



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

## **Under SEBI (PIT) Regulations, 2015**

This code is formulated on the principles, as set out in Schedule B to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

This Code of Conduct (“the code”) is framed to prevent insider trading and also further to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”) and amendments made thereafter. The Code is to be implemented specifically with reference to the securities of Mohini Health & Hygiene Limited (“Mohini” or “the Company”).

Recipients should carefully read the Regulations in details (a copy of which is also available at the SEBI website [sebi.gov.in](http://sebi.gov.in) or [sebi.com](http://sebi.com) or from the Compliance Officer of the Company) and contact the Compliance Officer for any clarification or guidance that may be needed.

Terms used in this Code, but not defined herein, shall have the definition as given in the SEBI (Prohibition of Insider Trading) Regulations, 2015 of the SEBI Act, 1992.

The Company may at its discretion and/or as mandated by law, make changes to this Code from time to time and shall notify the changes/ revised Code to the persons to whom this Code is applicable by email and such changes shall take place with effect from issuance of the emails or from such date as specified in the notification.

### **1. Compliance Officer**

1.1 The Company has appointed Company Secretary of the Company as Compliance Officer and Chief Investor Relation Officer who shall act as such for the purposes of this Code and under the Regulations and shall report to the Board of Directors of the Company.

1.2 The Compliance Officer is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of “Price Sensitive Information”, ‘pre-clearing of designated employees’ and their dependents’ trades (directly or through respective department heads as decided by the Company), monitoring of trades and the implementation of the Code under the overall supervision of the Board of the Company.

Explanation: For the purpose of this Code, the term ‘designated employees’ shall means-

- i. Every employee in grade of General Managers or above;
- ii. Every employee in the finance, accounts, secretarial and legal department as may be.

1.3 The Compliance Officer shall maintain a record of designated employees and any changes made in the list of designated employees.

1.4 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the

Company's code of conduct.

1.5 The Compliance Officer shall report to the Board of Directors and shall provide reports to the Chairman of the Audit Committee.

1.6 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

## **2. Preservation of "Price Sensitive Information"**

2.1 All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

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

(i) Entail an obligation to make an open offer under the takeover regulations where the board of directors of the company is of informed opinion that the proposed transaction is in the best interests of the company; or

(ii) not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that the proposed transaction is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine.

The board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose given above and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

### **2.2 Need to know**

2.2.1 All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

2.2.2 All non public information directly received by any employee should immediately be reported to the head of the department.

### **2.3 Limited access to confidential information.**

Files containing confidential information shall be kept secure. Computer files must have adequate security to login and password etc.

#### **3.1 Prevention of misuse of "Unpublished Price Sensitive Information"**

**3.2** Employees and connected persons designed on the basis of their functional role ("designated employees") in the Company shall be governed by an internal code of conduct governing dealings in securities.

#### **3.3 Trading Plan:**

An insider shall be entitled to formulate a trading plan and present it to the compliance

officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

**3.4** Such trading plan shall :

- a. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- b. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results.
- c. entail trading for a period of not less than twelve months;
- d. not entail overlap of any period for which another trading plan is already in existence.
- e. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- f. not entail trading in securities for market abuse;

**3.5** The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

**3.6** *Provided that* the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

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

**4.0 Trading Window:**

- (a) Trading period, i.e., the trading period of the stock exchange, called 'Trading window', is available for trading in the Company's securities. Trading Window shall be used as an instrument of monitoring trading by designated employees.
- (b) The Trading window shall be closed when the Compliance officer determine a designated person or class of designated employees can reasonably be expected to have possession of unpublished price sensitive information. **Unless otherwise determined Trading window shall be closed from the date of intimation of notice of Board Meeting to stock exchanges.**
- (c) Designated employees and their immediate relatives shall not trade in securities when the trading window is closed
- (d) Trading window shall be closed at the time of:
  - 1) Declaration of dividend(interim & final)
  - 2) Declaration of financial results (quarterly, half-yearly and annually)
  - 3) Issue of securities by way of public/ right/ bonus etc.

- 4) Any major expansion plans or execution of new project.
  - 5) Amalgamation, mergers, takeovers and buy back.
  - 6) Disposal of whole or substantially whole of the undertaking.
  - 7) Any changes in policies, plans or operations of the Company.
  - 8) Such other events or circumstances as may be notified by the Compliance Officer.
- (e) The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information as referred above in 4(d) becoming generally available 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. **Unless otherwise determined Trading window shall be opened after 48 hours of information given to stock exchanges.**
- (f) In case of ESOPs, exercise of option may be allowed in the period whe trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.
- (g) The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

## 5.1 Pre clearance of trades

5.2 All specified persons and their dependents who intend to deal in the securities of the Company (above a minimum threshold limit of 5000 shares) should pre- clear the Transactions as per the pre-dealing procedure as described hereunder. No designated Person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed. The pre-clearing procedure shall be hereunder:

- 5.2.1 An application may be made in such form as the Company may notify in this regard, to the Compliance Officer indicating the estimated number of securities that the designated employees/ officer/ director intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required be any rule made by the Company in this behalf.
- 5.2.2 An undertaking shall be executed in favor of the Company by such designated person/ director/ officer incorporating, inter alia, the following clauses, as may be applicable:
- a. That the employee / director/ officer does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking.
  - b. That in case the employee/ director/ officer has access to or receives “Price Sensitive Information” after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information become public.
  - c. That he/she has not contravened the Code of Conduct for prevention of insider trading as notified by the Company from time to time.
  - d. That he/she has made full disclosure in the matter.

## 6.1 Other Restrictions

- 6.2 The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- 6.3 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.
- 6.4 The disclosures made under this Code shall be maintained for a period of five years.

## **7.1 Reporting Requirements for transactions in securities.**

### Initial Disclosure

- 7.2 Every Promoter/ Key Managerial Personnel/ Director/ Officers/ Designated employees of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in the Company presently held by them including the statement of holdings of dependent family members in the form A.
- 7.3 Every Person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a promoter, to the Company within 7 days of such appointment or becoming a promoter.

### Continual Disclosure

- 7.4 Every Promoter, employee and director of the Company shall disclose to the Company the number of such securities acquired or disposed of within 2 trading days of such transaction, if the value of securities traded, whether in 1 transaction or a series of transactions over any calendar quarter, aggregates to a trade value in excess of Rs. 10 Lakhs.  
The disclosure shall be made within 2 working days of:

- (a) The receipt of intimation of allotment of shares, or
- (b) The acquisition or sale of shares or voting rights, as the case may be.

- 8.0 The Compliance Officer shall maintain records of all declarations in the appropriate form given by the directors/ officers/ designated employees for a minimum period of 5 years.**

## **9.1 Penalty for contravention of the code of conduct**

- 9.2 Every Specified person shall be individually responsible for complying with the provisions of the code (including to the extent the provisions hereof are applicable to his/ her dependents).
- 9.3 Any Specified Person who trades in securities or communicates any information for trading in securities, in contravention to this code may be penalized and appropriate action may be taken by the Company.
- 9.4 Specified Persons who violate the code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, and ineligibility for future participation in employee stock option plans.

- 9.5 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**ANNEXURE-1**  
**SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL**

Date:

To,  
The Compliance Officer,  
Mohini Health & Hygiene Limited

Dear Sir/Madam,

Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code of **Conduct for Prevention of Insider Trading**, I seek approval to purchase / sale / subscription of \_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
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
6.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired / subscribed / sold	
8.	Price at which the transaction is proposed	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,  
(Signature of Employee)

**ANNEXURE-2**  
**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE**  
**APPLICATION FOR PRE-CLEARANCE**

**UNDERTAKING**

To,  
Mohini Health & Hygiene Limited

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_ am desirous of dealing in equity shares of the Company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction. I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking. In the event that I have access to or received any information that could be constructed as "Price Sensitive Information" as defined in the Code, after the 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 dealing in the securities of the Company until such information becomes public. I declare that I have not contravened the provisions of the Code as notified by the Company from time to time. I undertake to submit the necessary report within four days of execution of the transaction / a 'Nil' report if the transaction is not undertaken. If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance. I declare that I have made full and true disclosure in the matter.

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

\* Indicate number of shares

**ANNEXURE-3  
FORMAT FOR PRE- CLEARANCE ORDER**

To,  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Place: \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (no.s) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,  
for Mohini Health & Hygiene Limited

**COMPLIANCE OFFICER**

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

Encl: Format for submission of details of transaction

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