

PADMALAYA TELEFILMS LIMITED

CIN: L92111TG1991PLC013222

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INSIDER TRADING POLICY

AMENDED ON 30TH MAY 2016

PADMALAYA TELEFILMS LIMITED

I. Introduction:

This Insider Trading Code aims to define, establish and clarify the standards for behavior in Padmalaya Telefilms Limited (hereinafter referred as the 'the Company') and the Company's position in relation to:

- i) Prevention of Insider Trading in securities of the Company;
- ii) Maintenance of Confidentiality of unpublished price sensitive information;
- iii) Adherence to and compliance with the SEBI regulation governing Prohibition of Insider Trading in listed entities.

Every Designated Person (as defined hereinafter) has a duty to safeguard the confidentiality of all Unpublished Price Sensitive Information obtained in the course of his or her work in the Company or which comes to his or her knowledge during his or her association with the Company. The Designated Person or any Immediate Relative of such Designated Persons shall not derive any benefit or assist others to derive any benefit from the access to and possession of any Unpublished Price Sensitive Information which is not in public domain and thus constitutes insider information.

II. Objectives:

The Company is committed to:

- i) Preserving the confidentiality and preventing misuse of any unpublished price sensitive information about the Company or any of its securities;
- ii) Adherence to transparency and fairness in dealing with all stakeholders of the Company; and
- iii) Strict compliance with applicable regulations of the Securities and Exchange Board of India.

The Objective of this Insider Trading Code is to set out the standards, and regulate and/or monitor compliance of Insider Trading Regulations of the Company by all "Insiders" and "Connected Persons" and their responsibility to preserve and maintain confidentiality of unpublished price sensitive information that may or is expected to affect the price of securities of the Company.

III. Definitions:

- i. **"Act"** means the Securities and Exchange Board of India Act, 1992.
- ii. **"Board"** means the Board of Directors of the Company and includes a committee thereof.
- iii. **"Compliance Officer"** means any senior officer, designated so and reporting to the Board of Directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance or the Company Secretary for the purpose of administration of the insider trading policy.
- iv. **"Connected Person"**
 1. Includes:
 - a. A director of the Company;
 - b. A Key Managerial Personnel of the Company;
 - c. An Officer of the Company;
 - d. 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
 2. 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.
- v. **"Generally available Information"** means information that is accessible to the public on a non-discriminatory basis. Information published on the website of the company and the stock exchange, would ordinarily be considered generally available.
- vi. **"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.
- Vii. **"Insider"** means any person who,
- i) a connected person; or
 - ii) In possession of or having access to unpublished price sensitive information
- ix. **"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

- x. **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- xi. **"Specified"** means specified by the board in writing
- xii. **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- xiii. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- xiv. **"Trading Day"** means a day on which the recognized stock exchange are open for trading;
- xv. **"Unpublished Price Sensitive Information"** 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, delisting, 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 these regulations but defined in the 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.

IV. Policy and Its Applicability

a. Applicability

This insider trading code shall come into effect from(date) and shall apply to all the Designated persons of the Company.

Promoters and other connected persons of the Company shall ensure compliance with the restrictions and/ or disclosure requirements specified under the Regulations as applicable.

b. Policy

1. No Designated Person when in possession of any unpublished price sensitive information about, or in relation to the Company or any of its securities shall:

- Trade or have dealings in the securities of the Company, either on his/her behalf or on behalf of any other person;
- Communicate, provide or allow access to, or counsel, directly or indirectly, any unpublished information relating to the Company or any of its securities, to any other person, except on a need to know basis in furtherance of legitimate purposes in relation to the Company

2. All Directors, Key Managerial Personnel and /or Designated Persons or their Immediate Relatives shall conduct their trading in the securities of the Company only during or in a valid trading window strictly in compliance with this Code, more specifically Clause V (i) of this Code – Code of Conduct for Designated Persons.

3. Trading Plans

As an exception to the condition that a Designated Person shall not trade when in possession of unpublished price sensitive information, any Designated Person may - subject to prior approval of a Trading Plan by the Compliance Officer and public disclosures - commence trading on his or her behalf in the securities of the Company as per the approved Trading Plan during a period of 12 months (excluding the Trading Window closure period) provided that such trading plan shall not commence earlier than 6 months from such Trading Plan approval and such Trading plan(s) shall be irrevocable and to be mandatorily implemented.

V. TRADING WINDOW

- Other than the period(s) for which the Trading Window is closed as prescribed hereunder, the same shall remain open for trading in the Securities of the Company. All Designated Persons shall strictly conduct all their trading's in Securities of the Company only when the Trading Window is open and no Designated Person shall trade in the Securities of the Company during the period the Trading Window is closed or during any other similar period as may be specified by the Compliance Officer from time-to-time.

- Unless otherwise specified by the Compliance Officer, the Trading Window for trading in Securities of the Company shall be closed for the purposes-
 - i. financial results;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions;
 - v. changes in key managerial personnel; and
 - vi. material events in accordance with the listing agreement

- In respect of announcement of financial results, the Trading Window shall remain closed for a period of 7 days prior to the respective dates on which the quarterly, half-yearly or annual standalone/consolidated financial results, as the case may be, are announced.

As regards declaration of interim dividend and other matters referred to in (iii) to (vi) above, the Compliance Officer shall determine the period for closure of the window.

The Trading Window shall be opened 48 hours after the information referred to above is made public.

VI. CODE OF CONDUCT FOR DESIGNATED PERSONS

- i. Any Designated person who intends to conduct Trading either in his/her own name or in the name of his/her Immediate Relative(s) may trade or deal in the securities of the Company only during the non-window closure period, without obtaining preclearance of such trade(s) from the Compliance officer.

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. Any trade(s) executed based on pre-clearance shall be concluded within 7 (seven) trading days after the date of pre-clearance. The pre-dealing procedure shall be as under:

- 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 1) shall be executed in favor 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 one week after the approval of pre-clearance is given. 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 is filed.
- iv. If the order is not executed within seven 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 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. 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.

- vi. 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.

VII. REPORTING REQUIREMENTS FOR TRANSACTION IN SECURITIES

Initial Disclosure:

- i) Every promoter, Key Managerial Personnel and Director of the Company, shall disclose his/her holding of securities in the Company as on the date these regulations taking effect, to the company within 30 days from the date these regulations taking effect.

The disclosure is to be made in the Format as per **Annexure – 1**.

- ii) 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 7 days of such appointment or becoming a promoter.

The disclosure is to be made in the Format as per **Annexure – 2**.

Continual Disclosure:

Every promoter, employee and director of the Company shall disclose to the Company 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. 10,00,000/- (Rupees Ten Lakhs Only).

The disclosure is to be made in the Format as per **Annexure – 3**.

- i. The disclosures made under 7 and 8 shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.
- ii. The Compliance Officer shall notify the particulars of such disclosure to the stock exchange within two working days of receipt of disclosure or from becoming aware of such information.
- iii. The disclosure made under this code shall be maintained for a period of five years.

VIII. CODES OF FAIR DISCLOSURE AND CONDUCT

1. Code of Fair Disclosure

- i) The board of directors of every company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles, without diluting the provisions of these regulations in any manner.
- ii) Every such code of practices and procedures for fair disclosure of unpublished price sensitive information and every amendment thereto shall be promptly intimated to the stock exchanges where the securities are listed.

2. Code of Conduct

- i) The board of directors of every listed company and market intermediary shall formulate a code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with these regulations, adopting the minimum standards, without diluting the provisions of these regulations in any manner.
- ii) Every other person who is required to handle unpublished price sensitive information in the course of business operations shall formulate a code of conduct to regulate, monitor and report trading by employees and other connected persons towards achieving compliance with these regulations, adopting the minimum standards, without diluting the provisions of these regulations in any manner.
- iii) Every listed company, market intermediary and other persons formulating a code of conduct shall identify and designate a compliance officer to administer the code of conduct and other requirements under these regulations.

IX. PENALTY FOR CONTRAVENTION:

- i) Every Designated Person shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her immediate relatives).
- ii) The Designated Persons who violate this Code shall, in addition to any other penal action that may be taken by the Company pursuant to law, also be subject to disciplinary action including the termination of employment.
- iii) Action taken by the Company for violation of the Regulations and the Code against any Designated Person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/ regulations.

X. AMENDMENT:

The Board of the Company reserves its right to amend or modify this code in whole or in part, at any time without assigning any reason whatsoever. Howsoever, no such amendment or modification will be binding on the concerned unless, the same is notified in writing.

Annexure – 1
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: _____

ISIN of the company: _____

**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		

Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Date:
Place:

Signature:
Name & Designation:

**Annexure – 2
FORM B**

**Securities and Exchange Board of India (Prohibition of Insider Trading)
Regulations, 2015**

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company 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.)	Date of appointment of Director /KMP or Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP	
			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	10

Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Date:
Place:

Signature:
Name & Designation

Note: “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Date:

Place:

Signature: _____

Name & Designation

