



ESCORTS CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

INTRODUCTION

- 1.1 The Code has been formulated pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and has been approved by the Board of Directors of Escorts Limited (the “**Company**”) in its meeting held on November 28, 2018. The effective date of this Code will be January 18, 2019.
- 1.2 The Code is applicable to all Designated Persons (defined below), their dependent family members, Insiders (defined below), Connected Persons (defined below), Promoter (defined below) and Promoter Group (defined below) of the Company.
- 1.3 The purpose of the Code is to maintain an ethical and transparent process while dealing in the Securities (defined below) of the Company by the persons specified above.
- 1.4 This Code is adopted in place of the existing “Code of Conduct for Prevention of Insider Trading”.

2. DEFINITIONS AND INTERPRETATIONS

- 2.1 **Act:** Act means the Securities and Exchange Board of India Act, 1992.
- 2.2 **Board or Board of Directors:** Board or Board of Directors means the board of directors of the Company.
- 2.3 **Company:** Company means Escorts Limited.
- 2.4 **Compliance Officer:** Compliance Officer means the Company Secretary of the Company or any other 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 SEBI 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of Trades and the implementation of this Code as required under the SEBI Regulations under the overall supervision of the Board of Directors;
- 2.5 **Code:** Code means this Code of Conduct to regulate, monitor and report Trading by Insiders and shall include modifications made thereto from time to time.
- 2.6 **Connected Person:** Connected Person means

- (i) any person who is or has during the 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 an Employee of the Company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.
- (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 recognised or authorized by the Board; or
 - (i) a banker of the company; or
 - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

2.7 Designated Person: Designated Person shall mean the following:

- (i) Directors;
- (ii) Promoters and Promoter Group;
- (iii) Key Managerial Personnel;
- (iv) Functional heads;
- (v) Executive secretaries / assistants of Directors and Key Managerial Personnel;
- (vi) Employees in the grade of Chief General Manager and above;
- (vii) Auditors;

- (viii) Immediate Relatives of the persons specified in (i) to (vii) above; and
 - (ix) Such other persons who may be designated as such from time to time, by the Board of Directors or by the Compliance Officer in consultation with the Chairman and Managing Director, for the purpose of this Code.
- 2.8 **Director:** Director means a member of the Board;
- 2.9 **Employee:** Employee means every employee of the Company including the Directors in the employment of the Company;
- 2.10 **Generally Available Information:** Generally Available Information means information that is accessible to the public on a non-discriminatory basis;
- 2.11 **Immediate Relative:** 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;
- 2.12 **Insider:** Insider means any person who is:
- (i) a Connected Person; or
 - (ii) in possession of or having access to Unpublished Price Sensitive Information;
- 2.13 **Key Managerial Personnel:** Key Managerial Personnel means Chairman and Managing Director, Whole-time Director, Group Chief Operating Officer, Chief Executive, Company Secretary, Chief Financial Officer and such other person who may be designated as Key Managerial Person under applicable law from time to time.
- 2.14 **Promoter:** Promoter shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- 2.15 **Promoter Group:** Promoter Group shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- 2.16 **SEBI:** SEBI means Securities and Exchange Board of India.
- 2.17 **SEBI Regulations:** SEBI Regulations means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- 2.18 **Securities:** Securities shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund;
- 2.19 **Takeover Regulations:** Takeover Regulations means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

- 2.20 **Trading:** Trading means and includes subscribing, buying, selling, pledging dealing, or agreeing to subscribe, buy, sell, pledge, deal in any securities, and “Trade”, “Traded” shall be construed accordingly;
- 2.21 **Trading Day:** Trading Day means a day on which the recognized stock exchanges are open for trading;
- 2.22 **Trading Window:** Trading Window means a trading period for trading in the Securities of the Company as specified by the Company from time to time; and
- 2.23 **Unpublished Price Sensitive Information or UPSI:** Unpublished Price Sensitive Information means any information, relating to the Company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily including but not restricted to, information relating to the following:–
- (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; and
 - (vi) material events in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Words and expressions used and not defined in this Code, but defined in the Act, Regulations, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in such legislations.

3. COMPLIANCE OFFICER

- 3.1 Subject to the supervision of the Board of Directors, the Compliance Officer, shall be responsible for:
- (i) Setting forth policies, procedures, monitoring adherence to the Code and SEBI Regulations for the preservation of Unpublished Price Sensitive Information, approval and review of trading plans, pre-clearance of Trades and monitoring of Trades and implementation of this Code.
 - (ii) Assisting all Insiders, Designated Persons and Employees in addressing any clarifications regarding the SEBI Regulations and this Code.
 - (iii) Obtaining disclosures from Insiders and Designated Persons and to give information, in respect of the disclosures received, to all the stock exchanges where the Securities are listed, as applicable.

- (iv) Maintaining and preserving all disclosures/undertakings and applications made under this Code.
- (v) Regulating and monitoring the Trading Window of the Securities of the Company.
- (vi) Advising all Designated Persons not to trade in Securities of the Company when the Trading Window is closed.
- (vii) Investigating any Employee in relation to the Trading of Securities and handling of Unpublished Price Sensitive Information of the Company.
- (viii) Informing SEBI in case it is observed that there has been a violation of this Code.

3.2 The Compliance Officer shall report to the Board of Directors and shall provide reports to the chairman of the Audit Committee at such frequency as may be stipulated by the Board of Directors.

4. RESTRICTIONS ON 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 the 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.

4.2 No person shall procure from or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to the Company or Securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.3 Notwithstanding anything contained in this Code, any 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 Takeover Regulations where the Board of Directors are of the informed opinion that the proposed transaction is in the best interests of the Company;
- (ii) not attract the obligation to make an open offer under the Takeover Regulations but where the Board of Directors are of the informed opinion that the proposed transaction is in the best interests of the Company and the information that constitutes Unpublished Price Sensitive Information is disseminated to be made Generally Available Information at least 2 (two) Trading Days prior to the proposed transaction being effected in such form as the Board of Directors may determine;

4.4 For purposes of sub-clause 4.3 above, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential,

except for the purpose of sub-clause 4.3, and shall not otherwise Trade in Securities of the Company when in possession of Unpublished Price Sensitive Information.

5. RESTRICTION ON TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION

5.1 Save as provided in this Code and the SEBI Regulations, no Insider shall Trade in Securities of the Company when in possession of Unpublished Price Sensitive Information.

Provided that the Insider may prove his innocence by demonstrating the circumstances including the following: –

(i) That the transaction is an off-market *inter-se* transfer between Promoters who were in possession of the same Unpublished Price Sensitive Information without being in breach of clause 4 and both parties had made a conscious and informed Trade decision;

(ii) in the case of non-individual Insiders:

(a) that the individuals who were in possession of such Unpublished Price Sensitive Information were different from the individuals taking Trading decisions and such decision-making individuals were not in possession of such Unpublished Price Sensitive Information when they took the decision to Trade; and

(b) that appropriate and adequate arrangements were in place to ensure that the SEBI Regulations are not violated and no Unpublished Price Sensitive Information was communicated by the individuals possessing the information to the individuals taking Trading decisions and there is no evidence of such arrangements having been breached;

(iii) the Trades were pursuant to a trading plan as set out in this Code.

5.2 Insiders shall maintain the confidentiality of all Unpublished Price Sensitive Information. They shall, while in possession of any Unpublished Price Sensitive Information, neither Trade in the Securities of the Company on the basis of Unpublished Price Sensitive Information nor pass on such information to any person directly or indirectly by way of making a recommendation for Trading in Securities of the Company.

5.3 In the case of Connected Persons the onus of establishing, that they were not in possession of Unpublished Price Sensitive Information, shall be on such Connected Persons.

6 PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

A. TRADING PLAN

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. The intimation on formulation of the trading plan may be given to the Compliance Officer in the format specified in **Annexure A** hereto. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the Securities are listed.

- 6.2 Such trading plan shall:
- 6.2.1 not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the trading plan;
 - 6.2.2 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 Company and the second Trading Day after the disclosure of such financial results;
 - 6.2.3 not entail Trading for a period of less than 12 months;
 - 6.2.4 not entail overlap of any period for which another trading plan is already in existence;
 - 6.2.5 either set out 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;
 - 6.2.6 not entail Trading in securities for market abuse; and
- 6.2.7 mandatorily implement the plan without being entitled to either deviate from it or execute any Trade outside the scope of the trading plan. Thus, the trading plan, once published, shall be irrevocable. Provided that the Insider shall not commence Trading under trading plan, if any UPSI in his possession at the time of formulation of the plan has not become Generally Available Information at the time of commencement of the implementation of trading plan. In such cases, the Compliance Officer will confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes Generally Available Information.
- 6.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the SEBI Regulation and/or this Code 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.

B. TRADING WINDOW

- 6.4 All Designated Persons shall execute Trades in the Securities of the Company only in a valid trading period called Trading Window prescribed hereunder and shall not execute any Trade or deal in any transaction involving the purchase or sale of the Company's Securities in their own name or in the name of their Immediate Relatives during the period when the Trading Window is closed or any other period as may be specified by the Company from time to time.
- 6.5 The Trading Window shall also be applicable to any person having contractual or fiduciary relation with the Company such as auditors, accountancy firms, law firms, analysts, and consultants etc. assisting or advising the Company and who are likely to

have access to any Unpublished Price Sensitive Information. The Compliance Officer shall intimate the aforesaid persons having contractual or fiduciary relation with the Company and handling such Unpublished Price Sensitive Information, of the requirements relating to handling of such information and restriction on Trading in the relevant Securities during the closure of the Trading Window.

- 6.6 The Trading Window for Trading in Securities of the Company shall be closed for the following purposes:
- (i) Declaration of financial results (quarterly and annual), standalone and consolidated, of the Company;
 - (ii) Intended declaration of dividends (both interim and final);
 - (iii) Issue of Securities by way of public, bonus, rights issue etc. or buy-back of Securities and changes in capital structure;
 - (iv) Change in Key Managerial Personnel;
 - (v) Mergers, demergers, amalgamations, acquisitions, delisting, disposals, expansion of business and such other transactions; and
 - (vi) Material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6.7 In addition to the items specified above, the Trading Window shall also 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.
- 6.8 In case of declaration of financial results, the Trading Window shall be closed during the period beginning from the last day of any financial period for which results are required to be announced and ending 48 hours after the public release of such results. In all other circumstances, the time for commencement of closing of Trading Window shall be as determined by the Compliance Officer in consultation with the Board of Directors.
- 6.9 The Compliance Officer after taking into account various factors including the Unpublished Price Sensitive Information in question becoming Generally Available Information and being capable of assimilation by the market, shall decide the timing for re-opening of the Trading Window, which however shall not in any event be earlier than 48 hours after the information becoming Generally Available Information.
- 6.10 Trading Window may be closed by the Company during such time in addition to the above period, as may be deemed fit by the Compliance Officer.
- 6.11 The notice of closure of the Trading Window intimated to the stock exchanges, if any, wherever the Securities of the Company are listed.

C. PRE-CLEARANCE OF TRADES

6.12 During a valid Trading Window, Trading by Designated Persons shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed Trade is above the threshold limit specified in sub-clause 6.16 below. No Designated Person of the Company shall apply for pre-clearance of any proposed trade if such Designated Persons is in possession of any UPSI even if the Trading Window is not closed.

6.13 Designated Persons intending to deal in the Securities of the Company upto the threshold limit specified in sub-clause 6.16 below, may do so without any pre-clearance from the Compliance Officer. In all other cases, they should pre-clear the transactions as per the pre-dealing procedure as provided hereinafter.

6.14 Procedure for Pre-Clearance of Trades

- (i) An application for pre-clearance of Trade shall be made to the Compliance Officer in the format attached as **Annexure B** hereto, indicating the estimated number of Securities that the Designated Person making such application intends to deal in, the details as to the depository with which he/she has a security account and such other details as may be required by the Compliance Officer in this regard.
- (ii) In case of the Compliance Officer intending to deal in the Securities of the Company beyond the threshold limit specified in sub-clause 6.16 below, the pre-clearance of the Managing Director or in his absence, the Chairman of the Board, will have to be obtained.
- (iii) An undertaking in the format set out in **Annexure B** of this Code, shall be executed in favour of the Company by such persons applying for pre-clearance.
- (iv) The Compliance Officer shall on receiving an application, provide the Designated Persons with an acknowledgement on the duplicate of the application or in any electronic form.
- (v) The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.
- (vi) The Compliance Officer shall retain copies of all applications and acknowledgements either in physical or electronic mode.
- (vii) In exceptional circumstances consent may not be given if the Compliance Officer is of the opinion that the proposed deal is on the basis of possession of any Unpublished Price Sensitive Information. There shall be no obligation to give reasons for any withholding of consent.

6.15 Threshold Limit for Pre-clearance

The pre-clearance shall not be necessary, if the value of the Securities Traded, whether in one transaction or a series of transactions over a calendar quarter, aggregates to a traded value not in excess of Rs. 10,00,000.

6.16 **Validity of Pre-Clearance Period**

Designated Persons shall complete execution of their pre-cleared Trades in respect of Securities of the Company no later than 7 Trading Days after the approval of pre-clearance is given failing which fresh pre-clearance would be required for the Trades to be executed.

6.17 **Reporting**

Designated Persons executing pre-cleared Trades shall file within 2 working days of the execution of the Trade, the details of such Trade, with the Compliance Officer in the format set out in **Annexure C** of this Code. In the event such Trade is not executed, a report to that effect shall be filed with the Compliance Officer also in the format set out in **Annexure C** of this Code.

6.18 **Holding Period Of Securities**

- (i) All Designated Persons who are permitted to Trade shall not enter into a contra Trade during the next 6 months following the prior Trade.
- (ii) In case the contra trade is necessitated by emergency, the Compliance Officer may waive the holding period after recording in writing reasons in this regard provided such waiver does not amount to violation of the SEBI Regulations or this Code. Similarly in the case of emergency of Trade by a Compliance Officer, the Compliance Officer may obtain the waiver from the Managing Director or in his absence, the Chairman of the Board, provided that such waiver does not violate this Code or the SEBI Regulations. The application for waiver shall be made in the format prescribed in **Annexure D** hereto.
- (iii) In case a contra Trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such Trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

7 PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION

7.1 Access to Unpublished Price Sensitive information shall be on a “need-to-know” basis and no Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of legitimate purposes, in the course of performance of his duties or in discharge of his legal obligations.

7.2 Files containing Unpublished Price Sensitive Information shall be kept secure. Computer files shall have adequate security of login and passwords, etc. Guidelines for maintenance of electronic records and systems may be prescribed by the Compliance Officer from time to time in consultation with the person in-charge of the information technology function of the Company

7.3 To prevent the misuse of UPSI, the Company adopts the “Chinese Wall” policy which separates those areas of the Company which routinely have access to UPSI, considered —”inside areas” from those departments which deal with sale/ marketing or other departments providing support services, considered—”public areas”.

7.4 As per the said policy:-

- (i) The Employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas.
- (ii) The Employees in inside area may be physically separated from the Employees in public area.
- (iii) Demarcation of the various departments as inside areas may be implemented by the Compliance Officer in consultation with the Board of Directors;
- (iv) The Employees within the inside area of the Chinese Walls have a responsibility to ensure the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately;
- (v) The establishment of Chinese Wall is not intended to suggest that within inside areas material, Unpublished Price Sensitive Information can be circulate freely. Within inside areas, the need-to-know shall be in effect; and
- (vi) Only in exceptional circumstances, Employees from the public areas may be permitted to 'cross the wall' are brought 'over the wall' and provided UPSI on "need to know" basis under intimation to the Compliance Officer. In such cases, the Compliance Officer shall ensure that all necessary restrictions are imposed on such Employee(s) in relation to protection of such Unpublished Price Sensitive Information.

8 DISCLOSURES

8.1 General provisions:

- (i) All public disclosures required to be made pursuant to the SEBI Regulations and this Code shall be made in the formats specified in the SEBI Regulations and this Code.
- (ii) The disclosures to be made by any person under this Code shall include those relating to Trading by such person's Immediate Relatives, and by any other person for whom such person takes Trading decisions.
- (iii) 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 disclosure. Provided that Trading in derivatives of Securities is permitted by any law for the time being in force.

8.2 Disclosures by certain persons:

- (i) *Initial Disclosures*
 - (a) The Promoters, Key Managerial Personnel and the Directors of the Company should have disclosed their holding of Securities of the Company as on the date of the SEBI Regulations taking effect to the

Company within 30 (thirty) days in the format specified in **Annexure E** hereto;

- (b) Every person on appointment as a Director or Key Managerial Personnel of the Company or upon becoming a Promoter shall disclose his holding of Securities of the Company as on the date of appointment or becoming a Promoter, to the Company within 7 (seven) days of such appointment or becoming a Promoter, in the format specified in **Annexure F** hereto.

(ii) *Continual Disclosures*

- (a) All Promoters, Directors and the Employees of the Company shall disclose to the Company the number of Securities acquired or disposed off 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 10,00,000 or such other value as may be prescribed, in the format specified in **Annexure G** hereto.
- (b) The Company shall notify the particulars of such Trading to the stock exchange on which the Securities of the Company are listed within 2 (two) Trading Days from the receipt of such disclosure or becoming aware of such information.

It is hereby clarified that the disclosure of the incremental transactions after any continual disclosure made under this sub-clause, shall be made when the transactions effected after the prior disclosure cross the threshold specified in this sub-clause above.

(iii) *Disclosure by other Connected Persons*

- (a) The Compliance Officer or the Company may, at its discretion require any other Connected Person or class of Connected Persons to make disclosures of his/its/their holdings and Trading in Securities of the Company in the format specified in **Annexure H** hereto, at such frequency as may be determined by the Compliance Officer in order to monitor compliance with the SEBI Regulations.

(iv) *Annual Disclosures*

Designated Persons shall furnish to the Compliance Officer the following:

- (a) Annual statement of all their holdings in Securities of the Company to be submitted within 30 days of the close of each financial year in the format specified in **Annexure I** hereto.

9 **PRESERVATION OF DISCLOSURES**

All undertakings, disclosures and applications made/submitted under these regulations shall be maintained by the Compliance Officer, for a minimum period of 5 years.

10 COMPLIANCE WITH CODE OF CONDUCT

- 10.1 The Compliance Officer shall report a compliance status on this Code on half yearly basis to the Chairman of the Audit Committee and Board of Directors.
- 10.2 The Company is empowered to take appropriate action against any person who violates this Code. Such action may include wage freeze, suspension, ineligibility for future participation in employee stock option plan etc.
- 10.3 When a person who has traded in securities has been in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The onus is on the Insiders to prove that they are innocent.

Any violation under the Regulations and this Code will be reported by the Compliance Officer to SEBI.

11 AMENDMENTS AND MODIFICATIONS

The decision of the Board of Directors with regard to any or all matters relating to this Code shall be final and binding on all concerned. This Code shall be reviewed from time to time and the Board of Directors shall have the power to modify, amend or replace this Code in part or full, as may be thought fit from time to time in their absolute discretion.

12 PENALTY FOR CONTRAVENTION

- 12.1 Any Designated Person or Insider who trades in Securities or communicates, provides or allows access to any information for Trading in Securities in contravention of the Code, shall be penalized and appropriate action taken shall be taken against him/her by the Company basis his/ her seniority, number and nature of contraventions.

The penalty imposed/action by the Company may include but shall not be restricted to:

1. Reprimanding of defaulting Designated Person/Insider;
2. Ban from engaging in any trade of the securities of the Company (including exercise of stock options);
3. Suspension from employment;
4. Ban from participating in all future employee stock option schemes including lapse of all existing options;
5. No increment and/or bonus payment; and/or
6. Termination from employment;
7. Disgorgement of the gain accrued through the transactions in violation of the Code.

- 12.2 In addition to the action which may be taken by the Company, the persons violating the Regulations and/ or this Code shall also be subject to actions, under Section 15G of the Act pursuant to which they may be liable to penalty which shall not be less than Rs. 10 lakhs and which may extend to Rs. 25 crores or 3 times the amount of the profits made out of insider trading, whichever is higher; under Section 24 of the Act pursuant to which they may be liable to imprisonment for a term which may extend to 10 years and/or fine which may extend to Rs. 25 Crores; and other applicable laws.
- 12.3 If it is observed by the Board that there has been violation of SEBI Regulations, it shall inform SEBI promptly.

ESCORTS LIMITED

Phone: +91-129-2250222, Fax: +91-129-2250060, 2250058

Email: corpsect@ndb.vsnl.net.in, corpsl@escorts.co.in; Website: www.escortsgroup.com

Registered Office: 15/5, Mathura Road, Faridabad – 121 003, Haryana

CIN: L74899HR1944PLC039088

ANNEXURE A
APPLICATION FOR ANNUAL TRADING PLAN

Date: _____

To,
The Compliance Officer,
Escorts Limited,
15/5, Mathura Road,
Faridabad- 121003

1. Name of the Applicant: _____
PAN _____
2. No. of securities held in the Company as on date: _____
3. Approval sought for: Self [] Immediate Relative (IR) []
4. Trading plan belongs for a period of _____ months i.e. for a period commencing from _____ and ending on _____
5. Details of the proposed trade:

S. No.	Nature of transaction (Sale/Purchase)	Date of transaction/period/interval for transaction	Value of trade/ No. of securities transacted	Conditions /Remarks

Undertaking:

- (a) I will not commence trading earlier than six months from the public disclosure of the plan.
- (b) I do not have overlapping trading plan for the same period.
- (c) In the event that I am in possession/knowledge of any information that is construed as “Unpublished Price Sensitive Information” as defined in the Policy, at the time of formulation and approval of this plan but which is not made public at the time of trading as per the approved time schedule in the said plan, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in
- (d) the securities of the Company until such information becomes public;
- (e) I have not contravened the provisions of the Insider Trading Policy as notified by the Company from time to time;
- (f) I have made full and true disclosure in the matter.
- (g) I undertake to abide by this trading plan once approved and shall furnish such declarations disclosures as may be deemed necessary by compliance officer for the monitoring of this plan.
- (h) I shall not use this trading plan as a tool for market abuse.

Date:

Signature of Designated Employee

For use of Compliance Officer:

Application recd. date	Approval Date	Approval No.	Approval No. Compliance Officer's signature

Approval granted for Trading Plan for a period of ____ months commencing from ____ upto

Notification to Stock Exchange _____

Signature: _____

Compliance Officer

Please provide all the information. Incomplete forms will not be accepted.

ANNEXURE B**FORMAT OF APPLICATION FOR OBTAINING PRE-CLEARANCE APPROVAL**

To,
The Compliance Officer,
Escorts Limited,
15/5, Mathura Road,
Faridabad- 121003

Dear Sir,

I/We, Directors, Promoters, Key Managerial Personnel and Designated Persons of Escorts Limited intend to carry out transaction(s) in Securities of Escorts Limited as per the details given below :-

Name:

Department:

PERMANENT ACCOUNT NUMBER (PAN):

S. No.	No. of Securities held (including by dependent family members) as on the date of application	Folio No./ DP ID & Client ID	Nature of trading	Estimated number of securities to be dealt	Estimated value
1	2	3	4	5	5

In this connection I solemnly confirm and declare:

- (a) THAT I do not have access to nor do I have any information that could be construed as Unpublished Price Sensitive Information as defined in the Code upto the time of signing this undertaking;
- (b) THAT in case I have access to 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 such position and that I shall completely refrain from dealing in the Securities of the Company till the time such information becomes public;
- (c) THAT I have not contravened the “Code of Conduct to Regulate, Monitor and Report Trading by Insiders” for prevention of insider trading as notified by the Company from time to time;
- (d) THAT I shall hold the Securities for a minimum period of 6 (six) months from the date of trade/that I have complied with the requirement of minimum holding period of six (6) months with respect to the securities sold (applicable only in respect of sale transaction).

I hereby solemnly declare that I have made full and true disclosure in this regard to the best of my knowledge and belief.

January 18, 2019

Pre-clearance may kindly be accorded in terms of the requirement of the 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders', of the Company.

Yours faithfully,

Signature:

(Name of the Designated Person)

Date:

Place:

ANNEXURE C

**FORMAT FOR DISCLOSURE OF TRANSACTIONS EXECUTED/NOT EXECUTED
AFTER**

OBTAINING PRE-CLEARANCE

Date _____

To,
The Compliance Officer,
Escorts Limited,
15/5, Mathura Road, Faridabad- 121003

With reference to trading approval granted by the Company to me on _____, I hereby inform that I have bought/sold/subscribed for _____ equity shares of the Company for Rs. _____ on _____.

In connection with the aforesaid transaction, please find enclosed copy of the following for your records:

Broker's contract note/Proof of payment to/from brokers/ Extract of bank passbook/statements (in case of demat transaction)/ Copy of Delivery instruction slips (applicable in case of sale transactions)

I hereby undertake to preserve the original copy of the above mentioned document for a period of 5 years and produce to the Compliance Officer/Securities Exchange Board of India, if required in future.

Yours truly,

Name & Signature:

Designation:

Date:

Place:

Note: After pre-clearance, if the Designated Person opts not to trade in securities should enclose the reasons for taking such decision along with this form

ANNEXURE D

APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD

Date _____

To,
The Compliance Officer,
Escorts Limited,
15/5, Mathura Road,
Faridabad- 121003

Dear Sir,

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and Escorts Limited Code of Conduct to Regulate, Monitor and Report Trading by Insiders, I _____ (name and designation of the Designated Person) had _____ (provide the details of purchase/sale/subscribe for shares as the case may be) _____ (number of securities) of the Company on _____ after obtaining pre-clearance on _____. The details of transaction executed were submitted on _____ (date) in format prescribed. I seek your approval to waive off the time restrictions and permit to execute a contra-trade for _____ (number of securities) of the Company due to _____

_____ (valid reason(s) for executing
contra trade).

I declare that I am not in possession of any Unpublished Price Sensitive Information (as defined under the Escorts Limited Code of Conduct to Regulate, Monitor and Report Trading by Insiders) up to the date of this application.

I further declare that in case I have access to any Unpublished Price Sensitive Information after the signing of this application and before executing a contra- trade (if permitted), I shall:

1. Promptly inform the Compliance Officer
2. Refrain from trading in securities of the Company.

Yours truly,

Name & Signature:

Designation:

Date:

Place:

Enclosed:

1. Copy of pre-clearance approval
2. Copy of execution of previous trade

ANNEXURE E

FORM A

SEBI (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]

Name of the company: _____

ISIN of the company: _____

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

Name, PAN, CIN/DIN & address with contact nos.	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 e.g., – Shares, Warrants, Convertible Debentures etc.)	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(3)**

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

ANNEXURE F

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a
director/KMP/Promoter]

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relative to/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding
			Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

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 on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP	Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP
---	---

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
7	8	9	10	11	12

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

Name &

Signature:

Designation:

Date:

Place:

ANNEXURE G

FORM C

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2)

read with Regulation 6(2) – Continual disclosure]

Name of the company:

ISIN of the company:

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP /Directors/immediate relative to/others etc.)	Securities held prior to acquisition/disposal	Securities acquired/Disposed	Securities held postacquisition/disposal	Date of allotment advice/ acquisition of shares/ sale of shares specify	Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/Inter-se transfer, ESOPs etc.)
---	--	---	------------------------------	--	---	-------------------------------	--

		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For e.g.– Shares, Warrants, Convertible Debentures etc.	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoke/ Invoke)	Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		

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 of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned 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)	

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

Name & Signature:

Designation:

Date:

Place:

ANNEXURE H

FORM D (Indicative format)

SEBI (Prohibition of Insider Trading) Regulations, 2015

Regulation 7(3) – Transactions by Other connected persons as identified by the company

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 company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/Inter-se transfer, ESOPs etc.)

		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For e.g.– Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoke/ Invoke)	Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		

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 by the company

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)	

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

Name & Signature:

Designation:

Date:

Place:

ANNEXURE I

ANNUAL DISCLOSURE

Transactions by Designated Persons as identified by the Company

Details of transactions executed during the Financial Year _____ in securities of the Company

To,
 The Compliance Officer,
 Escorts Limited,
 15/5, Mathura Road,
 Faridabad- 121003

I _____ (name of the Designated Person), _____
 (designation) of the Company residing at

_____ (address of the Designated Person) hereby declare that -

The following is the consolidated statement of transactions made during the Financial Year _____.

Opening balance of securities of the Company held as on 01.04.20__	Purchase/Sale made during the year	Closing balance of securities of the Company held as on 31.03.20__

*I was holding (number of securities) securities of the Company on 01 April 20.....(start of the financial year). However, I have not traded in securities of the Company during the Financial Year ended 31 March 20..... (end of the financial year).

Name & Signature

Designation:

Date:

Place:

**** Please delete/modify as per the factual position***