



POLICY ON PREVENTION OF INSIDER TRADING



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Code of Conduct for Prohibition of Insider Trading

1. Introduction:

This **Code of Conduct for Prohibition of Insider Trading** (the "Code") is formulated by **PAE Limited** ("the Company") in compliance with the **Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015** and applicable provisions under the **Companies Act, 2013**. This Code aims to prevent Insider Trading and ensure that all stakeholders, including employees, directors, and insiders, adhere to legal and ethical standards regarding the handling of **Unpublished Price-Sensitive Information (UPSI)**.

2. Purpose:

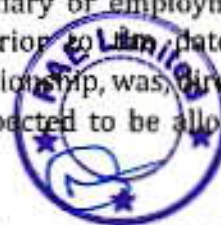
The purpose of this Code is to:

- Prohibit Insider Trading and prevent the misuse of information by individuals who have access to non-public, Material Information.
- Promote ethical conduct in the securities market.
- Ensure compliance with SEBI's guidelines, the Securities Contracts (Regulation) Act, 1956, and other applicable laws and regulations.

3. Definitions:

For the purposes of this Code, the following terms shall have the meanings set out below:

- **"Compliance Officer"** means the Company Secretary 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and implementation of the codes specified under the SEBI Regulations under the overall supervision of the Board.
- **"Connected Person"** includes –
 - i. A Director of the Company;
 - ii. A Key Managerial Personnel of the Company;
 - iii. An Officer of the Company;
 - iv. Any person who is or has been in a contractual, fiduciary or employment relationship at any time in the six-month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;





- v. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six-month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;
- vi. An employee of the Company who has access to UPSI or is reasonably expected to have access to UPSI; and
- vii. Any person who has a professional or business relationship with the Company and that relationship directly or indirectly, allows access to UPSI or is reasonably expected to allow access to UPSI.

The persons enumerated below shall be deemed to be Connected Persons if such person has access to UPSI or is reasonably expected to have access to UPSI –

- a) An Immediate Relative of Connected Persons;
- b) A Holding Company, Associate Company or Subsidiary Company;
- c) An intermediary as specified in section 12 of the SEBI Act or an employee or director thereof;
- d) An investment Company, trustee Company, Asset Management Company or an employee or director thereof;
- e) An official of a Stock Exchange or of Clearing House or Corporation;
- f) A member of the board of trustees of a Mutual Fund, a member of the board of directors of the Asset Management Company of a Mutual Fund or in each case, an employee thereof;
- 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;
- h) An official or an employee of a self-regulatory organization recognized or authorized by the SEBI;
- i) A Banker of the Company; and
- j) A Concern, Firm, Trust, Hindu Undivided Family, Company or Association of Persons wherein a director of the Company or his Immediate Relative or banker of the Company, has more than ten percent of the holding or interest.

• **"Designated Person"** shall consist of:

- I. Promoters of the Company
- II. Directors of the Company and its subsidiaries;
- III. All senior employees in the Finance, Accounts, Secretarial, Business Development and any other departments of the Company and its material subsidiaries, if any on the basis of their functional role or access to Unpublished Price Sensitive Information;





- IV. Chief Executive Officer and employees with the designation of Senior Vice President (which is two levels below Chief Executive Officer) and above of the Company and material subsidiaries
 - V. Executive Secretaries of Directors, Key Managerial Personnels and the persons specified in (III) and (IV) above, and any support staff of the Company such as, secretarial staff who have access to Unpublished Price Sensitive Information.
 - VI. Immediate Relatives of persons specified in (I) to (V) above
 - VII. Any other Person designated by the Company on the basis of their functional role and such function would provide access to UPSI;
- **"Insider":** An Insider is any person who is:
 - A connected person (as defined by the SEBI PIT Regulations).
 - A person in possession of or having access to UPSI, including Directors, Officers, and employees of the Company, among others.
 - **"Promoter and Promoter Group"** shall have the meaning assigned to them under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
 - **"Securities":** Securities as defined under the Securities Contracts (Regulation) Act, 1956, including shares, debentures, and other financial instruments issued by the Company.
 - **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, pledge, unpledge, deal in the Company's securities either directly or through portfolio management services, and "trade" shall be construed accordingly.
 - **"Unpublished Price-Sensitive Information (UPSI)":** Any information relating to the Company or its securities that is not generally available and, if disclosed, is likely to materially affect the price of the securities of the Company.
 - UPSI includes, but is not limited to, information regarding financial results, dividends, mergers and acquisitions, stock splits, or any material changes in business operations.

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





4. Prohibition on communicating or procuring UPSI:

An Insider shall not –

- i. Communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other Insiders, except to the extent allowed by these Rules or SEBI Regulations; or
- ii. Procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

- a) in furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate notice, confidentiality and non-disclosure agreements being executed; or
- b) in the event the Board of Directors directs or causes the public disclosure of UPSI in the best interest of the Company;

5. Prohibition on Insider Trading:

An Insider shall not, directly or indirectly, –

- i. Trade in securities of the Company that are listed or proposed to be listed when in possession of UPSI;
- ii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI; and
- iii. provide advise/ tips to any third party on trading in Company's securities while in possession of UPSI.

An insider who has ceased to be associated with the Company shall not, for a period of six months from date of such cessation, directly or indirectly trade in the Company's Securities while in possession of UPSI.

Trading in Securities of other companies. No Insider may, while in possession of Unpublished Price Sensitive Information about any other public Company gained in the course of employment with the Company, (a) trade in the securities of the other public Company, (b) "tip" or disclose such material non-public information concerning that Company to anyone, or (c) give trading advice of any kind to anyone concerning the other public Company.





The restriction in 4 (i) above may not apply to:

(a) a transaction that is an off-market inter-se transfer between Insiders who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and

(b) Trades pursuant to a Trading Plan set up in accordance with these Rules and SEBI Regulations.

When a person has traded in securities while in possession of Unpublished Price Sensitive Information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

6. Trading Window:

1) The Compliance Officer shall notify a "Trading Window" during which the Designated Persons may Trade in the Company's securities after securing pre-clearance from the Compliance Officer in accordance with these Rules. The competent authority for pre-clearing the Trade of Compliance Officer shall be the CEO/CFO.

2) Designated Person shall not Trade in the Company's securities when the Trading Window is closed.

3) The Trading Window shall generally be closed for all Insiders from the end of every quarter till 48 hours after the declaration of financial results.

4) Additionally, the Trading Window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer. Designated Person or class of Designated Persons will receive a notification on such special blackout periods.

5) The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.

6) (1) Designated Persons may execute trades subject to compliance with these regulations. Towards this end, a notional Trading Window shall be used as an instrument of monitoring trading by the designated persons. The Trading Window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. Such closure shall be imposed in relation to such securities to which such Unpublished Price Sensitive Information relates. Designated Persons and their immediate relatives shall not trade in securities when the Trading Window is closed.





(2) Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by Audit Committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of Material Information.

(3) The Trading Window restrictions mentioned in sub-clause (1) shall not apply in respect of -

(a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 and in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer and compliance with the respective regulations made by the Board;

(b) Transactions which are undertaken in accordance with respective regulations made by the Board such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buyback offer, open offer, delisting offer.

7. Pre-Clearance for Trading

1) Designated Persons may Trade in the securities of the Company when the trading window is open, after obtaining approval of the Compliance Officer by submitting an application as per **Annexure 1** and an undertaking as per **Annexure 2**.

2) The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.

3) The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.

4) The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per **Annexure 3**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.

5) If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.

6) Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

7) A Designated Person who Trades in securities of the Company without complying with the pre-clearance procedure as envisaged in these Rules or gives false undertakings and/or





makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in these Rules.

8. Additional trading restrictions on Designated Persons

1) A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure. The trading plan may be executed only after the plan is approved by the Compliance Officer and disclosed to the stock exchanges on which the securities of the Company are listed.

2) Designated Person shall not exercise any influence over the amount of securities to be traded, the price at which they are to be traded, or the date of the trade. Designated Person may delegate discretionary authority to his/her broker, but in no event Designated Person may consult with the broker regarding executing transactions, or otherwise disclose information to the broker concerning the Company that might influence the execution of transactions, under the Trading Plan after it commences.

3) The Trading Plan once approved shall be irrevocable and the Designated Person 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. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

9. Penalty for Insider Trading:

1) An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be, terminated.

2) Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback etc and ineligibility for future participation in the Company's stock option plans or termination.

3) The SEBI or any other appropriate regulatory authority may also be informed of the violation of these Rules so that appropriate action may be taken.





10. Disclosure Requirements:

A. Initial Disclosure:

Every person, on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter or member of the promoter group, shall disclose his / her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as per Form B set out in **Annexure 4**.

B. Continual Disclosure:

a. Every Promoter, member of the promoter group, designated person, director of the Company and each of their Immediate Relatives shall disclose as per Form C set out in **Annexure 5** to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. Ten lakhs.

b. The disclosure shall be made within two working days of:

- I. the receipt of intimation of allotment of shares, or
- II. the acquisition or sale of shares or voting rights, as the case may be.

C. Disclosure to the Stock Exchange:

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

D. Disclosures by other Connected Persons:

The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company as per Form D set out in **Annexure 7** at such frequency as he may determine.

E. All Designated Persons must make an **annual disclosure** of the number of Securities of the Company held as on 31st March each year by them including details of purchase / sale of Securities of the Company during the financial year to the Compliance Officer. This disclosure must be made **within 30 (thirty) days from the close of each financial year**.





11. Miscellaneous:

1) The Board of Directors shall be empowered to amend, modify, and interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.

2) The Compliance Officer shall maintain

(a) an updated list of Designated Persons,

(b) records of disclosures and pre-clearance applications and undertakings for a period of five years and

(c) a confidential list of any 'restricted securities' to which the Compliance Officer may require Designated Persons to seek pre-clearance before Trading in such 'restricted securities'.

3) The Company shall require all Connected Persons to formulate and adhere to a code of conduct to achieve compliance with these Rules. In case such persons observe that there has been a violation of these Rules, then they shall inform the Board of Directors of the Company promptly.

4) Any suspected violation or leak of Unpublished Price Sensitive Information or violation of this policy can be reported under whistle blower policy.

The Company is committed to continuously reviewing and updating its policies, and the Company therefore reserves the right to amend this Policy at any time, for any reason, subject to applicable law.

These Rules are subject to the applicable prevailing law in relation to prevention of Insider Trading and if there is any inconsistency between any of the provisions of these Rules and applicable law, the applicable law shall prevail.





ANNEXURE 1

APPLICATION FOR PRE-TRADING APPROVAL

The Compliance Officer,
PAE Limited

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase / sell / subscribe equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
2A	Relationship with the Applicant (Self/Immediate Relative)	
3.	Number of securities held as on date	
4.	Folio No. / DP ID / Client ID No.	
5.	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities (d) Pledge
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be purchased/subscribed/sold/pledge	
8.	Current market price (as on date of application)	
9.	Whether the proposed transaction will be through stock exchange or off-market trade	
10	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I enclose herewith the Undertaking signed by me.

Signature:
Name:
Date:





ANNEXURE 2

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE- CLEARANCE

To,
The Compliance Officer,
PAE Limited

I, _____ being a Designated Person of the Company as per the Rules for Trading in the securities of PAE Limited residing at _____, am desirous of trading in shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of any Unpublished Price Sensitive Information up to the time of signing this Undertaking.

In the event that I have access to or receive any Unpublished Price Sensitive Information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defence, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.





I declare that I have made full and true disclosure in the matter.

Signature:

Name:

Date:





ANNEXURE 3

DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,
The Compliance Officer,
PAE Limited.

I hereby inform that I

- have not bought/ sold/ subscribed any securities of the Company
- have bought/sold/subscribed to securities as mentioned below on (date) (strike out whichever is not applicable)

Name of holder	No. of securities traded	Bought / sold / subscribed	DP ID/Client ID/Folio No.	Price (Rs.)

I declare that the above information is correct and that no provisions of the Company's Rules and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature:

Name:

Date:





ANNEXURE 4

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, CIN/DIN & address contact nos.	PAN, with h	Category of Person (Promoters/ KMP / Directors/Immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
			Type of security (For eg, - Shares, Warrants, Convertible Debentures etc.)	No.	

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





ANNEXURE 5

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/DI SC & address or with corporate address	Category of Person (Promoter, Director, Employee, etc.) (as relative to/above, as applicable)	Securities held prior to acquisition/disposal		Securities acquired/disposed				Securities held post acquisition/disposal		Date of intimation to company	Date of intimation to company	Mode of acquisition/disposal (on market/public/ rights/ preferential offer / off market/ inter-se transfer, etc.)
		Type of security (For eg. - Shares, Warrants, Convertible Debt etc.)	No. and % of shares owned	Type of security (For eg. - Shares, Warrants, Convertible Debt etc.)	No. and %	Value	Transaction Type (Buy/ Sell/ Pledge/ Redemption/ etc.)	Type of security (For eg. - Shares, Warrants, Convertible Debt etc.)	No. and % of shares owned	From	To	

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





ANNEXURE 6
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 of Person with whom 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 acquisition / disposal of shares/ sale of shares specify		Date of information to company	Mode of acquisition/ disposal (on market/public rights/ preferential offer / off market/ inter-se transfer, ESOPs etc.)
		Type of security (For eg - Shares, Warrants, Convertible Debentures etc.)	No. and % of shares	Type of security (For eg - Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sell/ Pledge/ Repurchase/ Workout)	Type of security (For eg - Shares, Warrants, Convertible Debentures etc.)	No. and % of shares	From	To	

