

# **STORE ONE RETAIL INDIA LIMITED**

## **Code of Conduct for Prevention of Insider Trading**

(Effective from May 15, 2015)

### **(I) Introduction**

Store One Retail India Limited (“the Company”) with the aim of preventing insider trading and to preserve the confidentiality of un-published price sensitive information and in ensuring adherence to all applicable laws and regulations, hereby notifies the Code of Conduct for Prevention of Insider Trading to be followed by all employees / Designated Persons and their Immediate Relatives (as defined herein)

### **(II) Definitions**

#### **1. “Designated Persons”**

Following category of employees have been designated as “Designated Persons” for the purpose of this Code of Conduct:

- i) Insider;
- ii) Promoter or Promoter group;
- iii) Directors of the Company;
- iv) Permanent invitees / invitees to the board meetings and committee meetings including personal assistant / secretary;
- v) Members of executive committee of the Company not being directors including personal assistant / secretary;
- vi) Employees in the cadre of Assistant General Manager and above;
- vii) personal assistant / secretary to all the above persons;
- viii) all other employees of the Company and its subsidiaries and associate companies, irrespective of their cadre in central accounts finance treasury and tax departments, secretarial, legal and compliance departments, internal audit department, business / investor’s relations and corporate communications department, and chief executive officer/ managing director’s department and chairman's department.
- ix) persons employed on contract basis and performing similar roles or having similar responsibilities as persons mentioned in (iv) to (viii) above;
- x) and such other persons as may be notified by the Compliance Officer.

#### **2. “Compliance Officer” means Company Secretary of the Company, who shall be reporting to the Board of Directors.**

3. **“Immediate Relatives”** for this purpose means spouse, parent, siblings and child of the person (employees of the Company, its subsidiaries, Designated Persons and the Connected Persons as defined in the Regulations), who are either financially dependent on such person or consult such person in taking decisions relating to trading in Securities of the Company;
4. **“Regulations”** shall mean Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
5. **“Securities”** shall mean and include shares and derivatives or other securities of the Company as defined under the Securities Contracts Regulation Act and Rules.
6. **“Trading”** means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in Securities and “trade” shall be construed accordingly.
7. **“Unpublished Price Sensitive Information” (UPSI)** means any information, directly or indirectly related to the Company, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities of the Company, ordinarily including but not restricted to, information relating to the following:-
  - (i) periodical financial results of the Company;
  - (ii) intended declaration of dividends (both interim and final);
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delisting, disposal and expansion of business;
  - (v) any change in Key Managerial Personnel of the Company; and
  - (vi) any material events in accordance with the listing agreement.
8. **“Other Words and expressions”** means words and expressions used and not specifically defined herein, as the same have been defined to mean under the Regulations; the Securities Contracts (Regulation) Act, 1956, the SEBI Act, 1992, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules framed thereunder.

### **(III) Duties of the Compliance Officer**

1. He/ She shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of UPSI, pre-clearing of all the trades of all the employees of the Company and its subsidiaries (hereinafter referred as “the Employees”) including Designated Persons and their Immediate Relatives (directly or through respective department heads, as may be decided by the Company from time to time), monitoring of trades and the implementation of

the Code of Conduct under the overall supervision of the Board of the Company.

2. He/ She shall assist in addressing any clarifications regarding the Regulations and the Company's Code of Conduct.
3. He/ She shall maintain records of all the declarations in the appropriate form for a period prescribed under applicable Regulations.

**(IV) Preservation of “ Unpublished Price Sensitive Information”**

Employees / Designated Persons shall maintain the confidentiality of all UPSI. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for entering into any trade in the Securities of the Company or in any other manner whatsoever nor shall they allow or facilitate access to such information.

**(V) Prevention of misuse of “ Unpublished Price Sensitive Information”**

1. The Company shall specify a trading period from time to time to be called "Trading Window", for trading in the Company's Securities. The trading window shall be closed during the time the information referred to in para (V) 3 is un-published.
2. Employees / Designated Persons and Immediate Relatives shall not trade in the Securities of the Company during the Closure of the “Trading Window” i.e. the period during which trading in Securities of the Company is prohibited.
3. The “Trading Window” shall be, closed Inter alia at the time of : -
  - (i) periodical financial results of the Company;
  - (ii) intended declaration of dividends (both interim and final);
  - (iii) mergers, de-mergers, acquisitions, delisting, disposal and expansion of business; and
  - (iv) any material events in accordance with the listing agreement.

The period of commencement of closure of Trading Window shall be intimated, in advance, by the Company, from time to time.

4. The Trading Window shall be opened 48 hours after the information referred to in para 3 or any other information which could be deemed to be of a price sensitive nature, becomes public.
5. All Employees / Designated Persons and Immediate Relatives shall trade in the Securities of the Company only during the free period and not during the

periods when Trading Window is closed, as referred to in para (V) 3 above or during any other period as may be specified by the Company from time to time.

6. The Trading Window shall also be applicable to persons who are having contractual or fiduciary relations with the Company including the Auditors, Accountancy Firms, Law Firms etc., assisting or advising the Company.

**(VI) Pre-clearance of Trades**

1. All Employees / Designated Persons, for themselves and also for their Immediate Relatives, who intend to trade in Securities of the Company, aggregating to trade value of Rupees Ten Lacs or more, during a calendar quarter, should obtain a pre-clearance of the transactions.
2. An application for pre-clearance of the proposed transaction shall be made in attached format (Application for Pre-Clearance of Trade) in this regard, to the Compliance Officer.
3. An undertaking shall be executed in favour of the Company, in the attached format.
4. All Employees / Designated Persons and Immediate Relatives shall execute their order for trading in the Securities of the Company within one week after the approval of pre-clearance is given, failing which fresh pre-clearance would be needed for the trades to be executed.
5. No Employee / Designated Person and Immediate Relatives, shall apply for pre clearance of any proposed trade when in possession of an UPSI, even if the trading window is not closed.

**(VII) Restriction on opposite transaction till six months**

All Designated Persons and their Immediate Relatives who trade in the Securities of the Company shall not execute a contra trade, during the next six months following the preceding transaction.

*For the sake of clarity, if any Designated Person and their Immediate Relatives has bought or has been allotted any shares / Securities of the Company (including under ESOPs / Preferential Issue), he / she cannot sell any Securities of the Company, within a period of six months, from the date of such purchase / allotment.*

*Similarly, in case any Designated Person and their Immediate Relatives has sold any Securities, he / she cannot acquire any Securities, including by way of allotment through ESOPs / Preferential Issue, within a period of six months, from the date of such sale.*

**(VIII) Reporting Requirements for transactions in Shares**

1. The following disclosures of the Securities held in the Company shall be made to the Compliance Officer :
  - (a) Every person on appointment as the key managerial personnel or a director of the Company or upon becoming its promoter, shall disclose his holding of the Securities of the Company, as on the date of appointment, or becoming a promoter, to the Company, within seven days of such appointment or becoming a promoter;
  - (b) Every promoter, employee or director of the Company and its subsidiaries shall disclose the number of such Securities, purchased or sold within 2 (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 Rs. Ten Lacs. The disclosure shall be made in the format prescribed for the purpose under the Regulations.

*For the avoidance of doubts, it is clarified that the disclosure of the incremental transaction, after any disclosure under (b) above, shall be made, when the transactions effected after the prior disclosure cross the threshold limit of Rs. Ten Lacs.*

**(X) Penalty for contravention of code of conduct**

1. Any Employees including Designated Person, who himself/herself or through his/her Immediate Relatives trades in Securities of the Company or communicates any UPSI, for trade in Securities or facilitates the communication of such information, in contravention of this Code of Conduct may be penalized and appropriate action may be taken by the Company.
2. Designated Person who violates the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, withholding of promotions and including ineligibility for future participation in employee stock option plans, etc.
3. The action by the Company shall not preclude SEBI from taking any action against any Employee including Designated Person in case of violation of these Regulations & Company's Code of Conduct.

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**APPLICATION FOR PRE-CLEARANCE OF TRADE**

Date : \_\_\_\_\_

The Compliance Officer  
Store One Retail India Limited  
M - 62 & 63, First Floor,  
Connaught Place,  
New Delhi – 110 001

Dear Sir,

**Sub. : Application for Pre-Clearance of Trade to be executed by Designated Persons or the Immediate Relatives (strike out what is not applicable)**

I, \_\_\_\_\_ S/o Mr. \_\_\_\_\_, Director /  
Employee of Store One Retail India Limited (SORIL) intend to sell / purchase \_\_\_\_\_  
(\_\_\_\_\_ only) Shares of SORIL through myself/----- (my -----)

Details of Depository Account in which such Shares will be debited / credited, are as under:

Name of the first Holder of the DP Account	
Name of the DP	
DP ID	
Client ID	
Nos. of SORIL Shares in the said account	

Kindly provide pre-clearance for the above trade. Necessary undertaking is enclosed.

Thanking you,  
Yours truly,

Signature \_\_\_\_\_  
Name : \_\_\_\_\_

\_\_\_\_\_

I confirm the above facts stated by me in respect of myself/ my -----

Signature of the Designated employee : \_\_\_\_\_  
Name of the Designated Employee : \_\_\_\_\_  
Date : \_\_\_\_\_

## UNDERTAKING

I, \_\_\_\_\_ S/o Mr. \_\_\_\_\_  
aged \_\_\_\_ years, residing at \_\_\_\_\_ do  
hereby undertake that the following information submitted by me to Store One Retail  
India Limited, having its registered office at M-62 & 63, First Floor, Connaught Place,  
New Delhi – 110 001 is true and correct :

1. That I do not have any access to or have not received any “price sensitive information” upto the time of signing this undertaking.
2. That in case I receive or have access to any “price sensitive information” after signing the undertaking but before the execution of the transaction which I intend to do, as disclosed in my Application for Pre-Clearance of Trade (“the Application”), I shall refrain from dealing in Shares of the Company either personally or through any Immediate Relative of mine, till such information becomes public and shall necessarily inform the Compliance Officer of the Company, of the same.
3. That I have not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company.
4. I undertake that the transaction stated in the application shall be executed within one week from the date of pre-clearance by the Company, and if the same is not executed within a week, I shall seek a fresh pre-clearance of the transaction.
5. I undertake that in case of purchase of Shares of the Company, the same shall be held by me/ my Immediate Relative, for investment purposes.
6. I undertake that I myself or through any Immediate Relative of mine, shall not enter into an opposite transaction i.e. sell or buy any number of Shares during the next six months following this transaction.
7. I confirm that I myself or through any Immediate Relative of mine, have not entered into an opposite transaction of buy/sell in the past six months, in relation to the Shares of the Company.
8. That the disclosure made by me in this regard, is full and true.

Signature : \_\_\_\_\_  
Name : \_\_\_\_\_  
Date : \_\_\_\_\_

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**DECLARATION REGARDING IMMEDIATE RELATIVES**

Date : \_\_\_\_\_

The Compliance Officer  
Store One Retail India Limited  
M - 62 & 63, First Floor,  
Connaught Place,  
New Delhi – 110 001

Dear Sir,

**Sub. : Details of Dependent Family Members**

I \_\_\_\_\_ Director / Employee of Store

One Retail India Limited (SORIL), hereby declare that following persons are my Immediate

Relatives

1. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

2. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

3. Name : \_\_\_\_\_ S/O / D/O : \_\_\_\_\_

Relationship : \_\_\_\_\_

Thanking you,  
Yours truly,

Signature : \_\_\_\_\_

Name : \_\_\_\_\_