

CODE OF PRACTICE AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

With a view to govern the conduct of Insiders and Designated Persons on matters relating to insider trading, the Securities and Exchange Board of India (SEBI) has formulated Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto (hereinafter referred to as the 'Regulations').

Sub-regulation (1) of Regulation 9 inter alia, requires all listed companies to frame a Code of Conduct for Regulating, Monitoring and Reporting of trading by Designated Persons and their immediate relatives by adopting the minimum standards as set out in Schedule B to the Regulations.

Sub-regulation (1) of Regulation 8 requires all listed companies to formulate and publish on its website, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information by adopting the minimum standards as set out in Schedule A to the Regulations.

SMIFS CAPITAL MARKETS LIMITED has formulated this Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information ("Code") in compliance with the Regulations.

1. DEFINITIONS

(i) "Act" means the Securities and Exchange Board of India Act, 1992 (15 of 1992) (including any amendment or re-enactment thereof);

(ii) "Audit Committee" means the audit committee constituted pursuant to Section 177 of the Companies Act, 2013 as amended and Regulation 18 of SEBI (LODR) Regulations, 2015.

(iii) "Board" means the Board of Directors of the Company.

(iv) "Companies Act" means the Companies Act, 2013 together with the rules issued there under and any amendments thereto.

(v) "Company" or "the Company" means SMIFS CAPITAL MARKETS LIMITED;

(vi) "Compliance Officer" means the Company Secretary of the Company or in his/her absence, any senior officer, designated so and reporting to the board of directors, 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the board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 directors.

(vii) "Connected Person" means—

(i) any person who is or has been, during the six months prior to the concerned act, associated with the Company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the company, 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) a 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 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 a company or his relative or banker of the company, has more than ten percent. of the holding or interest; or
- (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
- (l) person sharing household or residence with a connected person specified in sub-clause (i) of clause (d)

(viii) “Contra Trade” means a trade or transaction which involves buying or selling any number of shares of the Company and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.

(ix) “Designated Person(s) shall consist of:

- (a) all promoters of the Company and all persons falling within the definition of “Promoter Group”;
- (b) all members of Board of Directors and Key Managerial Personnel of the Company and its subsidiaries;
- (c) Chief Executive Officer, every employee in the grade of Senior Vice President and

- (d) every employee in the finance, accounts, information technology, direct tax, secretarial department, corporate development and strategy department of the Company and its subsidiaries, as may be determined and informed by the Compliance Officer;
- (e) any other employee as may be determined and informed by the Compliance Officer in consultation with respective Functional/Departmental heads, based on their functional role in the organization, for the purpose of monitoring adherence to the Code for preservation of UPSI

(x) **“Director”** means a member of the Board of Directors of the Company.

(xi) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media;

(xii) **“Immediate Relative”** means 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;

(xiii) **“Insider”** means any person who is:

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

(xiv) **“Key Managerial Personnel”** shall have the meaning assigned to it under the Companies Act, 2013.

(xv) **“Legitimate Purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations;

(xvi) **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

(xvii) **“Promoter group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

(xviii) **“Regulations”** shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015 and any amendments thereto;

(xix) **“Relative”** shall mean the following:

- a. spouse of the person;
- b. parent of the person and parent of its spouse;
- c. sibling of the person and sibling of its spouse;
- (d) child of the person and child of its spouse;
- (e) spouse of the person listed at subclause (c); and
- (f) spouse of the person listed at subclause (d)

(xx) "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof;

(xxi) "Trading" means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;

(xxii) "Tradingday" means a day on which the recognized stock exchanges are open for trading;

(xxiii) "Unpublished Price Sensitive Information" or "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 include 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 expansion of business and such other transactions; and

(v) changes in the Board of Directors or key managerial personnel.

Words and expressions used and not defined in this Code 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 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

2. APPLICABILITY

This Code shall apply to all Designated Persons, immediate relatives of the Designated Persons, subsidiaries of the Company and to the extent mentioned, to Insiders and Connected Persons.

3. THE POLICY AND OBLIGATIONS

The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information ("UPSI") 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 Designated Persons and Insiders have a duty to safeguard the confidentiality of all such UPSI obtained in the course of his/her work at the Company. No Designated Persons and Insiders shall use his position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

4. Role of Compliance Officer

The Compliance Officer shall:

- i. Assist all the Designated Persons and Insiders in addressing any clarifications regarding SEBI (Prohibition of Insider Trading) Regulation, 2015 and the Company's Code.
- ii. Report to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee or to the Chairman of the Board of Directors on an annual basis.
- iii. If the Company /Compliance Officer observes that there has been a violation of the Regulations, he shall inform the Stock Exchange(s) promptly, where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time.

The Board of Directors of the Company/ Chairman/ Managing Director/ Whole-time Director may assign such other duties to Compliance Officer under this Code as may be deemed fit and proper from time to time.

5. Preservation of "Unpublished Price Sensitive Information"

Unpublished Price Sensitive Information is to be handled within the Company on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the company who need the information for legitimate purposes, performance of duties or discharge of legal obligations and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

6. Prohibition on Dealing, Communicating or procuring Unpublished Price Sensitive Information:

- 6.1 No insider (which term for the purpose of Clause 6 shall include a Designated Person and his Immediate Relative) shall communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to the Company or its securities listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 6.2 No person shall procure from or cause the communication by any insider of Unpublished Price Sensitive Information, relating to securities of the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 6.3 Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–
 - entail an obligation to make an open offer under the takeover regulations where the board of directors of the Company is informed of opinion that

sharing of such information is in the best interests of the company;

- not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Company is of informed opinion that sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.
- 6.4 However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of Unpublished Price Sensitive Information.
- 6.5 The Company shall adopt a “Chinese Wall” approach (i.e. barrier within an organisation to prevent exchanges or communication of UPSI that would lead to conflicts of interest) separating a group of employees who reasonably are expected to have in their possession Unpublished Price Sensitive Information. Such employees shall not communicate any Unpublished Price Sensitive Information to any other employee. In exceptional circumstances, any such employee may “cross the wall” and give confidential information on the basis of need to know basis by intimating the same to the person heading his Department prior to crossing the wall.
- 6.6 The Head of respective departments/ divisions of the Company and the Compliance Officer, handling UPSI shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons or entities with whom such information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
- 6.7 The said structured digital database shall be preserved for a period of not less than 8 years after completion of the relevant transactions and in the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.
- 6.8 Trading by Insiders when in possession of Unpublished Price Sensitive Information shall be governed by Regulation 4 of the “**Regulations**”.

7. TRADINGPLAN

- 7.1 An Insider (which term for the purpose of the Clause 7 shall include a Designated Person and his Immediate Relative) 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.
- 7.2 Trading Plans shall:
- (i) not entail commencement of trading on behalf of the insider earlier than one hundred and twenty calendar days from the public disclosure of the plan;
 - (ii) not entail overlap of any period for which another trading plan is already in existence;
 - (iii) set out following parameters for each trade to be executed:
 - (a) either the value of trade to be effected or the number of securities to be traded;
 - (b) nature of the trade;
 - (c) either specific date or time period not exceeding five consecutive trading days;
 - (d) price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
 - i. for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent higher than such closing price;
 - ii. for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent lower than such closing price.
 - (iv) not entail trading in securities for market abuse.
- 7.3 The Compliance Officer shall review the Trading Plan to assess whether the plan would have any potential for violation of the Regulations and shall be entitled to seek express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.
- 7.4 Pre-clearance of trades shall not be required for a trade executed as per an approved Trading Plan.

7.5 TradingWindow normsshall not be applicable for trades carriedout inaccordancewithanapproved TradingPlan.

7.6 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implementtheplan,withoutbeingentitledtoeitherexecuteanytradeinthesecuritiesoutsidethe scopeofthetradingplanortodeviatefromitexceptduetopermanentincapacityorbankruptcyor operation of law.

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.

7.7 If the insider has set a price limit for a trade under sub-clause (iii)(d) of clause 7.2, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

7.8 In case of non-implementation (full/partial) of trading plan due to either reasons enumerated in clauses 7.6 and 7.7 or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:

(i) The insider shall intimate non-implementation (full/partial) of trading plan to the Compliance Officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.

(ii) Upon receipt of information from the insider, the Compliance Officer, shall place such information along with his recommendation to accept or reject the submissions of theinsider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not.

(iii) The decision of the Audit Committee shall be notified by the Compliance Officer on the same day to the stock exchanges on which the securities are listed.

(iv) In case the Audit Committee does not accept the submissions made by the insider, then the Compliance Officer shall take action as per the Code of Conduct.

7.9 The Compliance Officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

8. TradingWindow:

(a) The period prior to declaration of Unpublished Price Sensitive Information is particularly sensitive for transaction in the Company's securities. This sensitivity issue to the fact that the Designated Persons will, during that period, often possess Unpublished Price Sensitive Information.

The Designated Persons and their immediate relatives shall not trade in the Company's securities when the Trading Window is closed. The period during which the trading window is closed shall be termed as Prohibited Period. The intimation of closure shall be made through email and/ or through the website of the Company. The trading window shall be closed when the Compliance Officer determines that a DesignatedPersonorclassofDesignatedPersons can reasonably be expected to have possession of Unpublished Price Sensitive Information.

- (b) Unless otherwise specified by the Compliance Officer, the Trading Window for Dealing in Securities of the Company shall be closed for the following purposes-
 - 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; and
 - e. changes in the board of directors or key managerial personnel.
- (c) In respect of declaration of financial results, the Trading Window shall be closed from the beginning of every quarter till 48 hours after the declaration of quarterly or annual standalone / consolidated financial results, as the case may be.

The closure of Trading Window for purposes other than declaration of financial results and for which a specific notice/intimation is required to be given to stock exchange shall commence from the date on which intimation of the date of Board meeting for consideration of any such Price Sensitive Information is given to Stock Exchange.

- (d) The timing for re-opening of the Trading Window for the information referred in (b) shall be determined by the Compliance Officer taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
- (e) All Designated Persons and their immediate relatives shall conduct all their dealings in the securities of the Company only during the valid Trading Window 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.

(f) NON-APPLICABILITY OF TRADING WINDOW RESTRICTIONS

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Regulations), the trading window restrictions for Designated Persons and their immediate relatives shall not apply in respect of the following:

- i. the transaction is an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information (UPSI) without being in breach of Regulation 3 of the Regulations and both parties had made a conscious and informed trade decision. Provided that such UPSI was not obtained under sub-regulation 3 of the Regulations. Further, such off-market trades shall be reported by insiders to the Company within 2 (two) working

days. The Company shall notify the particulars of such trades to the stock exchange on which the securities are listed within 2 (two) trading days from receipt of the disclosure or from becoming aware of such information;

- ii. the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information (UPSI) without being in breach of Regulation 3 of the Regulations and both parties had made a conscious and informed trade decision. Provided that such UPSI was not obtained by either person under sub-regulation 3 of the Regulations;
- iii. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;
- iv. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations;
- v. the trades were pursuant to a trading plan set up in accordance with Regulation 5 of the Regulations;
- vi. in respect of a pledge of shares for a bona fide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer and compliance with the respective regulations made by SEBI; and
- vii. transactions which are undertaken in accordance with respective regulations made by the Securities and Exchange Board of India (SEBI) such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

9. Pre-clearance of trades:

- 9.1 All Designated Persons and their immediate relatives who intend to deal in the securities of the Company in excess of Rs.10 lakhs whether in one or a series of transactions over any calendar quarter shall require prior clearance from the Compliance Officer.

No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person or his immediate relative is in possession of Unpublished Price Sensitive Information even if the Trading Window is not closed.

- 9.2 The clearance shall be obtained as per the procedure prescribed below:

- 9.2.1 An application is to be made to the Compliance Officer as per the enclosed format (**Form-I**) indicating the estimated number of securities that the Designated Persons intends to deal in, the details of securities held in physical form as to folio no., 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 regard.

9.2.2 Each Designated person shall execute in favour of the Company an undertaking in the enclosed pro-forma (**Form-I**) forgetting the trades cleared.

The Compliance Officer shall on receiving an application provide the Designated Person with an acknowledgement on the duplicate of the application.

The Compliance Officer shall grant approval within 2 working days from the date of acknowledgement.

The Compliance Officer shall retain copies of all applications and acknowledgements. In exceptional circumstances consent may not be given if the Compliance Officer is of the opinion that the proposed deal is on the basis of possession of any Unpublished Price Sensitive Information. There shall be no obligation to give reasons for any withholding of consent.

If so requested by the Compliance Officer, Designated Persons must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

9.3 The Designated Persons and their immediate relatives shall execute their transactions within one week after the pre-clearance failing which they have to pre-clear the transactions again.

9.4 Pre-clearance of trades would not be required for a trade executed as per an approved trading plan.

10. Minimum Period for holding of Securities

- a. All Designated Persons and their immediate relatives 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 Designated Persons and their immediate relatives shall also not take positions in derivative transactions in the shares of the Company at any time.
- b. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Regulations.
- c. If a contra trade is 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act. Provided that this shall not be applicable for trades pursuant to exercise of stock options.

11. Reporting Requirements for transaction in securities

11.1 INITIAL DISCLOSURES:

(i) Every person on appointment as a Key Managerial Personnel or a Director or upon becoming a Promoter or Member of the Promoter Group or any other employee categorized as Designated Person of the Company or its Subsidiaries shall disclose his holding of securities of the Company in **Form-II** as on the date of appointment or becoming a Promoter or Member of the Promoter Group, to the Company within seven days of such appointment or becoming a Promoter or Member of the Promoter Group.

(ii) Every Person on becoming a Designated Person of the Company or its Subsidiaries shall disclose the names of educational institutions from which Designated Person has graduated and names of his past employers, on a one time basis in **Form-V** within seven days of becoming a Designated Person.

11.2 CONTINUAL DISCLOSURES FOR ANY CHANGE IN SHAREHOLDING:

Every Promoter, Member of the Promoter Group, Designated Persons and Director of the Company shall disclose to the Company in **Form-III** or in such form and such manner as may be specified by SEBI from time to time, the number of such securities acquired or disposed off 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 lakh rupees or such other value as may be specified by SEBI.

11.3 ANNUAL DISCLOSURE

All Designated Persons shall forward to the Compliance Officer an annual statement of holdings and details of transactions in the securities of the Company including the statement of their immediate relatives in **Form-IV** within 15 days of close of the financial year.

The Designated persons shall also be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Company in **Form-IV** on an annual basis, within 15 days from the end of the Financial Year 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.

Explanation – The term “**Material Financial Relationship**” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from Designated Person during the immediately preceding 12 (twelve) months, equivalent to at least 25 (twenty five) per cent of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm’s length transactions.

11.4 DISCLOSURES BY OTHER CONNECTED PERSONS:

The Company may, at its discretion require any other Connected Person or class of Connected Persons to make disclosures of holdings and trading in securities of the Company in **Form-VI** at such frequency as may be determined by the Company in order to monitor compliance with these Regulations.

11.5 The Compliance Officer shall maintain records of all the declarations/ undertakings/ forms as mentioned in this Code, as received from time to time, for a period of five years.

11.6 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.

12. Disclosure by Company to Stock Exchange

Pursuant to Regulation 7(2)(b) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, within 2 working days of the receipt of the information under Clause 11.2 above, the Compliance Officer shall disclose to all Stock Exchanges on which the securities of the Company are listed, the information received.

13. Mechanism for prevention of Insider Trading

The Managing Director or the Whole-time Director or the Chief Executive Officer of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the Regulations to prevent insider trading. The internal controls shall include the following:

- i. Identification of all the unpublished price sensitive information and maintenance of its confidentiality,
- ii. Adequate restrictions are placed on communication or procurement of unpublished price sensitive information,
- iii. Maintenance of database of names of such persons or entities as the case may be with whom unpublished price sensitive information is shared and confidentiality agreements are signed and notice is served to all such employees and persons;
- iv. Shall review compliance under these regulations on periodical basis and update the Audit Committee at least once in a financial year.

The Managing Director or the Whole-time Director or the Chief Executive Officer of the Company shall submit an annual compliance certificate to the Audit Committee and the Board of Directors confirming compliance with Regulation 9 and Regulation 9A (1) and (2) of the Regulations.

The Audit Committee shall review compliance with the provisions of the Regulation at least once in a financial year and shall review effectiveness of internal controls and verify that the systems for internal control are adequate and are operating effectively.

14. Inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or Suspected leak of UPSI

An employee or an Insider or a designated person of the Company, upon becoming aware of an actual or suspected leak of UPSI of the Company, shall promptly inform the same to the Vigilance Officer as mentioned in the Vigil Mechanism/ Whistle Blower Policy of the Company.

An inquiry in case of leak of UPSI or suspected leak of UPSI, shall be reported and conducted in the manner as stated in the Vigil Mechanism/ Whistle Blower Policy of the Company, as approved by the Board of Directors of the Company from time to time, to the extent applicable. The said Vigil Mechanism/ Whistle Blower Policy shall be available on the website of the Company.

15. Process for how and when people are brought 'inside' on sensitive transaction(s)

The Managing Director or the Wholetime Director or the Chief Executive Officer of the Company shall decide on how and when any person(s) should be brought 'inside' on any proposed or ongoing sensitive transaction(s).

A person(s) shall be brought inside on any proposed or ongoing sensitive transaction(s) of the Company who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisor or consultants etc. for legitimate purpose which shall include the following:

- (i) in the ordinary course of business.
- (ii) in furtherance of performance of duty(ies);
- (iii) for discharge of legal obligation(s);
- (iv) for any other genuine or reasonable purpose as may be determined by the Managing Director or the Chief Executive Officer of the Company;
- (v) for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Any person(s) who has/have been brought inside on any proposed and/or ongoing sensitive transaction(s) and in receipt of unpublished price sensitive information shall be considered an "insider" for purposes of this Code and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

16. Penalty for breach of Code of Conduct

- (a) Every Designated Person/ Insiders shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- (b) Any Designated Person/ Insiders who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.
- (c) The Designated Persons/ Insiders who violate the Code of Conduct shall be subject to disciplinary action by the Company that may include wage freeze, suspension, recovery, clawback, fine, penalty etc. as may be imposed by the Managing Director or the Wholetime Director or the Chief Executive Officer of the Company. Any amount collected under this clause shall be remitted to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund (IEPF) administered by SEBI under the Securities and Exchange Board of India Act, 1992.
- (d) The action by the Company shall not preclude SEBI or other Regulatory authorities from taking any action against those who are found guilty of Insider Trading.

17. Information to the Stock Exchange(s) in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015

In case it is observed by the Company and / or Compliance Officer that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Stock Exchange(s) must be informed by the Company promptly, where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time.

18. Protection against retaliation and victimisation

Retaliation for reporting suspected violations is strictly prohibited under this Code: Employee who reports any alleged violations of insider trading laws in accordance with the informant mechanism under the Regulations, will be protected against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination.

19. Miscellaneous

1. The implementation of the Code shall be monitored by the Compliance Officer of the Company. The Board may review the Code as and when deemed necessary and make any changes or modification as it may deem fit.
2. In case of any subsequent changes in the provisions of the Regulations which make any of the provisions in the Code inconsistent with the Regulations, then the provisions of the Regulations would prevail over the Code and the provisions in the Code would be modified in due course to make it consistent with the Regulations.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(Framed under Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015)

The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended requires the Company to formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information (hereinafter referred to as the "Code") that it would follow in order to adhere to each of the principles set out in Schedule A to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Principle of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Company shall adhere to the following principles so as to ensure timely and adequate disclosure of Unpublished Price Sensitive Information (UPSI) with respect to it or its securities, which is likely to affect the price of the Company's securities and to maintain uniformity, transparency and fairness in dealing with any UPSI.

1. The Company shall make prompt disclosure to the stock exchange of any UPSI that would impact price discovery, no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company shall make uniform and universal dissemination of UPSI to avoid selective / speculative disclosure which could have an adverse impact on the market and the price discovery process.
3. The Chief Financial Officer of the Company shall act as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of UPSI.
4. The Company shall make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall provide, appropriate and fair response to queries on news reports and request for verification of market rumours by regulatory authorities.
6. The Company shall ensure that information if any shared with analysts and research personnel during meetings/discussions/conferences, is not UPSI.
7. The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences available on the website of the Company to ensure official confirmation and documentation of disclosures made.

8. The Company shall handle all UPSI on a need-to-know basis.
9. The Company shall ensure that UPSI is communicated, provided or is accessible to Insiders or procured by any person only in furtherance of legitimate purposes.

9.1 Principles for determination of Legitimate Purposes

Legitimate purpose shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

The purposes involving sharing of UPSI which shall be deemed to be legitimate, shall include, but not restricted to the following:

- Sharing of relevant UPSI in compliance with applicable laws, regulations, rules and requirements applicable to the Company;
- Sharing of relevant UPSI under any proceedings or pursuant to any order of courts or tribunals;
- For investigation or inquiry or review (internal or external) or request for information by statutory or governmental authorities or any other administrative body recognized by law;
- Sharing of relevant UPSI arising out of any contractual obligations entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;
- Sharing of relevant UPSI in conformity to the business of the Company/ is in the ordinary course of business of the Company;
- Sharing of relevant UPSI for facilitating conduct of due diligence for undertaking any transaction in the ordinary course of business;
- Sharing the relevant UPSI with consultant, advisors engaged by the Company in relation to the subject matter of the proposed deal/assignment/fund raising in relation to UPSI;
- Sharing the relevant UPSI with intermediaries/fiduciaries viz. merchant bankers, legal advisors, consultants, valuers, insolvency professionals, business support agents, transaction processing service providers in order to avail professional services from them in relation to the subject matter of UPSI;
- Sharing the relevant UPSI with business partners essential to fulfil the terms and conditions of a business contract with a client, vendor, collaborator or lender;
- Sharing the relevant UPSI with persons for legitimate business purpose, including in respect of the events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Sharing the relevant UPSI with statutory auditors, secretarial auditors, internal auditors or cost auditors in the course of performance of their duties or otherwise while obtaining any certificate, comfort or confirmation required from them, including for placing any transaction for approval before the Board;
- Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.

9.2 Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the Regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

The implementation of the Code shall be monitored by the Chief Investor Relations Officer of the Company. The Board may review the Code as and when deemed necessary and make any changes or modification as it may deem fit.

FORM I
APPLICATIONFORPRECLEARANCETRADING APPROVAL

To
The Compliance Officer
SMIFS CAPITAL MARKETS
LIMITED
Address of the Company

SUB:APPLICATIONCUMUNDERTAKINGFORTRADINGSHARESOFTHECOMPANY

Dear Sir,

I, _____, a Designated Person of SMIFS CAPITAL MARKETS LIMITED, propose to trade in the Shares of the SMIFS CAPITAL MARKETS LIMITED as per details hereunder:

Name of person proposing to trade in shares of the Company and relationship with Designated Person:	
-----------------------------------------------------------------------------------------------------	--

No. of Shares of the Company held by the person as on date of the application: _____

Sr. No.	Physical Form	Demat Form		No. of shares Presently held
	Folio No.	DPID	Client ID	

Particulars of proposed transaction in Shares of the Company:

Number of Shares held in the Company (A)	Number of Shares of the Company proposed to be Sold (B)	Number of Shares of the Company proposed to be acquired (C)	Balance holding (A)+(C)/ (A)-(B)
Name of Depository:			
DPID No.:		Client ID No.:	
Number of Shares of the Company that would be held by the person after this application (if approval granted):			
Reason for sale of shares held for less than 6 months (If applicable) [#]			

I hereby undertake and confirm that:

- 1) I shall execute the trade of Shares within 7 days of your approval failing which we shall apply against you for your approval. I shall submit a 'NIL' report if the transaction is not undertaken.
- 2) I shall hold Shares of the Company for a minimum period of 6 months from the date of acquisition (In case of application for purchase of shares).
- 3) Neither me nor my immediate relatives have any access to or have received "Price Sensitive Information" upto the time of signing this undertaking.
- 4) In case I or my immediate relatives have access to or have received "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction I will inform the Compliance Officer of the change in my

position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.

- 5) I have not contravened the prevailing Internal Code of Conduct to regulate, monitor and report trading by designated persons.
- 6) I have not entered into any opposite transaction in the previous six months and I shall not execute a contratrade within six months from execution of the proposed transaction.
- 7) I have made a full and true disclosure in this matter.

I further confirm that the aforesaid facts are true and correct and shall be fully responsible for any wrongful acts done by me or my relatives including such penalties as may be imposed by the Company.

You are requested to provide the pre-clearance of trade for the above transaction. Thanking you,

Yours sincerely,

Place: _____ Signature: _____

Date:

Name : _____

Designation :

—
&Department

E-MailIDforCommunicationofApproval:

Note:*This application has to be necessarily submitted through electronic mail at the dedicated e-mail id

cs.smifs@gmail.com and followed by a hard copy.

#Saleofsecuritiesheldforlessthan6monthsshallbeconsideredonlyifnecessitatedbypersonal emergency.

Approval/Rejection of Pre-Clearance

I _____, Compliance officer of the Company hereby _____ (Approve/Reject) the above application.

Reasons for rejection, if any:

Place:

Date: _____ Compliance Officer: _____

FORM-II

**SEBI(ProhibitionofInsiderTrading)Regulations,2015 [Regulation 7
(1) (b) read with Regulation 6(2)]-
DisclosureonbecomingaKeyManagerialPersonnel/Director/Promoter/MemberofthePromoterGroup]**

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or any other employee categorised as Designated Person of the Company and its Subsidiaries or upon becoming a Promoter or Member of the Promoter Group of the Company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (KMP/ Director Promoter/ Member of Promoter Group/ immediate relatives to/employees (Designated Person)/others, etc.)	Date of appointment of KMP/ Director/ OR Date of becoming Promoter/ Member of Promoter Group OR Date of becoming Designated Person	Securities held at the time of appointment of KMP/Director/ Designated Person or upon becoming Promoter/Member of Promoter Group	% of Shareholding	Open Interest of the Future contracts held at the time of appointment of Director/ KMP/ Designated Person/ or upon becoming Promoter/Member of Promoter Group			Open Interest of the Option Contracts held at the time of appointment of Director/ KMP/ Designated Person or upon becoming Promoter/Member of Promoter Group			
					Type of securities (For eg.- Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No.	Contract Specifications	Number of units (contracts * lotsize)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lotsize)
1	2	3	4	5	6	7	8	9	10	11	12
Self											
Immediate Relative											

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI(ProhibitionofInsiderTrading)Regulations, 2015.
In case of Options, notional values shall be calculated based on premium plus strike price of options.

Designation:

Date:

Place:

Signature: _____

FORM-III
SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7(2) read with Regulation 6(2)-Continual Disclosure]

Name of the company: _____

ISIN of the company: _____

Detail of change in holding of Securities of Promoter or Member of the Promoter Group, Designated Person or Director of the Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ Member of Promoter Group/ Designated Persons/ KMP / Directors/ immediate relatives to/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, specify		Date of intimation to company	Mode of acquisition/ disposal (on market/public rights/ preferential offer / off market/Inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed
		Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding	Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	Value	Transaction Type (Purchase/sale Pledge / Revocation / Invocation/ Others-please specify)	Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges.

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Option etc.)						Exchange on which the trade was executed			
Type of contract	Contract Specifications	Buy		Sell					
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)				
16	17	18	19	20	21		22		

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Designation:

Date:

Signature: _____

Place:

"FORM-IV"

From Name of the Designated Person:-
Designation & Department :-

To The Compliance Officer
SMIFS CAPITAL MARKETS
LIMITED

ADDRESS OF THE
COMPANY

FORMATFORCONTINUAL/ANNUALDISCLOSUREBYDESIGNATEDPERSON

I. SHAREHOLDINGSOFDIRECTORS/PROMOTER/DESIGNATEDPERSONORPERSONWHOISPARTOFPROMOTERGROUPINOWNNAME

Name and PAN	Phone, mobile or cell number	Designation & Department	No. of Shares held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during the year ended 31st March	No. of Shares held as on 31st March	Folio No./DPID & Client ID

II. DETAILSOFSHAREHELD BY IMMEDIATE RELATIVE(S)

Name and PAN	Phone, mobile or cell number	Relationship	No. of Shares held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during the year ended 31st March	No. of Shares held as on 31st March	Folio No./DPID & Client ID

Note: *Immediate Relative* means a spouse of a person and includes parent, sibling, and child of that person or of the spouse, if they are either dependent financially on such person, or consults such person in taking decisions relating to trading in securities

III. DETAILSOFPERSON(S)WITHWHOMDESIGNATEDPERSONSHARESAMATERIALFINANCIALRELATIONSHIP

Name and PAN	Phone, mobile or cell number	No. of Shares held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during the year ended 31st March	No. of Shares held as on 31st March	Folio No./DPID & Client ID

Note: "Material Financial Relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from Designated Person during the immediately preceding 12 (twelve) months, equivalent to at least 25 (twenty five) per cent of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm's length transactions.

I hereby declare and confirm that I shall not enter into any opposite transaction i.e. selling or buying any number of shares during the next six months following the prior transaction. Date:

Place: _____ Signature: _____

"FormV"
SMIFS CAPITAL MARKETS LIMITED

FORMATFORONE-TIMEDISCLOSUREBYDESIGNATEDPERSON

[In terms of Clause 14 of Schedule B to the SEBI (Prohibition of Insider Trading) Regulations, 2015]

From Name of the Designated Person:-
 Designation & Department :-

To The Compliance Officer
 SMIFS CAPITAL MARKETS
 LIMITED
 ADDRESS OF THE
 COMPANY

I, _____, in my capacity as a Designated Person of SMIFS CAPITAL MARKETS LIMITED hereby submit the following details as on _____ (date of becoming a Designated Person).

DetailsofDesignatedPerson:

PAN	Phone, mobile or cell number	Names of Educational Institutions from which designated person have graduated	Names of Past Employers	DPID/ClientID

DetailsofImmediateRelative(s):

Name of Immediate Relatives	Relationship	PAN	Phone, mobile or cell number	DPID/ClientID

Note: Immediate Relative means a spouse of a person and includes parent, sibling, and child of that person or of the spouse, if they are either dependent financially on such person, or consults such person in taking decisions relating to trading in securities

DetailsofPerson(s)withwhomDesignatedPersonsharesamaterialfinancialrelationship:

Name of the Person	PAN	Phone, mobile or cell number	DPID/ClientID

Note: "Material Financial Relationship" shall mean a relationship in which one person is a recipient of any kind of payments such as by way of a loan or gift from Designated Person during the immediately preceding 12 (twelve) months, equivalent to at least 25 (twenty five) percent of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm's length transactions.

Date:
 Place:

Signature: _____

FORM-VI
SEBI(ProhibitionofInsiderTrading)Regulations,2015
Regulation7(3)–TransactionsbyOtherconnectedpersonsasidentifiedbytheCompany

Name, PAN, CIN/DIN, & address with contact nos. of other connected personsas identified by the Company	Connection with the Company	Securitiesheldprior to acquisition/disposal		Securities acquired/Disposed				Securitiesheldpost acquisition/disposal		Date of allotmentadvic e/ acquisition of shares/ disposalofshares,		Date of intimation to company	Mode of acquisition/ disposal (on market/public rights/ preferential offer / off market/Inter- se transfer, ESOPs, etc.)	Exchange on which thetrade was executed
		Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.and % of share- holding	Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	Value	Transaction Type (Purchase/sale Pledge / Revocation / Invocation/ Others-please specify)	Type of securities(For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.and%of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note:(i) "Securities"shall havethemeaning asdefinedunderregulation2(1)(i)ofSEBI(ProhibitionofInsiderTrading)Regulations,2015.

(ii) Valueoftransactionexcludestaxes/brokerage/anyothercharges.

Detailsoftradinginderivativesonthesecuritiesofthecompanybyotherconnectedpersonsasidentifiedbythe Company

Tradinginderivatives(Specifytypeofcontract,FuturesorOptionsetc.)						Exchangeonwhichthetrade wasexecuted			
Typeof contract	ContractSpecifications	Buy		Sell					
		NotionalValue	Number of units (contracts*lotsize)	NotionalValue	Number of units (contracts*lotsize)				
16	17	18	19	20	21		22		

Note:IncaseofOptions,notionalvalueshallbecalculatedbasedonPremiumplusstrikepriceofoptions.

Designation:

Signature:_____

Date:

Place:
