code shall be read along with the Policy and Procedure for inquiry in case of a Leak of UPSI or a suspected Leak of UPSI.

**15. Miscellaneous:**

1. The Board shall be empowered to amend, modify, and interpret this Code of Conduct and such rules and the same shall be effective from such date that the Board may notify on this behalf.
2. The Compliance Officer shall provide to the Audit Committee of the Board, at least once a year, with an update on compliance under this code, any violations of this Code and other matters as may be directed by the Audit Committee from time to time.
3. The Compliance Officer shall maintain:
  - a. an updated list of Designated Persons,
  - b. records of disclosures and pre-clearance applications and undertakings for a period of eight years; and
  - c. any other information that is required pursuant to PIT Regulations.
4. Intermediary or fiduciary engaged by the Company shall put in place an adequate and effective system of internal controls to ensure compliance with the requirements given in the PIT Regulations to prevent insider trading.
5. It is the responsibility of the Connected Person to ensure compliance with this Code.
6. The Company shall have a process for how and when persons are brought 'inside' on sensitive transactions, and such process may be determined by the Company from time to time. Individuals should be made aware of the duties and responsibilities attached to the receipt of inside information, and the liability that attaches to misuse or unwarranted use of such information.

**16. Limitation, Review and Amendment:**

In the event of any conflict between the provisions of this Code and the PIT Regulations or any other legal requirement ('Applicable law'), the provisions of Applicable law shall prevail over this Code. Any subsequent

amendment/modification to the Applicable Law shall automatically apply to this Code. The Board may review and amend this Code from time to time, as may be deemed necessary.

<b>LIST OF ANNEXURE</b>	
<b>Annexures</b>	<b>Particulars</b>
1	Application form for Pre- clearance of Trades in the Company's Securities
2	Undertaking to be accompanied with every Pre- clearance Application
3	Format For Disclosure of Transactions
4	Statement of initial disclosure of shares held in the Company by a Director / Key Managerial Personnel/ Promoter/ Member of Promoter group in Form B
5	Disclosure relating to change in holding of Securities to the Company / Stock Exchange in Form C
6	Disclosure by other Connected Persons in Form D
7	Policy and Procedure for Inquiry in case of Leak or Suspected Leak of Unpublished Price Sensitive Information

**Annexure - 1**

**APPLICATION FOR PRE-CLEARANCE**

**To,  
The Compliance Officer  
Birla Precision Technologies Limited**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Internal Code of Conduct for Prohibition of Insider Trading, I seek approval to purchase/sell/subscribe to securities of the Company as per the details given below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Remark</b>
1.	Name of the Applicant	
2.	Designation	
2A.	Relationship with the Applicant (Self/Immediate Relative)	
3.	Number of Securities held as on date	
4.	Folio No./DP ID/Client ID No.	
5.	The Proposal is for	a. Purchase of securities b. Subscription to securities c. Sale of Securities d. Pledge e. Gift of securities Any other purpose
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be purchased/ subscribed/ sold/ pledged/gift	
8.	Current Market Price (as on date of application)	
9.	Whether the proposed transaction will be through Stock Exchange or off-market trade	
10.	Folio No./DP ID/Client ID No. where the securities will be credited/debited	

I enclose herewith the undertaking signed by me.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

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

Place: \_\_\_\_\_

**Annexure -2**  
**UNDERTAKING TO BE ACCOMPANIED WITH THE**  
**APPLICATION FOR PRE-CLEARANCE**

**To,**  
**The Compliance Officer**  
**Birla Precision Technologies Limited.**

I, \_\_\_\_\_ being a designated person of the Company as per the Rules for the Trading in the securities of the Company residing at \_\_\_\_\_, am desirous of trading in shares of the Company as mentioned in my application dated \_\_\_\_\_ pre-clearance transaction

I further declare that I am not in possession of any unpublished price sensitive information ("UPSI") up to the time of signing this undertaking. In the event that I have access to or receive any UPSI after signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the Securities and Exchange Board of India ("SEBI") for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction or a 'Nil' report if the transaction is not undertaken and will not make contra trade transaction in the securities of the Company.

I hereby undertake not to transact in securities in the sanction period in case trading window is declared closed subsequently.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh. I declare that I have made full and true disclosure in the matter.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

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

Place: \_\_\_\_\_

**Annexure - 3**

**FORMAT FOR DISCLOSURE OF TRANSACTIONS**

*(To be submitted within 2 days of transaction / trading in securities of the Company)*

**To,  
The Compliance Officer  
Birla Precision Technologies Limited**

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_\_ (date)

(Strike out whichever is not applicable)

<b>Name of Holder</b>	<b>No. of securities traded</b>	<b>Bought/Sold/ Subscribed</b>	<b>DP ID/Client ID / Folio No</b>	<b>Price (Rs.)</b>

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. *(Applicable in case of purchase / subscription).*

I declare that the above information is correct and that no provisions of the Company's Rules and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

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

#### Annexure 4

#### Form B

#### SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a director/KMP/Promoter/Member of the promoter group]

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

#### Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed Company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, Address, Contact No.	Category of Person (Promoter or member of Promoter group/KMP/Directors/Immediate relative to/others etc.	Date of appointment of Director/KMP/date of becoming Promoter/Member of Promoter Group	Securities held at the time of becoming Promoter or Member of the Promoter Group/Appointment of Director/KMP		Percentage of Shareholding
			Type of Security (For e.g: Shares, Warrants, Convertible Debentures, etc.	No.	

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

#### Details of Open Interest (OI) in derivatives of the Company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a

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#### Birla Precision Technologies Limited

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An ISO 9001:2000 & ISO 14001:2004 **Company CIN:** L29220MH1986PLC041214

**listed Company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of becoming Promoter/member of the promoter group/appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/member of the promoter group/appointment of Director/KMP		
Contract Specifications	Number of Units (Contracts *lot size)	Notional Value in Rupee Terms	Contract Specifications	Number of Units (Contracts *lot size)	Notional Value in Rupee Terms

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Name &  
Signature:  
Designation:  
Date:  
Place:

### Annexure 5

#### Form C

#### SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(2) read with Regulation 6(2) – Continual Disclosure

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN, Address, Contact No.	Category of Person (Promoter or member of Promoter group / KMP / Directors / Immediate relative to / others, etc.	Securities held prior to acquisition/disposal		Securities acquired/ disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, specify		Date of Intimation to Company	Mode of Acquisition/ disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs, etc.	Exchange on which trade was executed
		Type of securities (For eg: Shares, Warrants, Convertible Debentures, Rights Entitlements, etc.	No. and % of shareholding	Type of securities (For eg: Shares, Warrants, Convertible Debentures, Rights Entitlements, etc.	No.	Value	Transaction type (Purchase / sale / pledge/ revocation/ invocation/ others – please specify)	Type of securities (For eg: Shares, Warrants, Convertible Debentures, Rights Entitlements, etc.	No and % of Shareholding	From	To			

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

(ii) Value of transaction excludes taxes/brokerage/any other charges

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Details of trading in derivatives on the securities of the Company by Promoter, member of the promoter group, designated person or Director of a listed Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	

*Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.*

Name &  
Signature:  
Designation:

Date:  
Place:

### Annexure 6

#### Form D

#### SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(3) - Transactions with other connected persons as identified by the Company

#### Details of trading in securities by other connected persons as identified by the Company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the Company	Connection with the Company	Securities held prior to acquisition/disposal		Securities acquired/ disposed				Securities held post acquisition/ disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, specify		Date of Intimation to Company	Mode of Acquisition/ disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOPs, etc.	Exchange on which trade was executed
		Type of securities (For eg: Shares, Warrants, Convertible	No. and % of shareholding	Type of securities (For eg: Shares, Warrants, Convertible	No.	Value	Transaction type (Purchase / sale / pledge/ revocatio	Type of securities (For eg: Shares, Warrants, Convertible	No and % of Shareholding	From	To			

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		Debentures, Rights Entitlements, etc.		Debentures, Rights Entitlements, etc.			n/ invocation/ others – please specify)	Debentures, Rights Entitlements, etc.						
--	--	---------------------------------------	--	---------------------------------------	--	--	---	---------------------------------------	--	--	--	--	--	--

**Note:** (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.  
(ii) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives on the securities of the Company by other connected persons as identified by the Company**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	

**Note:** In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name &  
Signature:  
Designation:

Date:  
Place:

**POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED  
LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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### **Introduction:**

Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (**'SEBI PIT Regulations'**) mandates every Listed Company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information (**'UPSI'**) and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform Securities and Exchange Board of India (**'SEBI'**) promptly of such leaks, inquiries and results of such inquiries.

This Policy is framed in accordance with Regulation 9A(5) of the SEBI PIT Regulations, as amended, and has been adopted by the Board of Directors of Birla Precision Technologies Limited (**'The Company'**)

In view of the above, this policy sets out the structure that will be followed for the purposes of examining any case of leak or suspected leak of UPSI. It is clarified that while an enquiry in case of a leak, or suspected leak of UPSI may be undertaken through various modes, it shall adhere to the key standards set out in this Policy.

This Policy shall come into force with effect from the date of approval of the Board and shall apply to all Insiders and any other persons as assigned by law from time to time.

### **Objective:-**

1. To strengthen the internal control system to prevent leak of UPSI
2. To restrict and prohibit the practice of sharing UPSI, with unauthorized persons, which originates from within the Company and which affects the market price of the Company, and which may result in loss of reputation and loss of investors' / financiers' confidence in the Company.
3. To have a uniform code to curb the unethical practices of sharing UPSI by Insider, employee or designated Person with any person, firm, company, or body corporate.
4. To initiate an inquiry in case of a leak of UPSI or a suspected leak of UPSI and promptly inform the same to the SEBI.
5. To take disciplinary actions, if deemed fit against any Insider, employee, or designated Person who appears to have been found guilty of violating this Policy, apart from any action that SEBI may initiate/take against such person.

### **Scope:-**

1. To lay procedures for inquiry in case of a leak of UPSI or suspected leak of UPSI and inform the regulatory authorities promptly of such leaks, inquiries, and results of such inquiries.
2. To penalize any person who has been found guilty of leak of UPSI.

### **Terms and Definitions:**

All words and expressions used in this Policy shall have the same meaning as assigned to them in the Code of Conduct for Prevention of Insider Trading (**'Code of Conduct-PIT'**). In the event any words and expressions is not specifically defined in the Code of Conduct-PIT, it shall have the meaning ascribed to it under the following statutes, as amended from time to time:

- (i) SEBI (Prohibition of Insider Trading) Regulations, 2015 (**'Insider Trading Regulations'**);
- (ii) The Securities and Exchange Board of India Act, 1992;
- (iii) The Companies Act, 2013;

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- (iv) The Securities Contracts (Regulation) Act, 1956; and
- (v) The Depositories Act, 1996, along with the rules and regulations framed thereunder.

**Authority in the event of any actual or suspected leak of UPSI (“Authority”):**

The Audit Committee of the Company shall serve as the Authority in the event of any actual or suspected leak of UPSI. The Audit Committee may conduct inquiries and investigations, either suo moto, or at its discretion, delegate the same to a designated committee established for this purpose, comprising members as determined by the Audit Committee. Alternatively, the Audit Committee may delegate such powers to a specified individual, with due consideration for the overall interests of the Company.

**Procedure for Inquiry in Case of Leak or Suspected Leak of UPSI:**

**1. Source of Information relating to leak of UPSI:**

The Company may become aware of any Leak or any allegations or suspicions of a Leak, by way of a complaint (written/verbal/electronic) including, by way of:

- i. Communication received from regulatory authorities including Registrar and Share Transfer Agent, Depository, Stock Exchange, Regional Director, Registrar of Companies, regulatory / statutory authority, or any other department of Central or State Government; or
  - ii. Complaint from a whistle-blower through the process outlined in the Vigil Mechanism & Whistle Blower Policy.
  - iii. Company’s own internal monitoring/review/audit, etc.
2. Any individual who becomes aware of a Leak or any allegations or suspicions thereof is required to promptly notify the Compliance Officer. The Compliance Officer is obligated to report such a complaint to the Authority within a reasonable time frame, which shall not exceed 5 (Five) days from the date of receipt of the complaint.

**3. Preliminary Inquiry:**

The Authority shall, in consultation with the Compliance Officer, evaluate and determine if the matter merits any inquiry or investigation, within a reasonable timeframe which shall not exceed 7 (Seven) days from the date of receipt of intimation of leak or suspected leak of UPSI.

Market rumors, inferences based on media reports, or observations made by analysts, etc. will not be the only determining factors for initiating a preliminary inquiry, and the Authority shall, in consultation with the Compliance Officer, have the discretion to decide if a preliminary inquiry is required to be undertaken, in each such case. If the suspicion is found to be frivolous, the same may be dismissed.

If the Authority determines that the matter warrants an investigation, it shall establish an investigation team composed of members selected at the Authority’s discretion, or it shall delegate the investigation to a designated individual within a reasonable timeframe which shall not exceed 7 (seven) days from the date of receipt of intimation of leak or suspected leak of UPSI. The Investigator(s) shall conduct an inquiry to verify the allegations stated in the complaint, gather the required data in support of the allegations, and decide if there is a reason to initiate a penalizing action.

4. If the Complaint implicates the Compliance Officer or any other member of the Authority, then they shall excuse themselves from the said inquiry process. If any member of the Authority has a conflict of interest in any given case, then he/she should excuse himself/herself from the matter, and other members of the Authority shall deal with the matter.
5. The Authority shall ensure that the details in relation to the leak or suspected leak of UPSI and the details of the inquiry procedure are shared only if required on a “Need to Know” basis.

**Birla Precision Technologies Limited**

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**Tel.:** +91 022-66168400

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6. The Investigator(s) appointed by the Authority shall undertake the investigation and analyze the accuracy of the allegation or suspicion of leak of UPSI, by taking necessary steps, such as:
- Assessing the source and type of complaint/ allegation/ suspicion
  - Assessing the nature of the Leak/ suspected Leak, to determine the scope of the investigation, the parties who had access to the UPSI, and the manner in which it could have been leaked; and
  - Assessing the medium through which the leaked UPSI was disclosed /communicated.
  - Conducting a confidential investigation into the activities of the person/s that typically handled, or had knowledge of the UPSI in question, in an un-intrusive manner, including by reviewing the relevant documents, audit trails, and conducting interviews, where necessary.
  - Appointing external advisors/ professionals to assist in the conduct of inquiry; and
  - Re-assessing the internal controls and measures implemented by the Company for identifying deficiencies, if any, in such controls and measures, and recommending improvements to the same.
  - Such other measures and activities as deemed necessary.
7. The Investigator(s) shall submit a report to the Authority detailing their findings, including a summary of the process followed, their recommendations, and the reasons for these recommendations. This report must be submitted within a reasonable timeframe, not exceeding seven (7) days from the date of the formation of the investigation team or the delegation of the investigation to the specified individual, as the case may be. Based on the report and recommendations of the Investigator(s), the Authority shall discuss and decide if the matter requires to be investigated further.

**8. Disciplinary Action:**

If the Authority is of the opinion that a leak has occurred, or the Investigator(s) has identified the person/s responsible for or involved in the leak, the Authority shall make appropriate recommendations for disciplinary actions to be taken in that regard, including but not limited to:

- Warnings
- Suspension
- Withholding of Promotion
- Termination of the Employment
- Recovery of the profits made
- Ineligibility for future participation in any future reward system like employee stock option plans, etc.
- Monetary Penalty
- Wage Freezing
- Legal action
- Any other action, as deemed fit.

Such action taken by the Company against the person responsible for the Leak of UPSI will not preclude SEBI from initiating any action for violation of the Regulations or any other applicable laws, rules, directions, etc.

**9. Disclosure of Actual or Suspected Leak of UPSI:**

On becoming aware of actual or suspected leak of UPSI of the Company, the Compliance Officer shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed.

The Compliance Officer shall ensure that a report on such actual or suspected leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly made to the SEBI.

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**Powers of the Investigating Authority:**

For the purpose of conducting investigations, the investigating authority may:

1. Call upon
  - a. such employees/individuals to seek clarification or information pertaining to the leak of UPSI.
  - b. persons/members involved in the generation of the original data for the purpose of determination of key figures pertaining to financial figures.
  - c. persons involved in the consolidation of the figures for the financial results.
  - d. persons involved in the preparation of board notes and presentations.
  - e. persons involved in the dissemination of information relating to financial results in the public domain.
  - f. any other persons who had access to the UPSI.
  - g. any market intermediaries, fiduciaries, and other persons/ entities who have access to UPSI and they shall co-operate with the company in connection with such investigation conducted by the investigator(s).
2. at its discretion, invite external investigators/experts.
3. Advise the Authority to take necessary action(s) as deemed necessary, including sending the suspect on leave, restricting physical access to the office premise, freezing access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings.
4. keep the identity of the suspect confidential till the completion of the inquiry unless it is essentially required for the purpose of investigation.
5. notify the suspect of the allegations at the outset of the investigation and provide him an opportunity to represent his case and submit evidence
6. do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.

**Rights and Responsibilities of the Suspect:**

1. The Suspect shall-
  - a. co-operate with the investigating authority during the investigation process.
  - b. have a right to consult with a person or persons of their choice
2. The Suspect(s) has the responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with and any witness/witnesses shall not be influenced, coached, threatened, or intimidated by the Suspects.
3. Unless there are compelling reasons not to do so, Suspects will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrongdoing against a Suspect shall be considered maintainable unless there is good evidence in support of the allegation.

**Miscellaneous:**

This Policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted, or which are available under the existing Whistle Blower Policy of the Company.

This Policy should be read in conjunction with the processes and procedures framed internally by the Company in the Code of Conduct for Prevention of Insider Trading.

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**Review and Revisions:**

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

All provisions of this Policy would be subject to amendment / change in accordance with appropriate laws as may be issued by relevant Statutory, Governmental, and Regulatory Authorities, from time to time.

In any circumstance, where the terms of this Policy differ from any law, rule, regulation etc., for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

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