# CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

**The policy has been adopted and approved by the Board of Directors at its meeting held on 22nd February, 2021**

CIN : L72900GJ2017PLC096975
079-4894 0505
info@naapbooks.com
www.naapbooks.com
3rd Floor, Broadway Business Center,
Law Garden, Ahmedabad - 380006

Naapbooks Limited

**INTRODUCTION:**

Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulation, 2015 requires a listed company to formulate and publish on its official website a "Code of Practices and Procedures for Fair Disclosure of "Unpublished Price Sensitive Information (UPSI)" in adherence to the principle set out in Schedule A to the said Regulations.

This code was approved and adopted by the Board of Directors in their meeting held on1st August, 2018 and came into force from the same date. Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the code has been amended and has been approved and adopted by the Board of Directors in their meeting held on 30th March 2019. The Code shall come into effect from 1st April, 2019.

Words and expressions used but not defined in this Code shall have the same meaning as assigned to them in the SEBI (Prohibition of Insider Trading) Regulations, 2015 or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made there-under, as the case may be or in any amendment thereto.

Thiscode is subject to review by the Board of Directors as and when deemed necessary.

**OBJECTIVE:**

In accordance with the abovementioned Regulations and in order to prevent the confidentiality and misuse of unpublished price sensitive information, the Board of Directors of **NAAPBOOKS LIMITED**has approved and adopted this code.

**UNPUBLISHED PRICE SENSITIVE INFORMATION:**

"Unpublished Price Sensitive Information" (UPSI) means any information, relating to the company or its securities, directly or indirectly, that is not generally available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 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, delisting, disposals and expansion of business and such other transactions;

(v) changes in key managerial personnel.

**PRINCIPLES TO BE ADHERED TO FOR PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:**

Naapbooks Limited shall follow the below mentioned Principles for Fair Disclosure of Unpublished Price Sensitive Information:

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

**Communication or procurement of Unpublished Price Sensitive Information**

1. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or 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.
2. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**Determination of Legitimate Purposes:**

The term legitimate purpose shallinclude:

1. sharing of unpublished price sensitive information in the ordinary course of business by an insider withpartners, 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 SEBI (Prohibition of Insider Trading) Regulations, 2015.
2. sharing of unpublished price sensitive informationfor performance of duties or discharge of legal obligations.

**Policy Review:**

The Code may be reviewed by the Board of Directors and necessary amendments may be incorporated therein. All the provisions as mentioned under this policy are subject to any amendments or modifications as may be made in the applicable regulations from time to time.

**********

# Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015

CIN : L72900GJ2017PLC096975
079-4894 0505
info@naapbooks.com
www.naapbooks.com
3rd Floor, Broadway Business Center,
Law Garden, Ahmedabad - 380006

Naapbooks Limited
#startupindia
ISO 9001:2015
CMMI level 3

## Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives.

### 1. INTRODUCTION AND APPLICABILITY:

Pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 all listed companies are required to implement a Code of Conduct to regulate, monitor, and report trading by its designated persons and immediate relatives of designated persons towards achieving the compliance with the aforementioned regulations.

This code of conduct was approved and adopted by the Board of Directors in their meeting held on 1st August, 2018 and it came into force from the same date. Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the code has been amended and has been approved and adopted by the Board of Directors in their meeting held on 30th March 2019. The Code shall come into effect from 1st April, 2019.

**Applicability:**

The following designated persons have been covered under this Code of Conduct on the basis of their role and function and the access that such role and function would provide to Unpublished Price Sensitive Information (UPSI) in addition to seniority and professional designation:

1. Promoter and Promoter Group;
2. Directors;
3. Company Secretary and Chief Financial Officer;
4. Connected Persons as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
5. Employees of the company, intermediary or fiduciary designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors;
6. All promoters who are individuals or investment companies for intermediaries or fiduciaries;
7. Employees upto two levels below Chief Financial Officer of the company, intermediary, fiduciary and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
8. Any support staff of the company, intermediary or fiduciary such as IT staff or secretarial staff who have access to unpublished price sensitive information.

## 2. DEFINITIONS:

1. . **"Act"** means the Securities and Exchange Board of India Act, 1992 and any amendments thereto;

2. **"Board"** means the Securities and Exchange Board of India;

3. **"Board of Directors**" means the Board of Directors of Naapbooks Limited;

4. **"Code of Conduct**" shall mean this Code of Conduct;

5. **"Company"** means Naapbooks Limited;

6. **"Companies Act"** means Companies Act, 2013 and the Rules made there under and any amendments thereto;

7. **"Compliance Officer"** means any senior officer, designated so and reporting to the board of directors or head of the organization in case board of directors is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these 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 these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be;

[Explanation – "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows];

The Company Secretary of the Company has been designated as the Compliance officer to administer this code of conduct and other requirements under the SEBI (Prohibition of Insider Trading) Regulations who shall work under the overall supervision of Board of Directors.

8. **"Connected Person"** means:

   i. any person who is or has during six months prior to the concerned act been associated with the 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 any employee of the Company or holds any position including professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access;

ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established –

(a) an immediate relative of connected persons specified in clause (i); or
(b) a holding company or associate company or subsidiary company; or
(c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
(d) an investment company, trustee company, asset management company or an employee or director thereof; or
(e) an official of a stock exchange or of clearing house or corporation; or
(f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
(g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
(h) an official or an employee of a self – regulatory organization recognized or authorized by the Board of directors; 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 percent of the holding or Interest;

**Note:** It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

9. **"Designated Person(s)"** means:

i. All promoters and members of the promoter group of the Company;
ii. Members of the Board of Directors of the Company;
iii. Company Secretary, Chief Financial Officer;
iv. Auditors of the Company;
v. All employees of the Accounts, Finance, Legal & Secretarial Department of the Company;

vi. Employees up to two levels below of Chief Financial Officer of the Company irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;

vii. Any support staff of the Company, such as IT staff or secretarial staff, Legal Staff, Finance Staff who have access to unpublished price sensitive information;

viii. Person in possession of or having access to unpublished price sensitive information.

10. **"Fiduciary"** shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks, etc. assisting or advising listedcompanies.

11. **"Generally available information"** means information that is accessible to the public on a non-discriminatorybasis;(Information published on the website of a stock exchange, would ordinarily be considered generally available.)

12. **"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;

Note: It is intended that the immediate relatives of a" connected person" too become connected persons for purposes of these regulations. Indeed, this is a rebuttable presumption.

**"Insider"** means a person who is:

a. a connected person;or
b. in possession of or having access to unpublished price sensitiveinformation;

**Note:** Since "generally available information" is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an "insider" regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or thathe has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.

13. **"Key Managerial Person or "KMP"** means person as defined in Section 2(51) of the Companies Act, 2013 as amended from time totime;

14. **"Legitimatepurpose"**shallincludesharingofunpublishedpricesensitiveinformation 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 prohibition of theseregulations.

15. **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange BoardofIndia(IssueofCapitalandDisclosureRequirements)Regulations,2018orany modificationthereof;

16. **"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 modificationthereof;

17. **"Regulations"** mean the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendmentthereto;

18. **"Relatives"** means a person, as defined in Section 2 (77) of the Companies Act, 2013 and any other amendmentsthereto;

19. **"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 mutualfund;

20. **"Specified"** means specified by SEBI inwriting;

21. **"Takeover Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendmentsthereto;

22. **"Trading"** means and includes subscribing, buying, selling, dealing or agreeing to subscribe,buy,sell,dealinanysecurities,and"trade"shallbeconstruedaccordingly;

**Note:** Under the parliamentary mandate, since the Section 12A (e) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the

Term "trading" to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc. when in possession of unpublished price sensitive information.

23. **"Tradingday"**meansadayonwhichrecognizedstockexchangeareopenfortrading;

24. **"Unpublished Price Sensitive Information"** 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: -

a. financial results;
b. dividends;
c. change in capitalstructure;
d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such othertransactions;
e. changes in the key managerialpersonnel;

**Note:** It is intended that information relating to a company or securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming in to the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitiveinformation.

Words and expressions used in this Code of Conduct and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulations) Act, 1956, The Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations made there under shall have the meanings respectively assigned to them in those legislations.

## 3. RESTRICTIONS ON COMMUNICATION AND TRADING BYINSIDERS:

### A. Communication or procurement of unpublished price sensitiveinformation:

1. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or 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.
2. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legalobligations.

   Any person in receipt of unpublished price sensitive information pursuant to "legitimatepurpose"shallbeconsideredan"insider" andduenoticeshallbegivento such persons to maintain confidentiality of such unpublished price sensitive information in compliance with theseregulations.

3. Not with standing anything contained in this regulation, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would: –

   (i)Entail an obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover Regulations), 2011 where the board of directors is of informed opinion that sharing of such information is in the best interests of the company;

   (ii) not attract the obligation to make an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover Regulations), 2011 but where the board of directors 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 and it shall be adequate and fair to cover all relevant and material facts.

4. The board of directors shall require the parties with whom the unpublished price information is shared 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 purpose of sub-point 3, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitiveinformation.

5. The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

## 4. TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

1. No insider shall trade in securities when in possession of unpublished price sensitive information:

   When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated the SEBI (Prohibition of Insider Trading) Regulation. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in the aforementioned Regulation, failing which he would have violated theprohibition.

## 5. TRADING PLANS.

1. An insider shall be entitled to formulate a trading plan 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.

2. Such trading plan shall:–

(i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of theplan;

(ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the is sure of the securities and these condtrading day after the disclosure of such financial results;

(iii) entail trading for a period of not less than twelvemonths;

(iv) not entail overlap of any period for which another trading plan is already inexistence;

(v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the interval sat, or dates on which such trades shall be effected; and

(vi) not entail trading in securities for marketabuse.

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

   Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

   Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved tradingplan.

4. The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the tradingplan.

5. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

**Trading window and its closure.**

1. Designated persons may execute trades subject to compliance with these regulations. Towards this end, an optional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information.

Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window isclosed.

2. Trading restriction period can be made applicable from the end of every quarter/half year (as may be applicable to the Company from time to time) till 48 hours after the declaration of financial results.

3. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

4. The timing for re-opening of the trading window 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 as simulation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
5. The Trading window shall inter-alia be closed at least before 7 days of the happening of the following events and it shall re-open 48 hours after the publication of the price sensitive information
   i. declaration of financialresults;
   ii. declaration ofdividends;
   iii. change in capitalstructure;
   iv. issue of securities by way of public/ rights/ bonusetc.;
   v. any major expansion plan or execution of newproject;
   vi. amalgamation, mergers, takeovers or buy-back ofsecurities;
   vii. any changes inKMP;
   viii. disposal of the whole or substantially the whole of undertaking;
   ix. any major change in the policies, plans or operations of theCompany;
   x. any other event as may be notified by the Compliance Officer from time to time with the approval of Chairman and Managing Director of theCompany.

6. When the trading window is open, trading by designated persons shall be subject to pre- clearance by the compliance officer, if the value of the proposed trades is above such thresholds as stipulated by the board of directors.

**Pre-clearance of trades.**

1. When the trading window is open, trading by designated persons shall be subject to pre-clearancebytheComplianceOfficer,ifthevalueoftheproposedtradesisabove Rupees 10,00,000/- (Rupees Ten LakhOnly)

2. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being renderedinaccurate.

3. The trades that have been pre-cleared shall be executed by the designated person in not more than seven trading days, failing which fresh pre-clearance would be needed for the trades to beexecuted.

4. The Designated Persons who buy or sell any number of shares of the Company shall not enter into contra trade i.e. sell or buy any number of shares during the six months after the prior transaction. 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 the SEBI(Prohibition of Insider Trading) Regulations, 2015.Provided that this shall not be applicable for trades pursuant to exercise of stock options.

5. Providedthatpre-clearanceoftradesshallnotberequiredforatradeexecutedasper an approved tradingplan.

6. For the purpose of pre-clearance, an application shall be made to the Compliance Officer in Form E attachedherewith.

7. An undertaking, in Form F shall be executed in favour of the Company by such designated person incorporating, inter alia, the following clauses, as may be applicable:

    a. That the designated person does not have any access to or has not received any Price sensitive information up to the time of signing the undertaking.

b. That in case the designated person has access to or receives Price sensitive information after the signing of the undertaking but before the execution of the transaction, the designated person 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 as notified by the Company from time totime.

d. That he/she has made a full and true disclosure in thematter.

**6. DISCLOSURES OF TRADING BY INSIDERS.**

**A. GeneralProvisions.**

1. Every public disclosure under this part shall be made in such forms may be specified.

2. The disclosures to be made by any person under this part shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes tradingdecisions.

3. The disclosures made under this part shall be maintained by the Company, for a minimum period of five years, in such form as may bespecified.

**7. DISCLOSURES BY CERTAIN PERSONS.**

1. Initial Disclosures.
   a. Every promoter, member of the promoter group, key managerial personnel and director shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect;
   b. Every person on appointment as key managerial personnel or a director of the company or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming apromoter.

2. Continual Disclosures
    a. Every promoter, member of the promoter group, designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may bespecified;
    b. Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of suchinformation.

       Explanation. — It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this point, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) of sub-point (2).

3. Disclosures by other connectedpersons.

   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 such form and at such frequency as may be determined by the company in order to monitor compliance with these regulations.

4. Annualsubmissions

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 bythem

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

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 during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.

## 8. MECHANISM FOR PREVENTION OF INSIDER TRADING.

In order to comply with the provisions of SEBI (Prohibition of Insider Regulations), 2015, the Board has approved and adopted the below measures for preventing insider trading:

1. The Board of Directors shall formulate and publish on the official website of the Company, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow to adhere to each of the principles as set out under Schedule A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time totime.

   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 exchange.

2. The Managing Director of the Company must ensure that there remains an adequate and effective system of internal controls in place which ensures compliance with the SEBI (Prohibition of Insider Trading) Regulations including periodic process review to evaluate the effectiveness of such internalcontrols;

3. Alltheemployeeswhohaveaccesstounpublishedpricesensitiveinformationshallbe identified as designatedemployees;

4. All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of aforementioned regulations.
5. Adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by the aforementioned regulations;

6. List of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees andpersons;

7. The Board of Directors must spread awareness amongst the insiders regarding the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of suchinformation.

8. All other relevant requirements specified under the aforementioned regulations shall be complied with;

9. The Audit committee shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operatingeffectively.

10. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors but not less than once in ayear.

11. If it is observed by the company that there has been a violation of aforementioned regulations, it shall inform the Boardpromptly.

## 9. INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

9.1 Overview.

Pursuant to the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, a written policy and procedures for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information (UPSI) needs to be framed so that necessary actions can be initiated against such instances and steps can be taken to curb the further occurrence of any leakages of UPSI.

Leakage of UPSI is a situation wherein Price Sensitive Information of the Company is disclosed or is made available or accessible from within the Company to un-authorized person(s) before the same has been made/announced as generally available information by the Company.

Such circumstances can cause serious market reactions and can harm the goodwill of the Company amongst its stakeholders.

9.2 Objective: These procedures are aimedto

(i) restrict the leakages of UPSI;
(ii) provide a precautionary list of handling UPSI withresponsibility;
(iii) initiate appropriate inquiries against leak or suspected leak ofUPSI;
(iv) take disciplinary actions, as considered necessary, against the Insider, Employee or Designated Person who is found guilty of violating the provisions of thispolicy;

9.3 Precautions:

(i) All the insiders, designated persons and employees who are entrusted with UPSI must handle the same with reasonable care, must maintain the confidentiality and must not disclose the same unless it is in furtherance of any legitimate purpose, performance of duties or discharge of legal obligations;
(ii) In case of any UPSI is required to be provided, the person providing the information shall consult Managing Director/Compliance Officer/ in advance.
(iii) If the UPSI is shared in furtherance of any legitimate purpose, performance of duties or discharge of legal obligations then due notice shall be givento such persons to maintain confidentiality of UPSI;
(iv) The Code of Practices and Procedures for fair disclosure of UPSI must be strictly adhered to in order to prevent any misuse ofUPSI;
(v) All the information shall be handled within the organization on a need to knowbasis;

9.4 InquiryProcess:

(i) The Compliance officer must keep the Board of Directors updated about any information related to leak or suspected leak ofUPSI;
(ii) All the matters concerning leak or suspected leak of UPSI, will be thoroughly investigated by the ComplianceOfficer;
(iii) The Compliance officer shall have the power to call for personal information/documents from insider and to ask concerned insider for personal presence, examination, cross examination etc.;

(iv) The Compliance officer must prepare a report on such leak or suspected leak of UPSI as early as possible and not later than seven days and must submit the same to the AuditCommittee;

(v) The Compliance officer shall have the power to retain the documents gathered during investigation;
(vi) The Audit Committee shall meet as early as possible on receiving the reports from the Compliance officer;
(vii) The Audit Committee must analyze the matter and based on their findings, if the case is not maintainable the same may be dismissed and if it is found that the matter requires further investigation, then the same may be ordered, depending upon the severity of the case;
(viii) The Audit Committee may after due approval from the Board of Directors take help from external agencies for complete investigations.
(ix) The Audit Committee must direct the Compliance Officer to inform the Board promptly of such leaks, inquiries and results of suchinquiries.

9.5 DisciplinaryAction

The Disciplinary Action(s) may include, wage freeze, suspension, recovery claw-back, termination, demotion, etc., as may be decided by the Members of the Audit Committee or Board of Directors, in addition to the action to be initiated by SEBI, if any.

## 10. CHINESE WALLPROCEDURE

In order to prevent the scattering of confidential and price sensitive information, the Company has framed Chinese wall process separating the departments that receive and have access to UPSI from the departments related to Marketing, Sales, etc. that do not deal with UPSI.

Precautions:

(i) The department dealing with UPSI must not communicate in anyway, through any medium the confidential and price sensitive information of the Company to the unauthorized department.
(ii) The IT support staff of the Company must be directed periodically to keep the systems of the Company secure and password protected wherever needed;

(iii) The UPSI should be handled on need to know basis. It should be disclosed only to those who require the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

(iv) Any price sensitive information received by any employee, directly or indirectly should immediately be reported to the Compliance Officer, who shall take appropriate actions asneeded.

(v) In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of" need to know" criteria, under intimation to the ComplianceOfficer.

Crossing the wall:

Under exceptional circumstances, where employees from other department require confidential information, they may be allowed to cross the wall, within the purview of giving the information on need to know basis and with complete intimation to the Compliance Officer of the Company, who shall supervise the same.

## 11. PENALTY FOR CONTRAVENTION OF THIS CODE OFCONDUCT.

1. Every Designated person shall be individually responsible for complying with the provisions of the Code( including to the extent the provisions hereof are applicable to his/her Immediate Relatives).
2. Any Designated person who trades in Securities or communicates any information for trading in Securities, in contravention of this Code will be penalized and appropriate action may be taken as decided by the Board ofDirectors.
3. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

## 12. Policy Review:

The Code may be reviewed by the Board of Directors and necessary amendments may be incorporated therein. All the provisions mentioned under this policy are subject to any amendments or modifications that may be made in the applicable rules and regulations from time to time.

**FORM A**

**SEBI (Prohibition of Insider Trading) Regulations,2015**

**[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to thecompany] (Part 7 (1) (a) read with Part 6 of this Code ofConduct)**

Name ofthe Company:_____

ISIN of theCompany:_____

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

| Name, PAN, CIN/DIN & address with contactnos. | Category of Person (Promoters/KMP/Directors, /Immediate Relative to/ others etc.) | Securities held as on the date of regulation coming into force | | % of Shareholding |
|---|---|---|---|---|
| | | Type of security (For eg. – Shares, Warrants, Convertible Debenturesetc.) | No. | |
| **1** | **2** | **3** | **4** | **5** |

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

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6 (2).**

| 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 | | |
|---|---|---|---|---|---|
| Contract Specifications | Number of units (Contracts* Lot Size) | Notional Value in Rupee terms | Contract Specifications | Number of units (Contracts* lot size) | Notional value in Rupee terms |
| **6** | **7** | **8** | **9** | **10** | **11** |

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

Name & Signature:
Designation:

Date:
Place:

## Form D

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**Regulation 7 (3) – Transactions by other connected persons as identified by the company (Part 7 (3) read with Part 6 of this Code of Conduct)**

**Details of trading in securities by other connected persons as identified by the company.**

| Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the Company | Connection with company | Securities held prior to acquisition/ disposal | | Securities acquired/disposed | | | | Securities held post acquisition / disposal | | Date of allotment advice/acquisition of shares/ sale of shares specify | | Date of intimation to the company | Mode of acquisition/ disposal (on market/public/rights/Preferential offer/off market/ Inter-se transfer, ESOPs etc.) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of shareholding | Type of Security (for eg. – Shares, warrants, convertible debentures etc.) | No. | Value | Transaction Type (Buy/ Sale/ Pledge/Revoke/nvoke) | Type of Security (For eg. – Shares, Warrants, Convertible Debenture s etc.) | No. and % of shareholding | From | To | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |

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

**Details of trading in derivatives by other connected persons as identified in Regulation 6 (2)**

| Trading in derivatives (Specify type of contract, Futures or Options 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) | |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |

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

Name &
Signature: Date:
Place:

**FORM E**

**Application for Pre-clearance of Trade under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

To,

The Compliance Officer,
**NAAPBOOKS LIMITED**
3rd Floor, Broadway Business Center,
Law Garden- 380006,
Ahmedabad, Gujarat.

**SUBJECT: APPLICATION FOR PRE-CLEARANCE OF TRADING IN SECURITIES OF THE COMPANY**

Dear Sir/Madam,

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase/sale/subscribe_____ equity shares of the Company as per details givenbelow:

| | | |
|---|---|---|
| 1. | Name of the Applicant | |
| 2. | Designation | |
| 3. | Number of securities held as on date | |
| 4. | Folio No. / DP ID / Client ID No.) | |
| 5. | Name of the Immediate relative/Dependent, if the transaction is to be executed by them. | |
| 5. | The proposal is for | (a) Purchase of securities<br>(b)Subscription to securities<br>(c) Sale of securities |
| 6. | In case of Re-application, Reasons for Re-application | |
| 7. | Proposed date of dealing in securities | |
| 8. | Estimated number of securities proposed to be acquired/subscribed/sold | |
| 9. | Price at which the transaction is proposed | |
| 10. | Current market price (as on date of application) | |
| 11. | Whether the proposed transaction will be through stock exchange or off-market deal | |
| 12. | Folio No. / DP ID / Client ID No. where the securities will be credited / debited | |

I enclose herewith the form of Undertaking signed by me.

Name: PAN:_____

Signature:

Date:

Place :

**FORM F**
**UNDERTAKING**

To,
The Compliance Officer,
**NAAPBOOKS LIMITED**
3rd Floor, Broadway Business Center,
Law Garden- 380006,
Ahmedabad,
Gujarat.

**Sub: Undertaking for Pre-clearance of Trade under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.**

Dear Sir/Ma'am,

In relation to the above dealing, I undertake that:

i. I have no access to nor do I have any information that can be construed as price sensitive information up to the time of signing of theundertaking.
ii. In the event I get access to or receive price sensitive information after the signing of this undertaking but before executing the transaction, for which approval is sought, I shall inform the Compliance Officer of the change and shall refrain from dealing in securities of the Company till the information is madepublic.
iii. I have not contravened the Code of Conduct to Regulate, Monitor and Report Trading by Insiders as notified by the Company from time totime.
iv. I have made a full and true disclosure in thematter.
v. I hereby declare that I shall execute my order in respect of securities of the Company within 7 days after the approval of pre-clearance is given. If the order is not executed within 7 days after the approval is given, I undertake to obtain pre-clearance for the transactionagain.

Name:
Signature
:

Date:
Place
:

**Specimen for**
**PRE-CLEARANCE ORDER**
**Pre-Clearance Order**

To,
Name (Applicant):
Designation:

This is to inform you that your request for dealing in shares of the Company as mentioned in your pre-clearance application dated_____is approved. Please note that the said trade must be completed onorbefore_____[date].

In case you do not execute the approved trade on or before the aforesaid date you would have to seek fresh pre-clearance before executing any trade in the securities of the Company. Further, you are required to submit the details of the executed transactions in the prescribed form. In case the transaction is not undertaken a 'Nil' report shall benecessary.

_____
**Compliance Officer**

**Date:**

**Place:**

**FORM G**

**Reporting of Transactions**

**(To be submitted within 2 trading days of transactions)**

To,
The Compliance Officer,
**NAAPBOOKS LIMITED**
3rd Floor, Business Broadway Center,
Law garden,
Ahmedabad –380 059,
Gujarat.

Dear Sir/Ma'am,
I hereby report that I have dealt in the Equity shares of the Company as tabulated below:

| Sr. No. | Folio No./ DP ID-Client ID | Date of Transaction | Name | Number of Equity Shares | Acquired/Sold | Total Equity Shares as on reporting date |
|---|---|---|---|---|---|---|
| | | | | | | |

Or
IherebyreportthatIhavenotdealtintheEquitySharesoftheCompanyaspermyapplication of pre-clearance oftradedated_____and as approved byyouon_____due tothe below mentionedreason(s):

1._____
2. _____

I declare that the above information is correct and that no provisions of the Company's Code of Conduct and/or applicable laws/SEBI (Prohibition of Insider Trading) Regulations, 2015 have beenviolated.

Signature:_____
Name:_____ Designation:_____
_____