



**INTERNAL CODE OF CONDUCT FOR PREVENTION OF
INSIDER TRADING**

15th May 2015

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PRIME URBAN DEVELOPMENT INDIA LIMITED

INTERNAL CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. Preamble

Prime Urban Development India Limited (the “**Company**”) endeavors to preserve the confidentiality of unpublished price sensitive information, to prevent communication or procurement of such information and restrict trading in securities of the Company when in possession of unpublished price sensitive information. The Company is committed to transparency, fairness in dealing with all stakeholders and in ensuring adherence to all law and regulations in force.

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as may amend from time to time (the “**Regulations**”) make it mandatory to the board of directors of every listed company to formulate a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons for prevention of insider trading and compliance with the Regulations by adopting the minimum standards set out in Schedule B to the Regulations.

Every Employee and Connected person of the Company has a duty to safeguard the confidentiality of all information obtained during the course of his or her dealings with the Company.

This Code of Conduct for prevention of Insider Trading (the “**Code**”) shall come into force with effect from the day 15th May 2015.

2. Definitions

“**Board**” means the Board of Directors of the Company.

“**Code**” or “**Code of Conduct**” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Prime Urban Development India Limited as amended from time to time.

“**Company**” shall mean PRIME URBAN DEVELOPMENT INDIA LIMITED.

“**Compliance Officer**” means any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board of the Company.

“**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). an immediate relative of connected persons specified in clause (i); or
 - (b). a holding company or associate company or subsidiary company; or
 - (c). an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d). an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e). an official of a stock exchange or of clearing house or corporation; or
 - (f). a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g). a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h). an official or an employee of a self-regulatory organization recognized or authorized by the SEBI; or
 - (i). a banker of the company; or
 - (j). a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest.

“Designated Persons” means following employees of the Company designated on the basis of their functional role that will be covered under this Code:

i) [*]; nd

ii) Includes such employees as may be specified by the Board in consultation with Compliance officer to be covered under this Code.

“Generally Available Information” means information that is accessible to the public on a non-discriminatory basis.

“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.

“Insider” means any person who is,

(i) a Connected Person, or

(ii) in possession of or having access to Unpublished Price Sensitive Information

“Promoter” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;

“Trading” means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell or deal in any securities and “Trade” shall be construed accordingly;

“Trading Day” means a day on which the recognized stock exchanges are open for Trading.

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

- a) financial results;
- b) dividends;
- c) change in capital structure;
- d) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- e) changes in key managerial personnel; and
- f) material events in accordance with the listing agreement.

Words and expressions used and not defined in this Code but defined in the Regulations, Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under shall have the meanings respectively assigned to them in those legislation.

3. Applicability of the policy

This Policy shall be applicable to Insider of Prime Urban Development India Limited

4. Compliance Officer

- a) The Company has appointed its DGM (Finance) and CFO as Compliance Officer (senior level employee) who shall report to the Board and in particular, shall provide reports to the chairman of Audit Committee of the Company, if any, or to the Chairman of the Board at such frequency as may be stipulated by the Board.
- c) The Compliance Officer shall assist all the Insiders in addressing any clarifications regarding the Regulations and the Company’s Code of Conduct.
- d) The Board shall inform the SEBI of any violation of the Regulations and rules made there under.

5. Communication or procurement of “Unpublished Price Sensitive Information”

- I. An Insider of the Company shall:
 - a) Maintain the confidentiality of all Unpublished Price Sensitive Information(s) and shall not communicate, provide, or allow access, directly or indirectly, such information to any person including other Insider except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
 - b) Keep secure all files/papers containing confidential Unpublished Price Sensitive Information(s). Computer files must have adequate security of login and password, etc.

- c) handle all information on a "need to know" basis, *i.e.*, Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty.
- II. Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured only after duly executing confidentiality and non-disclosure agreement with such parties for keeping information so received confidential, except for the limited purpose with condition that such parties shall not Trade in securities of the Company when in possession of UPSI, in connection with transactions;
- which attracts an obligation to make an open offer under the takeover regulations and the Board is of informed opinion that the proposed transaction is in the best interests of the Company; or
 - where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and such Unpublished Price Sensitive Information is disseminated to make it as Generally Available Information at least two Trading Days prior to the proposed transaction being effected as determine by the Board.

6. Chinese Walls

6.1 General

Company has established procedures and physical arrangements (collectively 'Chinese Walls') designed to manage confidential information and prevent the inadvertent spread and misuse of inside information, or the appearance thereof.

In general, Chinese Walls separate areas that have access to Inside Information ("Insider Areas") from those who do not have such access ("Public Areas"). As such, Chinese Walls are designed to operate as barriers to the passing of Inside Information and Confidential Information.

Where Chinese Walls arrangements are in place, employees and Connected Persons working within an Insider Area are prohibited from communicating any Confidential or Inside Information to employees in Public Areas without the prior approval of Compliance Officer.

6.2 'Permanent Insiders'

As a result of their function, certain Connected Persons have access to information from departments that are separated by Chinese Walls. They are "above the wall". Also, there are certain employees whose role requires them to transcend the Chinese Wall. Both groups of employees together are referred to as 'permanent insiders'. The number of permanent insiders should be limited and their status as a permanent insider should be appreciated, documented and monitored by Compliance Officer.

Permanent Insiders shall be subject to restrictions on their personal investment transactions that accurately reflect their enhanced access to Inside Information. Permanent insiders also have the additional responsibility to ensure that Inside Information from one side of a Chinese Wall is not spread to other areas.

7. Restriction on trading in Securities of the Company

Insider shall be subject to trading restrictions as enumerated below:-

a) Trading Plans:

Insider is prohibited to Trade in securities of the Company on a stock exchange when in possession of UPSI. However such restriction is not applicable if trade in securities of the Company on behalf of Insider has been carried out as per pre approved Trading plan notified to stock exchange by Compliance Officer and subject to following conditions and restrictions:

- i. Such Trade is not to be carried out within six months from the public disclosure of the Trading plan;
- ii. Such Trade is not to be carried out between the twentieth Trading Day prior to last day of financial period for which results are required to be announced by the Company and the second Trading Day after the disclosure of such financial results;
- iii. Such Trade not to be carried when another trading plan is already in existence;
- iv. Such Trade is executed for the same value or number of securities at such interval or dates as set out in notified trading plan;
- v. Such Trade is not to be commenced if any UPSI was in possession of Insider at time of formulation of trading plan has not become Generally Available Information and commencement of Trade will be deferred for such time as may be confirmed by Compliance Officer until that UPSI becomes Generally Available Information; and
- vi. Such Trade should not cause for market abuse.

b) Trading window:

- (i) The trading period, for trading in the Company's securities, called as "Trading Window", shall be closed during the time the information referred to in this para is un-published.
- (ii) The Designated Persons and their Immediate Relatives shall not Trade in shares of the Company during the periods when "Trading Window" (i.e. trading period) is closed.
- (iii) The Trading Window shall be closed for the period as may be determined by Compliance Officer, during which any material unpublished information price sensitive , including the following, are proposed:
 - Financial results (quarterly, half-yearly and annually);
 - Dividends (interim and final);
 - Change in capital structure;
 - Any major expansion plans or execution of new projects.
 - Mergers, de-mergers, acquisitions, de-listings, disposals, takeovers, buy-back and expansion of business and such other transactions;
 - Changes in key Managerial Personnel; and
 - Material events in accordance with the listing agreement.
- (iv) The Trading Window shall automatically get opened 48 hours (Two days) after the information referred above in para (iii) becomes generally available.
- (v) The Trading Window shall also applicable to person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company
- (vi) Person covered in para (v), All Designated Persons of the Company and their Immediate Relatives shall conduct all their trading in the securities of the Company only when

Trading Window is opened and shall not trade in the company's securities during the periods when Trading Window is closed as referred above or during any other period as may be specified by Compliance Officer from time to time.

c) Pre Clearance of Trades:

- (i) When Trading Window is open, All Designated Persons and their Immediate Relatives who intend to Trade in the securities of the Company exceeding the threshold limit of [,] shares OR Rs. 10.00 lacs in traded value, whichever is lower, in a quarter shall obtain pre-clearance of the transaction(s) from the Compliance Officer before entering into the transaction as per the pre-clearance procedure as described hereunder. For the purpose of this clause gross purchase and sale shall be separately considered, without netting of the purchase and sales during the quarter.
- (ii) An application may be made in Form I (attached as **Annexure I**) or such other form as the Company may notify in this regard, to the Compliance Officer indicating the estimated number of securities that the Designated Person intends to Trade 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 by any rule made by the company in this behalf.
- (iii) An undertaking as annexed hereto(attached as **Annexure II**) shall be executed in favour of the Company by Designated Persons incorporating, *inter alia*, the following clauses, as may be applicable :

That the Designated Persons is not in possession of "Unpublished Price Sensitive Information" up to the time of signing the undertaking.

That in case the Designated Persons has access to or in possession of "Unpublished Price Sensitive Information" after the signing of the undertaking (attached as **Annexure II**) but before the execution of the transaction, he/she shall inform the Compliance Officer of the fact and that he/she would completely refrain from Trading in the securities of the Company till the time such information becomes generally available.

That he/she has not contravened the Code of Conduct for prevention of insider trading as notified by the Company / SEBI from time to time.

That he/she has made a full and true disclosure in the matter.

- (iv) On the receipt of Form I and Undertaking as set out in above para (ii) & (iii), the Compliance may approve or reject the pre-clearance of trades based on consideration that such securities are not falling in the "restricted list" as maintained by the Compliance Officer and such undertaking is reasonably capable of being rendered inaccurate.

d) Other restrictions:

- (i) Transaction must be executed within Seven Trading Days from the next day after the approval of preclearance order obtained from the Compliance Officer in Form II (attached as **Annexure III**). If transaction is not executed within Seven Trading Days, the Designated Person must obtain fresh pre-clearance for the intended transaction once again.

- (ii) All Designated Person who buy or sell any number of shares of the company shall not permitted to enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction('Contra Trade'). All Designated Person shall also not take positions in derivative transactions in the shares of the Company at any time.
- (iii) In case Contra Trade is necessitated by personal emergency, the Compliance Officer may grant relaxation from restriction of Contra trade within six months after recording in writing the reasons for relaxation and considering that such relaxation does not violate the Regulations or this Code. (attached as **Annexure IV**).

8. Disclosure Requirements for transactions in securities

Initial Disclosure

- 8.1 Every promoter/ key managerial personnel / Director of the Company, within thirty days of this Code/Regulations taking effect, shall forward to the Company the details of all holdings in securities including position taken in derivatives of the Company presently held by them including the statement of holdings of his immediate relatives and any other person for whom promoter/ key managerial personnel / Director takes trading decisions in the prescribed Form A (attached as **Annexure V**).
- 8.2 Every person on appointment as a key managerial personnel or a Director of the Company or upon becoming a Promoter shall disclose his holding of securities position taken in derivatives of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter including the statement of holdings of his immediate relatives and any other person for whom such promoter/ key managerial personnel/Director takes trading decisions, in the prescribed Form B (attached as **Annexure V**).

Continual Disclosure

- 8.3 Every promoter, employee and director of the Company shall disclose to the Company the number of such securities acquired or disposed or position taken in derivatives whether by himself or by any of his immediate relatives or any other person for whom such promoter/ employee/director takes trading decisions, in Form C (attached as **Annexure V**) 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 lakhs). Traded Value of the securities also includes value of derivatives traded.
- 8.4 Every promoter, employee and director of the Company shall also disclose to the Company in Form C (attached as **Annexure V**) within two Trading Days of such transaction, if there has been a incremental change in such holdings or voting rights of promoter, employee and director of the Company and his immediate relatives from the last disclosure made under para 8.3.
- 8.5 Every other Connected person not covered under para 8.3 shall disclose to the Company the number of such securities acquired or disposed or position taken in derivatives whether by himself or by any of his immediate relatives or any other person for whom such Connected person takes trading decisions, in Form D (attached as **Annexure V**) 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. Ten lakhs. Traded Value of the securities also includes value of derivatives traded.

Disclosure to stock exchange

8.6 The Company shall also disclose to the stock exchange within two Trading Days of receipt of the disclosure made under para 8.3 and 8.4 or from becoming aware of such information.

Maintenance of Disclosure records

8.7 The Compliance officer shall maintain records of all disclosures made to the Company under para 8.1 to 8.6 for a minimum period of five years.

9. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015

In case it is observed by the Board that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, shall be informed to SEBI promptly.

10. Penalty for contravention of Code of Conduct

- a) Without prejudice to the power of SEBI, under the SEBI Act, any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of the Code of Conduct, may be penalized and appropriate action may be taken by the Company.
- b) Designated Person who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc. or any other action as Board deem fit.
- c) The action by the Company through Compliance Officer shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015 which may include imprisonment or fine or both.

11. Trading by Compliance Officer

All restrictions on trading of securities of the Company shall also be applicable to the Compliance Officer. Compliance Officer shall seek pre-clearance, if applicable, from the Board.

12. Forms

Forms attached as Annexure:

- I. Application to the Compliance Officer for pre-clearance of trade, indicating the estimated number of securities that the Designated Person intends to Trade in, the details as to the depository with which he has a security account;
- II. Pre clearance order;
- III. Application for Relaxation from Contra Trade in Securities.

Format of Disclosures to Stock exchange/the Company:

A: Initial Disclosure of details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in the Regulations **(Within 30 days from the effective date of the Regulations)**.

B: Initial Disclosure of details of Securities held on appointment of KMP or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulations.. **(Within 7 days of such appointment)**.

C: Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in the Regulations **(Within 2 working days)**.

D: Details of transactions by other Connected Persons as identified by the Company **(Within 2 working days)**.

Annexure I

FORM I

Date:

To
The Compliance officer,
Prime Urban Development India Limited
Tirupur-641603

Dear Sir / Madam,

Sub: Pre-clearance of trade in Company's Securities

I have been identified by the Company as Designated Person for the purpose Insider Trading Code.

I seek approval for purchase/sale _____ of equity shares/Securities of the Company on ____ 20__ as per details given below:

Nature of transaction (buy/sell/subscribe)	
Name of proposed buyer/seller	
No. of securities:	
Date of Purchase/Sale/Allotment:	
Previous approval no & date for purchase/sale:	
DP/BEN ID of the account/folio no. where the securities will be credited:	
No. of securities held in such account/folio no:	

I am hereby enclosing the Form of Undertaking signed by me.

Please grant approval for the same.

Thanking you,

Signature
Name:-

Annexure II

To,
The Compliance Officer
Prime Urban Development India Limited
Tirupur-641603

UNDERTAKING

I _____ resident of _____ hereby declare that I am Designated Person of Prime Urban Development India Limited.

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) up to the time of signing the undertaking.

In the event I have access to or received " Unpublished Price Sensitive Information" after the signing of this undertaking but before the execution of the transaction for which approval is sought, I shall inform the Compliance officer of the change in my position and shall completely refrain from dealing in the securities of the company till the time such information becomes public.

I have not contravened the Code of Conduct for prevention of insider trading as notified by the Company from time to time.

I undertake to submit the necessary report within two days of execution of the transaction/s and a 'nil' report if the transaction is not undertaken.

I am aware that I shall be liable to face penal consequences as set forth in the Code including disciplinary action under the Code of the Company, in case the above declarations are found to be misleading or incorrect at any time.

I hereby agree to indemnify and keep the Company and its Directors indemnified from and against all and any penalties/fines that may be imposed on them by the Securities and Exchange board of India and/or any other statutory authorities as a result of violation by me of the SEBI (Prohibition of Insider Trading) Regulations 2015 and the Code prescribed by the Company.

I declare that I have made full and true disclosure in this matter.

Place:

Date:

Signature

Annexure III
FORM II

To,

Dear Sir/Madam,

Sub: Pre – Clearance Order

This is to inform you that your request for dealing in _____ (no.) of shares of the Company as mentioned in your application has been approved.

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said Application.

Please note that the said transaction must be completed on or before _____ (date) that is within Seven Trading Days from today. If you do not execute the approved transaction/deal on or before this date you will have to seek fresh pre-clearance approval before executing any transaction/trade in the securities of the Company.

Further, you are required to file the details of the executed transactions in the attached format within two trading days from the date of the transaction/deal. In case the transaction is not undertaken a 'nil' report shall be necessary.

Thanking you,

Yours faithfully,

For PRIME URBAN DEVELOPMENT INDIA LIMITED

Compliance Officer

Encl: Format for submission of details of transaction- Form C as attached in Annexure V

**Annexure-IV
FORM III**

Date:

To,
The Compliance officer,
Prime Urban Development India Limited
Tirupur-641603

Sir,

Sub: Relaxation from Contra Trade in Securities

I have been identified as a Designated Person of the Company for the purpose of Insider Trading Code. I have purchased/sold _____ equity shares on _____. I wish to sell the securities before the completion of six months from the date of purchase due to the below mentioned reason, Please grant me relaxation with respect to executing Contra Trade in securities of the Company within the period of six months.

Reason: (mention the reason for relaxation)

Thanking you,

Signature

Name:-

Annexure-V

FORM A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (a) read with Regulation 6 (2)]

Name of the company: **Prime Urban Development India Limited**

ISIN of the company: INE419E01024

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters / KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9

Signature:
Designation:
Date:
Place: