



Valiant Laboratories
Limited

ESTD. 1980

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



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CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES OF THE COMPANY

[As Envisaged Under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

This Code of Conduct for Prohibition of Insider Trading (hereinafter referred to as "Code") has been formulated pursuant to Regulation 9 of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "the said regulations").

1. APPLICABILITY

In terms of Regulation 9(4) of the SEBI PIT Regulations, the Board of Directors in consultation with the compliance officer herein below specifies the following as "Designated Persons" to be covered by the code of conduct on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

The Code applies to the following categories of persons including their 'immediate relatives' and persons with whom such designated person(s) share a material financial relationship:-

- Promoters/ Member of promoter group
- Directors
- KMPs (Key Managerial Persons as defined under the Companies Act, 2013)
- Designated Persons/ Employees "Designated Persons" shall consist of:
 - All employees in the cadre of Senior General Manager and above
 - All the Functional/Department Heads
 - All the Accounts & Finance and commercial personnel (collectively called "Finance persons") in the cadre of Senior Manager and above and all other Finance persons who have access to unpublished price sensitive information.
 - All the Secretarial Personnel of the Company
 - All the IT Personnel of the Company who have access to unpublished price sensitive information.
 - Employees of the material subsidiary of the Company on the basis of their functional role or access to unpublished price sensitive information of the Company, to be determined by the compliance officer.
 - Any other person as may be determined by the Compliance officer in consultation with the respective Functional/Department Heads, based on their functional role in the organization, for the purpose of monitoring adherence to the Code for preservation of UPSI.





2. DEFINITIONS

a) "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);

b) "**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 positions 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 or 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 organisation recognised or authorised 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 immediate relative or banker of the company, has more than ten per cent, of the holding or interest;





- (c) "**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.
- (d) "**Insider**" means
- A Connected Person
 - Any Person who is in possession of or is having access to Unpublished Price Sensitive Information.
- (e) "**Promoter and Promoter group**" shall have the meaning assigned to it under SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 or any modification thereof.
- (f) "**Securities**" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except unit of a mutual fund;
- (g) "**Takeover Regulations**" means Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- (h) "**Threshold Limit**" means a limit of market value of Rs. 10 lakhs (Rupees Ten Lakhs) in one transaction or in a series of transactions over any calendar quarter.
- (i) "**Trading**" means an act of subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly;
- (j) "**Trading day**" means a day on which the recognised Stock Exchange is open for trading.
- (k) "**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:
- i. Financial results
 - ii. Dividends
 - iii. Change in capital structure
 - iv. Mergers, de-mergers, acquisitions, delistings, disposals and expansions of business and such other transactions;
 - v. Changes in key managerial personnel.
- The above is only an illustrative list and there might be other instances in relation to which certain unpublished information, upon becoming public, might materially affect the price of securities of the Company.





3. COMPLIANCE OFFICER

- (i) The Company Secretary of the Company shall act as the Compliance Officer of the Company for the purpose of these regulations and is responsible to comply with the provisions contained therein and the Compliance Officer will report to the Chairman of the Audit Committee.
- (ii) The Compliance Officer shall maintain a record of the Designated Persons and any change therein from time to time.
- (iii) The Compliance Officer shall assist the Designated Persons in addressing any clarifications sought by them regarding the said Regulations and the Code.

4. PROHIBITION TO TRADE IN SECURITIES OF THE COMPANY BY DESIGNATED PERSONS

Designated Persons shall not directly or indirectly -

- a) Trade in securities of the Company, either on their own behalf or on behalf of any other person, when in possession of UPSI;
- b) Trade in securities of the Company except when the Trading Window is open and they are not in possession of UPSI.

5. TRADING WINDOW AND TRADING RESTRICTION

Designated Persons shall not buy / sell securities of the Company during closure of the "Trading Window", i.e. the period during which trading in the securities of the Company is prohibited.

Trading Window shall be closed during the following periods:

- a) From the end of the financial year (March 31) and up to the date of announcement of unaudited / audited financial results and 48 hours thereafter;
- b) From the end of each quarter (June 30, September 30 and December 31) and upto the date of announcement of unaudited / audited quarterly / half yearly financial results and 48 hours thereafter;
- c) From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including the following are proposed:
 - (i) Issue of securities ;
 - (ii) Buy-back and splitting of securities ;
 - (iii) Dividends;
 - (iv) Significant expansion plans or new projects;





- (iv) Acquisition, amalgamation, merger, takeover of companies/ businesses;
- (v) Disposal of whole or substantially the whole of the undertaking;
- (vi) Significant changes in plans or operations of the Company.

Till 48 hours after close of the Board Meeting at which decisions in respect of the above events are taken or after the information in respect of the above events is made public, whichever is later.

6. PROCEDURE FOR PRE-CLEARANCE OF TRADING

- (i) When the Trading Window is open, the Designated Persons may Trade in the securities of the Company up to threshold limit of Rs. 10 Lakhs (Rupees Ten Lakhs) in market value fixed hereinabove without any pre-clearance from the Compliance Officer. In other cases, the Designated Persons may trade in the securities of the Company after obtaining clearance from the Compliance Officer by submitting an application as per **Annexure 1** and an Undertaking as per **Annexure 2**.
- (ii) The Compliance Officer may not approve any proposed Trade by Designated Person, if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
- (iii) The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
- (iv) The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per **Annexure 4**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
- (v) If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.
- (vi) A Designated Person who Trades in securities without complying with the pre-clearance procedure as above or gives false undertaking and / or makes misrepresentation in the undertaking executed by him / her while complying with the pre-clearance procedure he / she shall be subjected to the penalties as envisaged in the Code.





7. MINIMUM HOLDING PERIOD

- (i) Designated persons who buy or sell any number of Equity Shares of the Company shall not enter into an opposite transaction, i.e., sell or buy any number of securities during the next six months following the prior transaction.
- (ii) In case, the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his / her reasons in this regard. Provided that such relaxation does not violate said regulations, otherwise profit from such trade will be remitted to the Securities and Exchange Board of India for credit to Investor Education and Protection Fund.

8. TRADING PLAN

- (i) A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulation (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.
- (ii) The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.
- (iii) The Trading Plan once approved shall be irrevocable and the Designated Person 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 Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with date of closure of Trading Window announced by the Compliance Officer.

9. DISCLOSURE REQUIREMENTS

- (i) Every person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter shall disclose his or her holding of securities of the Company as on the date of appointment or on becoming a promoter to the Company within 7 days of such appointment or becoming a





Promoter or as per **Annexure 3** annexed to this Code.

- (ii) Every promoter, director and employee of the Company shall disclose to the Company on becoming a promoter as per **Annexure 4**, the number of such securities acquired or disposed off within 2 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 lakhs.
- (iii) The compliance officer shall notify to the stock exchange where the securities of the Company are listed within 2 trading days of the receipt of the disclosure or from becoming aware of such information.
- (iv) The Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
 - (a) immediate relatives
 - (b) persons with whom such designated person(s) shares a material financial relationship
 - (c) Phone, mobile and cell numbers which are used by them
- (v) The Designated persons shall disclose to the Company, on one time basis, the names of educational institutions from which they have graduated and names of their past employers.

10. ANNUAL DISCLOSURE OF SHAREHOLDING

Every Promoter/Member of Promoter Group, Director, KMP and Designated Person of the Company, shall, within 30 days from the end of financial year, disclose his/ her holding of securities of the Company as on date of every financial year ending 31st March, to the Company (**Refer Annexure 5**).

11. PENALTY FOR CONTRAVENTION OF THE CODE

- (i) Any Designated Person who trades in Company's securities or communicates any information for trading in securities in contravention of the Code shall be subject to disciplinary action by the Company, which may include wage freeze, suspension or termination etc.
- (ii) Notwithstanding any penal action taken by the Company, the SEBI may take appropriate action against the Designated Person for violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- (iii) In case, it is observed by the Company / Compliance Officer that there has been a violation of the Code, the Company / Compliance Officer will inform SEBI of such violation.





12. AUTHORITY TO MAKE ALTERATIONS

The Board of Directors are authorised to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**The above policy is reviewed and adopted by the Board of Directors at their meeting held on May 14, 2024*


