

RITES LIMITED
(w.e.f. 01/04/2019)

THE CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PROHIBITION OF INSIDER TRADING IN DEALING WITH THE SECURITIES

CHAPTER-I

1. PRELIMINARY

- (a) This code shall be called "The Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of RITES Limited" (hereinafter referred to as the "**Code**").
- (b) It came into force with effect from the date of approval of the Board of Directors of RITES Limited ("**RITES**") in its meeting dated 20th November, 2017. It has been further approved by the Board of Directors and will be effective from April 01, 2019.

2. Definitions:

- 2.1 "**Act**" means the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- 2.2 "**Board**" means the Securities and Exchange Board of India;
- 2.3 "**Regulations**" means the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto;
- 2.4 "**Compliance Officer**" means Company Secretary of RITES unless 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the board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 of RITES ("**Board of Directors**");

The term "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.

2.5 "**Connected Person**" means:

- (i) any person who is or has during the six months prior to the concerned act been associated with RITES, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of RITES or holds any position including a professional or business relationship between himself and RITES whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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; or
- (i) a banker of RITES; or
- (j) a concern, firm, trust, hindu undivided family, company or association of persons wherein a director of RITES or his immediate relative or banker of RITES, has more than ten percent of the holding or interest.

2.6 “**Designated Persons**” shall include

- (i). All members of the Board of Directors, all executives of RITES of the level of executive directors and Division Heads;
- (ii). All key executives, not covered in (i) above, as identified by the chairman & managing director of the Company from time to time;
- (iii). All employees of the offices of Chairman & Managing Director and all the Functional Directors of RITES;
- (iv). All employees working in Central Accounts Department at corporate office (including the employees from IT working in compilation of accounts, and IT employees those who may have access to financial information) of RITES and its subsidiaries, Taxation, Company Secretarial Department and Corporate Communications;
- (v). Any other employee of RITES to be notified by the Compliance Officer, from time to time, with the approval of the Board of Directors;
- (vi). Insiders having possession of unpublished price sensitive information.
- (vii). Employees working at the level of Technical Assistant (TA)/Sr. Assistant (Sr.Asstt.) and below in non executive cadre shall not be covered in the sub-clause (iii) and (iv) of Clause 2.6”.

2.7 “**Generally Available Information**” means information that is accessible to the public on a non-discriminatory basis.

- 2.8 **"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;
- 2.9 **"Insider"** means any person who is:
- (i) a Connected Person; or
 - (ii) in possession of or having access to unpublished price sensitive information; or
 - (iii) any person who is in receipt of unpublished price sensitive information pursuant to a legitimate purpose.
- 2.10 **"Legitimate Purpose"** shall include sharing of unpublished price sensitive information in the ordinary course of business by an Insider with partner(s), collaborator(s), lender(s), customer(s), supplier(s), merchant banker(s), legal adviser(s), auditors, insolvency professional(s) or other provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- 2.11 **"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.
- 2.12 **"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.
- 2.13 **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- 2.14 **"Takeover Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- 2.15 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in securities of RITES, and "trade" shall be construed accordingly.
- 2.16 **"Trading Day"** means a day on which the recognized stock exchange is open for Trading.
- 2.17 **"Unpublished Price Sensitive Information"** means any information, relating to RITES or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
- (i). Financial results;
 - (ii). Dividends;
 - (iii). Change in capital structure;
 - (iv). Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
 - (v). Changes in key managerial personnel

CHAPTER – II

APPLICABILITY

3. This Code shall apply to all “Insiders” defined at 2.9, as above including Connected Person and Designated Persons and their **Immediate Relatives**.

CHAPTER –III

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

4. Communication or procurement of Unpublished Price Sensitive information

- 4.1 No Insider shall communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to RITES or securities of RITES or securities proposed to be listed by RITES, to any person including other insiders, except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- 4.2 No person shall procure from or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to RITES or securities of RITES or securities proposed to be listed by RITES, except in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- 4.3 Notwithstanding anything contained in this Code, Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in terms of the provisions of Regulation 3(3) and 3(4) of the Regulations.
5. Trading by Insiders, non-individual Insiders when in possession of Unpublished Price Sensitive Information shall be governed by Regulation 4 of the Regulations.

6. Trading Plans

- 6.1 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.
- 6.2 Such trading plan shall:–
 - (i). not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
 - (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 RITES and the second Trading Day after the disclosure of such financial results;
 - (iii). entail Trading for a period of not less than twelve months;
 - (iv). not entail overlap of any period for which another trading plan is already in existence;
 - (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 intervals at, or dates on which such trades shall be effected; and

(vi). not entail Trading in securities for market abuse.

6.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of this Code and Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

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 trading plan.

6.4 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 trading plan. Provided that the implementation of the trading plan shall not be commenced if any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes Generally Available Information so as to avoid a violation of this Code or Regulations.

6.5 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities of RITES are listed.

CHAPTER –IV

DISCLOSURES OF TRADING BY INSIDERS

7. General provisions

7.1 Every public disclosure under this chapter shall be made within two Trading Days. The disclosures to be made by any person under this chapter shall include those relating to Trading by such person's Immediate Relatives, and by any other person for whom such person takes trading decisions. The disclosures of Trading in securities shall also include Trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this chapter. Provided that trading in derivatives of securities is permitted by any law for the time being in force.

7.2 The disclosures made under this chapter shall be maintained by RITES for a minimum period of five years, in such form as may be specified.

8. DISCLOSURES BY CERTAIN PERSONS

8.1 Initial Disclosure

a. Every Promoter, KMP and Director, is required furnish details of Securities held by them in **Appendix - I** within 30 days of this Code coming into effect.

- b. Every Promoter, KMP and Director, on being appointed / designated as such, is required to disclose details of Securities held by them as on the date of such appointment in **Appendix -II** within seven days.

8.2 Event based Disclosure

- a. Every Promoter, Designated Person, and Director of the Company shall disclose in Appendix III to the Company, the number of Securities acquired or disposed of within 2 (two) Trading Days of such transaction, if the value of Securities traded, whether in one transaction or series of transaction in any calendar quarter, exceeds an aggregate amount of Rs. 10 lakhs.

It is hereby clarified that the value of Securities traded will include the aggregate of purchases as well as sale of Securities. The Company shall notify the particulars of such Trading to the stock exchanges on which the Securities are listed within 2 Trading Days of receipt of the disclosure or from becoming aware of such information.

If so demanded by the Compliance Officer, above referred Persons shall furnish copies of account statements of Securities, or such other document as may reasonably be required by the Compliance Officer, in order to enable him to verify the accuracy of the information furnished and monitor adherence with this Code, by Designated Persons. Such statement or other document is required to be submitted within 7 calendar days of demand or within such extended period as may be allowed by the Compliance Officer.

8.3 Annual Disclosure

Every Designated Person, Promoter, KMP and Director of the Company shall on annual basis, disclose in Appendix IV to the Company, the details of all holdings in Securities of the Company held by him including statement of holding of their Immediate Relatives on or before April 30 (for year ended March 31).

- 8.4 Confidentiality of information and procedures to be adopted. All department of RITES dealing in confidential information shall adopt and put in place suitable measures (which may include providing restricted access controls, passwords, firewalls, biometric access etc) to ensure that the confidential information in their possession does not get disseminated either directly, indirectly, covertly or overtly. Concerned head of the department shall be responsible to ensure that adequate security measures are implemented at all places which handle / deal in such confidential / Unpublished Price Sensitive Information either frequently or otherwise. All information shall be handled within the organization on a need-to-know basis and no Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of the insider's Legitimate Purposes, performance of duties or discharge of his legal obligations. Due regard to the role and function of the concerned employee shall be had before giving him access to Unpublished Price Sensitive Information, in addition to seniority and professional designation.
- 8.5 Reporting to audit committee and Board of Directors: The Compliance Officer shall provide a report to the Board of Directors through the audit committee with regard to implementation and operation of this Code periodically and at least once in every financial year.

CHAPTER-V

9. PRINCIPLES OF FAIR DISCLOSURE ON UNPUBLISHED PRICE SENSITIVE INFORMATION

9.1. RITES shall

- (i). Make 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.

- (ii). Ensure uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosure.
 - (iii). Compliance Officer / chief investor relations officer / any other officer designated in this regard shall deal with dissemination of information and disclosure of Unpublished Price Sensitive Information.
 - (iv). Ensure prompt dissemination of Unpublished Price Sensitive Information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
 - (v). Endeavour appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
 - (vi). Ensure that the information shared with analysts and research personnel is not Unpublished Price Sensitive Information.
 - (vii). Develop 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.
 - (viii). Ensure that all Unpublished Price Sensitive Information are handled on a need – to-know basis.
 - (ix). Ensure that Insiders share Unpublished Price Sensitive Information, in the ordinary course of business, with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants, provided that such sharing is for Legitimate Purposes.
 - (x). A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for Legitimate Purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls and checks such as time stamping and audit trails will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for said Legitimate Purposes and to ensure non tampering of the database.
 - (xi) Due notice shall be given to those insiders who are in receipt of Unpublished Price Sensitive Information pursuant to Legitimate Purposes to ensure confidentiality of Unpublished Price Sensitive Information shared by them.
- 9.2. Chief investor relation officer shall ensure that the principles of fair disclosures of Unpublished Price Sensitive Information are adopted and adhered to before issuance of any press release or during interactions with media, analysts and other investor relations conferences etc.

10. MECHANISM FOR PREVENTION OF INSIDER TRADING

The Company has adopted system of internal controls which mainly consist of the following, to prevent insider trading:

All employees who have access to Unpublished Price Sensitive Information are identified as designated employee

- All Unpublished Price Sensitive Information shall be identified and its confidentiality shall be maintained by designated employee and others who have knowledge of unpublished price sensitive information.

- Adequate restriction shall be placed on procurement, communication and sharing of unpublished price sensitive information by designated employee and others who have knowledge of Unpublished Price Sensitive Information.
- List of employees and other persons with whom Unpublished Price Sensitive Information is shared shall be maintained and confidentiality agreement shall be executed or notice shall be served to all such employees and persons.
- Audit Committee shall review once in a financial year, the process to evaluate effectiveness of the above said internal controls and shall verify that the system for internal control are adequate and are operating effectively.
- Audit committee shall review at least once in a financial year, compliance with this Code read with Regulations.

11. DEALING IN CASE OF SUSPECTED LEAK OR LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

11.1 Inquiry for Leakage of UPSI

All UPSI shall be handled on a need to know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer / Company Secretary / Chairman and Managing Director in advance. In case any UPSI is leaked or is suspected to be leaked by any Insider, the company will investigate the matter and collect / gather the evidences and will report to the Chairman of Audit Committee. The Chairman of the Audit Committee will thereafter convene meeting of Audit Committee depending on severity of the matter.

11.2 Process for inquiry: All the matters concerning leak of UPSI or suspected leak of UPSI, will be thoroughly investigated by company / Chief Financial Officer. may at their discretion, consider involving external investigators for the purpose of the investigation. Director Finance may ask the concerned Insider to remain present for investigation, discussion etc. and for such investigation task team may ask for personal bank account statement or such other details or documents as it deems fit.

11.3 If an inquiry has been initiated, the relevant intermediaries and Fiduciaries shall co-operate with RITES in connection with such inquiry conducted by RITES.

CHAPTER–VI

12. Trading window

12.1 Designated Persons of RITES and their Immediate Relatives shall not deal in any transaction involving the purchase or sale of Securities of RITES either in their own name or in the name of their Immediate Relatives during the periods mentioned below, when trading window shall remain closed:

Sr. No	Events/ Particulars	Restrictive Period	
		From	To
A.	Declaration of financial results of first quarter.	To be notified by the Compliance Officer depending upon the date of the board meeting.	
B.	Declaration of Half-yearly financial Results.	To be notified by the Compliance Officer depending upon the date of the board meeting.	

Sr. No	Events/ Particulars	Restrictive Period	
		From	To
C.	Declaration of first Interim Dividend.	To be decided by Compliance Officer depending upon the record date.	
D.	Declaration of financial results of third quarter.	To be notified by the Compliance Officer depending upon the date of the board meeting.	
E.	Declaration of second Interim Dividend.	To be decided by Compliance Officer depending upon the record date.	
F.	Declaration of Annual audited financial results and final dividend.	To be notified by the Compliance Officer depending upon the date of the board meeting.	
G.	Any other major events. To be notified by Compliance Officer as and when the relevant proposal is put up to the Board of Directors / committee / competent authority with the approval of CMD.		

Explanation:

- (i). The trading window shall be opened 48 hours after the “Unpublished Price Sensitive Information”, for which the trading window is closed, becomes generally available.
 - (ii). The notice of closure and opening of trading window shall be intimated to the stock exchanges and uploaded on the intranet and website of RITES.
- 12.2 The remaining days of a year other than the days mentioned under 12.1 above shall be called “Valid Trading Window”. All Designated Persons of RITES shall conduct their dealings in the Securities of the Colony in valid trading window as mentioned above.
- 12.3 The restrictions mentioned in clause 12.1 above shall not be applicable in respect of exercise of an option under employee’s stock option scheme (ESOS) or ESOPs.

However, shares allotted on exercise of ESOS/ ESOPs, shall not be sold during the period mentioned under clause 12.1, when trading window shall remain closed.

13. Pre-clearance of Trades

- 13.1 All Designated Persons who intend to deal in the Securities of RITES either in their own name or in the name of their Immediate Relatives (if the market value of Securities involved in the deal, in aggregate, exceeds Rs. 10 Lakhs) shall obtain preclearance of the transaction as per the pre-dealing procedure as described hereunder. Application for pre-clearance shall be made only during valid trading period. Application submitted during closure of trading window shall be invalid.

It is hereby clarified that the value of Securities traded will include the aggregate of purchases as well as sale of Securities

- 13.2 For the purposes of clause 13.1 above, the Designated Persons shall make pre-clearance application to the Compliance Officer in the format given in Appendix-V. The application shall indicate the estimated number of Securities that the Designated Persons intends to deal in, the details as to the depository with which he has a security account, the details as to Securities in such depository mode and such other details, as may be required by the Compliance Officer from time to time in this behalf.
- 13.3 An undertaking shall be executed in favour of RITES by such Designated Persons and their Immediate Relatives. A combined proforma application cum undertaking is annexed to this Code as Appendix-V.

- 13.4 Immediately on receipt of the pre-clearance application, the date and time of the receipt of the same shall be recorded thereon. The Compliance Officer shall process the pre-clearance applications and if the pre-clearance application is in accordance and in compliance with the provisions of this Code, the Compliance Officer shall endeavor to communicate the pre-clearance immediately but not later than 2 working days from the time of receiving the application. In the absence of the Compliance Officer, the officer authorized by the Compliance Officer shall give the pre-clearance.
- 13.5 All Designated Persons and their Immediate Relatives shall execute their order in respect of Securities of RITES within seven Trading Days after the approval of pre-clearance is given. If the order is not executed within seven Trading Days after the approval, the Designated Persons and their Immediate Relatives shall obtain fresh preclearance.
- 13.6 All Designated Persons who buy or sell any number of shares of RITES shall not enter into an opposite transaction i.e. sell or buy any number of shares (including shares allotted in IPO or any other public offer) during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the shares of RITES at any time. The holding period would commence when the Securities are actually allotted.
- 13.7 In case the sale of Securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing the reasons in this regard provided that such relaxation does not violate the Regulations.
- 13.8 Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

14. SPECIAL RESPONSIBILITIES AND RESTRICTIONS ON DESIGNATED PERSONS

The special responsibilities and restrictions imposed on Designated Persons are:

- 14.1 Furnish the number of Securities of the Company 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 be specified
- 14.2 Obtain prior clearances of the Compliance Officer before dealing in Securities exceeding such threshold limit as may be notified from time to time
- 14.3 Designated Persons shall not communicate, provide or allow access to any Unpublished Price Sensitive Information, relating to the Company or Securities listed or proposed to be listed, to any person including other insiders except where such communication is in of Legitimate Purpose furtherance, ,performance of duties or discharge of legal obligation.
- 14.4 Not to pass on any Price Sensitive Information to any person (including but not limited to his or her family members, friends, business associates etc.) directly or indirectly by way of making recommendation for Trading in Company's Securities.
- 14.5 Not to communicate Price Sensitive Information in situation in which there would be an uncertainty as regards conflict of interest or the possibility of misuse of the information.
- 14.6 Not to discuss or disclose Price Sensitive Information in public places.
- 14.7 Not to disclose Price Sensitive Information to any Employee who does not need to know the information for di

scharging his or her duties or responsibilities.

- 14.8 Not to apply for pre-clearance and trade plan when in possession of Unpublished Price Sensitive Information even though the closed period is not notified till such time the Unpublished Price Sensitive Information becomes generally available.
- 14.9 Not to execute contra trade within a period of 6 months from the date of last transaction either by self or through Immediate Relatives. Provided that this restriction shall not be applicable for trades pursuant to exercise of stock options.
- 14.10 Designated Persons shall disclose the names, PAN or other identifier authorized by law, phone, mobile and cell numbers used by them, the Immediate Relatives as well as persons with whom such designated person(s) shares a material financial relationship in the format annexed as "Appendix IV" on an annual basis and as and when the information changes;

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 net income but shall exclude relationships in which the payment is based on arm's length transactions.

- 14.11 Designated Persons shall disclose the names of educational institutions from which designated persons have graduated and names of their past employers on a one time basis;
- 14.12 If the contra trade are executed in violation of this provision, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.

Such persons may however apply to the Compliance Officer in for waiver of the restriction on contra trade, if there is a need to sell the said Securities due to personal emergency.

- 14.13 Every Designated Person is required to maintain strict confidentiality of all Unpublished Price Sensitive Information and prohibited from passing on such information to any person directly or indirectly. Attention is specifically drawn to Regulation 3(i) of the Regulations, which prohibits an Insider to communicate, provide, or allow access to any Unpublished Price Sensitive Information relating to the Company or its Securities listed or proposed to be listed.
- 14.14 All data, documents, information, forms, records, files (physical as well as soft files) are required to be kept secure and confidential by all the Designated Persons. All information within the organization shall be handled on need to know basis.

When a person who has traded in Securities has been in possession of Unpublished Price Sensitive Information, his/her trade would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

Provided that the said person may prove his innocence by demonstrating the circumstances including the following:

- (i) the Trading was off-market *inter-se* transfer between Insiders,
- (ii) both parties had made a conscious and informed trade decision
- (iii) Unpublished Price Sensitive Information was not obtained under regulation 3(3) of the Regulations
- (iv) The Insider shall report the trade to RITES within 2 working days and RITES shall further notify the particulars of the same to the stock exchanges where the Securities are listed within 2 Trading Days from the receipt of information or from becoming aware of the information.

15. Maintenance of Records & Registers:

The Compliance Officer shall maintain:

- 15.1 Register of the periods of "Closure of Trading Window", wherein he shall record the date of closure and opening of the trading window and purpose for which trading window is closed. A proforma of the register of periods of closure of trading window is given at Appendix-VI.
 - 15.2 Register of pre-clearance of Trading of Securities and record therein the name and designation of the Designated Persons submitting the application, date of the application, date & time of receipt of the application, nature of the transaction, number of Securities, consideration value, name of the dependent family member if the transaction is in the name of the dependent family member and date & details of the actual transaction. A proforma of the register of pre-clearance of Trading is given at Appendix-VII.
 - 15.3 Register of waiver of restriction on holding investment in the Securities of RITES and shall record thereon the name of the Designated Persons/details of Securities for which waiver is granted, date of waiver and the ground of the waiver. A proforma of the register of waiver is given at Appendix-VIII.
 - 15.4 Register of Designated Person as per proforma given at Appendix-IX.
 - 15.5 Records of all the declarations in the appropriate form given by the Designated Persons and their dependents for a minimum period of three years.
 - 15.6 Three separate registers for recording the Initial disclosure, continual disclosure and annual disclosure received under sub-clause 8 above. Proforma of the registers to be maintained are given in Appendix-X.
16. Penalty for contravention of Code: Any director/ officer designated employee who trades in Securities of RITES or communicates any information for Trading in Securities of RITES in contravention of this Code may be penalized and appropriate action may be taken by the competent authority as defined under Conduct, Discipline and Appeal Rules (CDA) of RITES. Directors, Officers and employees of RITES who violate the Code shall also be subject to disciplinary action by the competent authority.
17. Power of Board: The action by RITES shall not preclude Board and other authorities from taking any action in case of violation of Regulations.
18. Information to Board in case of violation of Regulations: If RITES/Compliance Officer observes any violation of Regulations, the Compliance Officer shall inform the Board of such violation after obtaining the approval of the Audit Committee.

Appendix - I

(In terms of clause 8.1(a) of the Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of RITES Limited)

Name of the Company: **RITES LIMITED** ISIN of the Company: **INE320J01015**

Details of Securities held by Promoter, Key Managerial Personnel, Director and such other person as mentioned in regulation 8.1

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoter, Key Managerial Personnel, Director, Others etc.)	Securities held as on date of regulation coming into force		% of Shareholding	Open interest of future contracts held as on date of regulation coming in to effect		Open interest of option contracts held as on date of regulation coming in to effect	
		Type of Security (for eg- Shares, Warrants, Convertible Debentures etc)	Nos.		Number of units (Contracts * lot size)	Notional value in Rupee terms	Number of units (Contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

Signature:
Designation:

Date:
Place:

Appendix – II

(In terms of clause 8.1(b) of the Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of RITES Limited)

Name of the Company: **RITES Limited** ISIN of the Company: **INE320J01015**

Details of Securities held on being appointed as Key Managerial Personnel or Director or Designated Person or upon becoming a Promoter or such other person as mentioned in regulation 8.1(b).

Name, PAN No., CIN/DIN & Address with contactnos.	Category of Person (Promoters, Key Managerial Personnel (KMP)/ Director /)	Date of appointment of Director/KMP / or Date of becoming promoter	Securities held at the time of becoming Promoters, appointment of Key Managerial Personnel(KMP)/ Director		% of Share-holding	Open interest of future contracts held at the time of becoming Promoters, appointment of Key Managerial Personnel(KMP)/ Director		Open interest of option contracts held at the time of becoming Promoters, appointment of Key Managerial Personnel (KMP)/ Director	
			Type of Security (for eg- Shares, Warrants, Convertible Debentures etc)	Nos.		Number of units (Contracts * lot size)	Notional value in Rupee terms	Number of units (Contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8		

Signature:
Designation:

Date:
Place:

Appendix – III

(In terms of clause 8.2(a) of the Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of RITES Limited)

Name of the Company: **RITES Limited** ISIN :**INE320J01015**

Name, PAN No., CIN/DIN & Address of Promoter/Director /Designated Persons with contact nos.	Category of Person (Promoters, Director /Immediate Relative/Others etc.)	Securities held prior to acquisition/ disposal		Securities acquired/disposed		% of shareholding		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/ public /rights/preferential offer/off market)	Trading in derivatives(specify type of contract, futures or options etc)				Exchange on which the trade was executed		
		Type of Security (for eg- Shares, Warrants, Convertible Debentures etc)	Nos.	Type of Security (for eg- Shares, Warrants, Convertible Debentures etc)	Nos.	Pre-transaction	Post transaction	from				to		Buy			Sell	
								Value	No of Units (contracts * lot size)			Value	No of Units (contracts * lot size)					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		

Signature:
Designation:

Date:
Place:

Appendix IV

Annual Disclosure of Securities held by Promoter, Key Managerial Personnel, Director and Designated Persons and Immediate Relatives(as per clause 8.3 of the Code of Internal Procedures and Conduct for Prohibition of Insider Trading in Dealing with the Securities of RITES Limited)

Date: _____

To
The Compliance Officer
RITES Limited
Delhi

Sub: Disclosure of Trading in Securities of RITES Ltd during the year ended _____ and holding of Securities of RITES as on that date.

Dear Sir,

Pursuant to the Code, I hereby disclose Trading in Securities of RITES during the year ended _____ and holding as on that date.

Name	
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	Designated Person
--	--------------------------

	Director
--	-----------------

	Promoter
--	-----------------

Disclosure of Securities by Promoter, KMP, Director and Designated Persons					
Type of Securities	Number of Securities held as on year ended _____	Number of Securities bought during the year	Number of Securities sold during the year	Number of Securities held as on year ended	DP. ID & Client ID
Equity					

Details of my immediate relatives are as under. (*“Immediate Relative” means such individuals as defined under clause 2.8 of the Code) and person with whom a material financial relationship exists in terms of clause 14.10 of the Code*

Sr.No	Name of Immediate Relative/ person whom a material financial relationship exists	PAN	Mobile Number	DP ID & Client ID

Disclosure of Securities by Immediate Relative of Director, KMP and Designated Persons					
Type of Securities	Number of Securities held as on year ended_____	Number of Securities bought during the year	Number of Securities sold during the year	Number of Securities held as on year ended_____	DP. ID & Client ID
Equity					

I hereby declare that the above details are complete and correct. I further declare that I have complied with the provisions of Code. I am fully aware about consequences in case of any non-compliance by me and shall be responsible for any action/inaction.

Full Name : _____ Signature : _____
 Designation : _____ Mobile No. : _____
 Department : _____ Emp. Code or DIN : _____

UNDERTAKING

In this connection I solemnly confirm and declare:

- (a) THAT I do not have access and/or have not received any Unpublished Price Sensitive Information up to the time of signing the undertaking;
- (b) THAT in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of any change in my position and that I shall completely refrain from dealing in the Securities of RITES till the time such information becomes public;
- (c) THAT I have not contravened the Code of Conduct for Prohibition of Insider Trading as notified by RITES from time to time.
- (d) THAT I hereby confirm that I abide by the provisions of Clause 13.6 of the Code with regard to time norms for holding/buying/selling securities I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge and belief. Pre-clearance may kindly be accorded in terms of Clause-13 of the Code.

Signature:

Date:

Name:

Place:

Designation:

Appendix - VI

REGISTER OF PERIODS OF CLOSURE OF TRADING WINDOW

Sr. No.	Purpose	Date of notifying closure of trading window	Start date of closure of trading window	Date of notifying opening of trading window	Date of Opening of trading window	Remarks

Appendix X

REGISTER OF DISCLOSURE OF SHAREHOLDING BY DESIGNATED PERSONS

Name & Designation of the Designated Person:

Department of Designated Person:

Date of joining/ becoming Designated Person:

Sr. No	Initial disclosure					Change in holding					
	Date of receipt of information	No. of Securities (RITES)	Date of acquisition	Consideration value (Rs.)	Name of the Immediate Relative/ relationship if Securities held in the name of Immediate Relative	Date of receipt of information	No. of Securities	Date of transaction	Nature transaction (purchase/ sale)	Consideration value (Rs)	Name of the Immediate Relative/ relationship

Sr. No.	Year end disclosure				
	Date of receipt of information	Number of Securities	Aggregate value (Rs)	Name of the Immediate Relative/ relationship if securities held in the name of dependent	Remarks

In case, the following violations of the PIT Regulations, 2015 and the CODE are observed, the following standard penalties will be imposed on the insider

S. No.	Violation	Penalty
1.	<u>Trade during trading window applicability</u> Dealing in any transaction involving purchase or sale of securities of RITES either in their own name (i.e. Insiders) or in the name of their immediate relative, when the trading window remains closed	Rs. 5000
2.	<u>Contra Trade</u> In case of, entering into “Contra Trade” i.e. opposite or reverse transactions, in the securities of the Company during the next six months following the prior transaction	Rs.5,000/- or actual profit, whichever is higher
3.	<u>Violation of both above</u> In case of violation of both above in one single transaction. (For eg. A designated employee enters into the Contra Trade at the time of closure of trading window).	Rs.7,500/- or actual profit, whichever is higher

Further, the amount of penalty imposed shall be charged from the salary / outstanding bills of the insiders directly and be deposited on monthly basis in the Investor Protection and Education Fund (IPEF) A/C of SEBI.