

**TAAL TECH LIMITED**  
**(FORMERLY KNOWN AS TAAL ENTERPRISES LIMITED)**

**CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

Pursuant to regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015

**PRELIMINARY**

The Securities and Exchange Board of India had promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "PIT regulations") as per regulation 9 read with Schedule B of the Regulations every listed company is required to frame a Code of Conduct (hereinafter referred to as the "Code" ) approved by Board of Directors to regulate, monitor and report trading activities carried out by designated persons and their immediate relatives.

The objective of this code is to achieving compliance with PIT regulations, and adopting the minimum standards set out in Schedule B to these regulations, without diluting the provisions of these regulations in any manner.

**A. APPLICABILITY:**

This code shall apply in relation to disclosure of trading activities of designated persons and their immediate relatives.

**B. DEFINITIONS AND INTERPRETATIONS:**

- a) **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis [and shall not include unverified event or information reported in print or electronic media].
- b) **"Insider"** means any person who is:
  - i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information.
- c) **Connected person** means, -
  - (i) any person who is or has during the 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such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) a 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 recognised 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 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 (d) is also a partner; or person sharing household or residence with a connected person specified in sub-clause (i) of clause (d).

**[(\*) Amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Third Amendment) Regulations, 2024 (w.e.f. December 06, 2024)]**

**d) Designated Person** shall include:

- Promoters of the Company
- All members of the Board of Directors, all executives of the Company and its subsidiaries, if any of the level of executive directors, advisors, chief general Managers and General managers.
- All key executives not covered in above as identified by the Chairman and Managing Director of the Company from time to time.
- All employees of the offices of chairman and managing director and all the functional directors of the Company
- All offices of Finance, corporate communications, business development and marketing, and Company secretary of the Company
- Any other employee of the Company to be notified by the compliance officer from time to time with the approval of the Board of Directors
- Insiders having possession of Unpublished Price Sensitive Information.

e) **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.

f) **Promoter** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

g) **Promoter group** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

h) **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).

i) **Unpublished Price sensitive information** (hereinafter referred to as “**UPSI**”) means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to information relating to the following:

- (a) Financial Results;
- (b) Dividends;
- (c) Change in capital structure
- (d) \*Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business [award or termination of order/contracts not in the normal course of business] and such other transactions;
- (e) \*Changes in key managerial personnel;
- (f) \*Changes in key managerial personnel other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
- (g) \*Change in rating(s), other than ESG rating(s);
- (h) \*fund raising proposed to be undertaken;
- (i) \*agreements, by whatever name called, which may impact the management or control of the company;
- (j) \*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;
- (k) \*resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
- (l) \*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;

- (m) \*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;
- (n) \*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;
- (o) \*outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- (p) \*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;
- (q) \*granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

**[(\*) Amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 (w.e.f. June 10, 2025).]**

- j) Threshold Limit** means the limit for Trading in Securities of the Company in any calendar quarter, as decided by the Board of Directors of the Company from time to time. For the time being, the Threshold Limit for Trading in Securities of the Company in a calendar quarter is Rs. 10 Lakhs.

For the purpose of this Code, any words or phrases that are not defined herein shall carry the same meaning as provided in the PIT Regulations. If any of the definitions mentioned in this Code are also defined in the PIT Regulations and are subsequently amended as a result of any future changes to the Regulations, those definitions will be deemed to be amended to the extent of such amendment. Further, in case there is any conflict between any of the clauses in this Code and PIT Regulations, the provisions in the PIT Regulations shall prevail.

### **C. RESTRICTIONS ON TRADING WHEN IN POSSESSION OF UPSI**

- 1) No Designated Person (including his/her Immediate Relatives) should trade in the Securities of the Company at any time while in possession of, or having access to, any Unpublished Price Sensitive Information. (UPSI).
- 2) Designated Persons are obliged to treat Unpublished Price Sensitive Information with due care, and they have a duty to safeguard Unpublished Price Sensitive Information irrespective of the source of receipt of Unpublished Price Sensitive Information. Designated Persons shall use Unpublished Price Sensitive Information for the specified purpose(s) only and it must not be used for any personal gain. No Designated Person shall communicate,

provide, or allow access, or procure or cause communication of any Unpublished Price Sensitive Information, relating to the Company or its Securities, to any person, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- 3) Unpublished Price Sensitive Information is to be handled on a “need to know” basis. It should be disclosed only to those who need the information to discharge their duties and possession of Unpublished Price Sensitive Information by them will not give rise to a conflict of interest or misuse of Unpublished Price Sensitive Information.

4) **Trading Window Restrictions:**

The Designated Persons and their Immediate Relatives shall trade in the Securities of the Company only when the Trading Window is open; provided that the Trading Window norms shall not be applicable for trades carried out in accordance with a trading plan approved under clause 9 hereof.

5) **Prohibition on Trading in Securities of the Company:**

Designated Persons and their Immediate Relatives shall not Trade in the Securities of the Company: (i) during the Prohibited Period (as defined below) or (ii) at any time (even when the Trading Window is open) if in possession of Unpublished Price Sensitive Information.

**“Trading Restriction Period”** means: (i) a period from the end of every financial year till 48 hours after declaration of unaudited/ audited annual financial results;

- (ii) a period from the end of every quarter till 48 hours after declaration of unaudited/ audited quarterly financial results; and

- (iii) During any period, when the Compliance Officer of the Company has reason to believe that the Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information; Provided that where such Unpublished Price Sensitive Information is proposed to be considered at a meeting of the Board of Directors of the Company, such period shall, as far as practicable, commence at least 7 days before such meeting of the Board of Directors. The Compliance Officer shall determine the timing for re-opening the Trading Window taking into account various factors including Unpublished Price Sensitive Information in question becoming Generally Available Information and being capable of assimilation by the market, which

in any event shall not be earlier than 48 hours after the information becomes Generally Available Information.

6) The intimation about the Trading Restriction Period shall be given by the Compliance Officer, wherever required, through e-mail, circular and/ or posting on the website of the Company, etc.

7) **Contra Trade:**

- a. Contra trade in simple terms, means an opposite transaction, for instance undertaking a sell transfer subsequent to Buy Transaction.
- b. Designated Persons are prohibited from entering into Contra Trade for six months from the date of the previous transaction.
- c. In case multiple transactions, for the purpose of Contra Trade, the period of six months, as mentioned above shall be counted from latest previous transaction.

8) **Pre- Clearance:**

When the trading window is open and designated Person is not in a possession of any UPSI proposes to trade in TEL Securities amounting to Rs. 10,00,000 (Rupees Ten Lakh only) in value per calendar quarter, pre-clearance for the transaction from the Compliance Officer shall be obtained.

Application for pre-clearance may be made electronically/ physically.

9) **Trading Plan:**

- a. Trading plan refers to a plan framed by an insider for trades to be executed at a future date.
- b. Trading Plans a Designated Person who may be perpetually in possession of Unpublished Price Sensitive Information 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 as per the provisions of the SEBI [PIT] Regulations, 2018. Guidelines regarding the trading plans are provided in **Annexure A**.

**D. DISCLOSURES**

The Disclosures about trading by Insiders shall be made as per the provisions of regulation 6 and 7 of SEBI [ Prohibition of Insider Trading] Regulations, 2018.

The designated person shall disclose annually certain details of the following persons for updation in digital database maintained separately under these regulations.

- a) Immediate relatives

- b) persons with whom such designated person(s) shares a material financial relationship.

Explanation: The term “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.

Details required for digital database maintained by the Company:

- a) Name of such recipient of UPSI;
- b) Name of the Organization or entity to whom the recipient represents
- c) Postal Address and E-mail ID of such recipient
- d) Permanent Account Number (PAN) or any other identifier authorized by Law, if PAN is not available.

#### **E. STRUCTURED DIGITAL DATABASE**

The Company has maintained Structured Digital Database for monitoring compliance with the PIT Regulations and Code.

#### **F. CONSEQUENCES/DISCIPLINARY ACTION**

1. Notwithstanding any other legal rights, if a trade is executed unintentionally or otherwise in contravention of this Code or the PIT Regulations, the profits derived from such trade shall be subject to forfeiture and must be remitted to the Investor Protection and Education Fund managed by SEBI.
2. If an individual is determined to have violated the provisions of the Code or PIT Regulations, they may face various consequences, including penalties, wage freezes, suspensions, recoveries, terminations, or any other measures deemed appropriate by the Audit Committee. Additionally, the individual may also be subject to actions from SEBI. Furthermore, any funds obtained as a result of these disciplinary measures will be directed to the Investor Protection and Education Fund managed by SEBI.
3. If any Designated Person(s) receive notice from SEBI in respect of any investigation/possible violation under PIT Regulations, shall inform the same to the Compliance Officer immediately.
4. If the Company/ Compliance Officer detects any violation of the Regulations, the Company will expeditiously notify the stock exchange(s) where the relevant Securities are traded. This notification will be made in the manner and format prescribed by the SEBI periodically.

The board has encouraged the Informant Mechanism/ Informant Reward Policy introduced by SEBI under Chapter IIIA of the regulations to overcome several challenges in dealing with violations of insider trading. The challenges are, the flow of information, absence of details of generation of information, identification of connection between insiders and those who traded unpublished price sensitive information (UPSI) and establishing that trading took place while in possession of UPSI. A formal mechanism that specifies a reporting procedure and provides incentives and protection for the informants will, in SEBI's view, instil confidence in the market and encourage informants to report such issues without any fear of victimisation or loss of employment.

#### **G. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING**

The Company has maintained the internal control systems as an institutional mechanism to prevent Insider Trading. The internal Control shall include the following:

- a) all employees who have access to unpublished price sensitive information are identified as designated person.
- b) all the unpublished price sensitive information shall be identified, and its confidentiality shall be maintained as per the requirements of these regulations.
- c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations.
- 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 these regulations shall be complied with;
- f) periodic process review to evaluate effectiveness of such internal controls.

All UPSI shall be handled on a need-to-know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer/Company Secretary/Chairman and Managing Director in advance. In case any UPSI is leaked or is suspected to be leaked by any Insider, the company will investigate the matter and collect/gather the evidence and will report to the Chairman of Audit Committee. The Chairman of the Audit Committee will thereafter convene meeting of Audit Committee depending on severity of the matter.



**H. DECLARATION:**

The Company hereby declares that all requisite measures shall be taken to ensure adherence with the principles of fair disclosure of Unpublished Price Sensitive Information.

**I. AMENDMENT IN CODE:**

The Board is authorized to amend or modify this code in whole or in part and may stipulate further guidelines, procedures and rules from time to time, to monitor trading activities in the securities of the Company by insiders.

This Code shall be published on the official website of the Company.

## **Annexure – A**

### **GUIDELINES REGARDING TRADING PLAN**

A Designated Person (DP) may continuously hold Unpublished Price Sensitive Information (UPSI). This allows the DP to regularly trade securities, which they might not be able to do otherwise. Trading plans help the DP trade legally without breaking regulations, but there is still a risk of misuse. Therefore, the trading plan does not guarantee complete protection from inquiries regarding trades executed under a pre-established trading plan, as there may be cases where the timing of making UPSI publicly available is manipulated to align with the DI's trading strategies.

### **EXECUTION OF TRADING PLAN:**

1. DP must formulate a Trading Plan for trading in equity shares of TAAL Enterprises Limited and submit it to the Compliance Officer for his approval and public disclosure.
2. The DP must affirm that they do not possess any UPSI or that they will ensure any UPSI in their possession is made publicly available prior to initiating their trades.
3. The Compliance Officer shall review/assess and approve/reject the trading plan as submitted by the DP, which is not in violation of the Regulations and the Company's Code of Conduct for Prevention of Insider Trading (PIT Regulations). He will approve and monitor the implementation of the plan.
4. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges where the shares are listed.
5. Once approved, the trading plan shall be irrevocable, and the DP shall mandatorily implement it without any deviation and without executing any trade in securities outside the scope of the Trading Plan.
6. Any trading as per trading plan shall be executed after 120 day from the date of public disclosure of the said plan.
7. The trading plan shall not entail overlap of any period for which another plan is already in existence.

8. The trading plan shall be mentioned following parameters:
  - i. either the value of trade to be effected or the number of securities to be traded;
  - ii. nature of the trade;
  - iii. either 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.
9. If no UPSI existed at the time the trading plan was formulated or a new UPSI was generated later, then trading can be carried out as per the trading plan, even if the new UPSI has not been made generally available.
10. Trading on the basis of such a trading plan should not lead to market abuse. If any manipulative activity is detected, it would be open to initiate proceedings for alleged breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market Regulations).

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