

THE VICTORIA MILLS LIMITED

Victoria House, Pandurang Budhkar Marg,
Lower Parel, Mumbai – 400013.

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Preamble

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as the 'Regulations') as amended, and the Listing Agreement entered into by the Company with the Stock Exchange(s), a Company is required to frame a “Code of Conduct for prevention of insider trading” by its all employees, including its Directors and KMP (Key Managerial Personnel), in relation to the securities of the said Company.

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every director, officer, designated employee and KMP (Key Managerial Personnel) of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No director, officer, designated employee or KMP (Key Managerial Personnel) may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

In line with the said Regulations and to achieve these objectives, this “Code of Conduct for Prevention of Insider Trading” (hereinafter referred to as “Code” or “the Code”) has been formulated and adopted by the Board of Directors of The Victoria Mills Limited to be effective from 15th May, 2015. The code is to be followed by all Directors, officers, designated employees, KMP (Key Managerial Personnel) and connected persons.

Part A

‘Company’ means The Victoria Mills Limited;

‘Act’ means the Securities and Exchange Board of India Act, 1992.

‘Board’ means the Board of Directors of the Company.

‘Code’ or ‘Code of Conduct’ shall mean the Code of Conduct for Prohibition of Insider Trading by the insiders of The Victoria Mills Limited as amended from time to time.

‘Insider’ means any person who is:

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- (ii) in possession of or having access to unpublished price sensitive information.

‘Compliance Officer’ means the Company Secretary 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 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 the Company or his immediate relative or

banker of the Company, has more than ten per cent, of the holding or interest.

‘Dealing in Securities’ means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities of The Victoria Mills Limited either as principal or agent and includes exercising of options.

‘Dependent’ means the spouse, dependent parents and dependent children.

‘Key Managerial Person’ means person as defined in sec 2(51) of the Companies Act, 2013.

‘Takeover Regulations’ means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and any amendments thereto.

‘Specified Persons’ means the Directors, connected persons, the insiders, the Designated Employees and the promoters and immediate relatives are collectively referred to as Specified Persons.

‘Director’ means a member of the Board of Directors of the Company.

‘Designated Employee’ shall mean:

- (a) CEO / CFO / Managing Director / Manager;
- (b) All employees covered as KMP cadre; and
- (c) Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable

‘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:

‘Free Period’ means any period other than the Prohibited Period.

‘Insider’ means any person who,

- (a) is or was connected with the Company or is deemed to have been connected with the Company and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company, or
- (b) has received or has had access to unpublished price sensitive information.

‘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.

‘Price sensitive information’ means any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of the Company's securities. In particular the following shall be deemed to be price sensitive information:

- (a) Declaration of Financial results (quarterly, half-yearly and annual);
- (b) Intended declaration of dividends (interim and final);
- (c) Issue of securities by way of public/ rights/ bonus etc.;
- (d) Buyback of the Company's securities;
- (e) Any major expansion plans or execution of new projects;
- (f) Amalgamation, mergers or takeovers;
- (g) Disposal of whole or substantially whole of the undertaking;
- (h) Any significant changes in policies, plans or operations of the Company;
- (i) Any significant change in management;
- (j) Any event which might have a significant/material impact on the pricing of the Company's securities, e.g., strike/lockout/suspension of operation of a major operating facility, etc.

‘Prohibited period’ means

- (a) the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of Board Meeting and up to 48 hours after the price sensitive information is submitted to the Stock Exchange.
- (b) Such other period as may be specified by the Compliance Officer from time to time after consultation with the Chairman & Managing Director.

‘Relative’ shall mean as defined in section 6 of the Companies Act, 1956 and section 2(77) of the Companies Act, 2013.

‘Securities’ mean and include:

- (a) Equity shares of the Company
- (b) Such other marketable instruments as may be issued by the Company from time to time.

‘SEBI’ means Securities and Exchange Board of India.

‘Trading window’ means the period during which the Company's securities can be traded by all directors, officers and designated employees as provided in this Code.

‘Unpublished’ means information which is not published by the Company or its agents and is not specific in nature.

‘Working day’ means the working day when the regular trading is permitted on the concerned stock exchange where securities of the Company are listed.

Part B

Compliance Officer

The Company has appointed the Company Secretary as Compliance Officer who shall report to the Managing Director and / or Chairman of the Company.

Duties of Compliance Officer

- (a) He shall maintain a record of Connected Persons and Designated Employees and any changes made to the list of Connected Persons and Designated Employees.
- (b) He may in consultation with the Chairman & Managing Director and shall as directed by the Board, specify Prohibited Period from time to time and immediately make an announcement thereof.
- (c) He shall maintain a record of Prohibited Period specified from time to time.
- (d) He shall be 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 monitoring of trades and the implementation of the Rules under the overall supervision of the Board of Directors of the Company.
- (e) He shall maintain records of all the declarations submitted in the appropriate form given by the directors/ officers/ KMP (Key Managerial Personnel) / designated employees for a minimum period of five years.
- (f) He shall place before the Chairman & Managing Director, on a monthly basis all the details of the dealing in the securities by employees / directors / KMP (Key Managerial Personnel) / officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules, as per information received from the above persons.

- (g) He shall from time to time inform the Stock Exchanges of any price sensitive information on immediate basis.
- (h) He shall intimate to all Stock Exchanges on which the securities of the company are listed the relevant information received.
- (i) He shall be responsible for overseeing and coordinating disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure and report to the Chairman & Managing Director.
- (j) He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 within 7 days of knowledge of violation.
- (k) He shall assist all the employees of the Company in addressing any clarifications regarding SEBI (Prohibition of Insider Trading) Regulation 2015 and the Company's code of conduct.

Preservation of "Price Sensitive Information"

- (a) All Directors, officers, KMP (Key Managerial Personnel) and Designated Employees shall maintain the confidentiality of all Price Sensitive Information. All Directors, officers, KMP (Key Managerial Personnel) and Designated employees shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- (b) Unpublished price sensitive information is to be handled 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 and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

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

- (c) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

Prevention of misuse of "Price Sensitive Information"

All directors, officers, KMP (Key Managerial Personnel) and designated employees who has access to price sensitive information of the Company shall be subject to trading restrictions as enumerated below:

❖ Trading Plan:

An insider shall be entitled to formulate a trading plan for dealing in securities of the Company 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.

❖ Trading Plan shall:

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- (ii) 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;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) 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
- (vi) not entail trading in securities for market abuse.

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

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.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation.

The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

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

❖ Trading Window :

They shall trade in the Company's securities only when the trading window is open.

The trading window shall be closed during the time any unpublished price sensitive information is available to the designated person/s.

❖ The trading window shall be, inter alia, closed at the time of:

- (a) Declaration of Financial results (quarterly, half-yearly and annual);
- (b) Intended declaration of dividends (interim and final);
- (c) Issue of securities by way of public/ rights/ bonus etc.;
- (d) Buyback of the Company's securities;
- (e) Any major expansion plans or execution of new projects;
- (f) Amalgamation, mergers or takeovers;
- (g) Disposal of whole or substantially whole of the undertaking;
- (h) Any significant changes in policies, plans or operations of the Company;
- (i) Any significant change in management;
- (j) Any event which might have a significant/material impact on the pricing of the Company's securities, e.g., strike/lockout/suspension of operation of a major operating facility, etc.

❖ The trading window shall be closed 7 days prior to and during the time the unpublished price sensitive information is published and up to 48 hours after the Price sensitive information is submitted to the Stock Exchange.

❖ When trading window is closed the specified persons shall not trade in the Company's securities in such period.

❖ All Directors, Officers, KMP (Key Managerial Personnel) and Designated Employees of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

- ❖ In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.
- ❖ The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- ❖ The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.
- ❖ 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.

Pre-clearance of trades:

All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is above 5,000 shares or Rs. 10 Lakhs (market value) or 10% of total shareholding, whichever is less, should pre-clear the transaction. However, no designated person shall be entitled to 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 and hence he shall not be allowed to trade. The pre-dealing procedure shall be hereunder:

- i. An application may be made in the prescribed Form (Annexure 1) to the Compliance officer indicating the estimated number of securities that the Specified Employee 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 by any rule made by the company in this behalf.

- ii. An undertaking (Annexure 2) shall be executed in favour of the Company by such Specified Employee 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 Specified Employee 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 becomes 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 a full and true disclosure in the matter.
- iii. All Specified Persons shall execute their order in respect of securities of the Company within seven trading days after the approval of pre-clearance is given (Annexure-3). The Specified Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed. (Annexure 4 and Annexure-7).
- iv. If the order is not executed within seven trading days after the approval is given, the employee/director must pre-clear the transaction again.
- v. All Specified Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction (contra trade) i.e. sell or buy any number of shares during the next six months following the prior transaction. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- vi. In case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

- vii. The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

Other Restrictions:

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.

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.

The disclosures made under this Code shall be maintained for a period of five years.

Reporting Requirements for transactions in securities:

Initial Disclosure

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 securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed Form (Annexure 5).

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 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. (Annexure-6)

Continual Disclosure

Every promoter, employee and director of the Company shall disclose to the Company the number of such 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 Ten lakhs Or such other value as may be specified. (Annexure-7)

The disclosure shall be made within two trading 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.

Disclosure by other Connected Person

Any other connected person or class of connected person shall make disclosure of his holdings and trading in securities of the company in specified format. (Annexure 8)

Disclosure by the Company to the Stock Exchange(s)

The Company shall notify the particulars within 2 trading days of the receipt of intimation under the heading **Continual Disclosure** to all Stock Exchanges on which the Company is listed.

The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / designated employees for a minimum period of five years.

Dissemination of Price Sensitive Information

No information shall be passed by Specified Persons by way of making a recommendation for the purchase or sale of securities of the Company.

Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed while dealing with analysts and institutional investors:

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

Penalty for contravention of the code of conduct

Any specified persons who trades in the Company's 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.

Specified persons who violate this code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans, etc.

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.

Code of Fair Disclosure

A code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering each of the principles is set out below:

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. To develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis

