



CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

I. PREAMBLE

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the “**Regulations**”) mandates the board of directors of every listed companies to formulate a code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with the Regulations and enforcing a code of internal conduct and procedures based on the standards prescribed in the Regulations.

II. APPLICABILITY

In compliance with the Regulations, the Board (as defined below) has adopted this Code of Conduct for ‘Prevention of Insider Trading’ (this “**Code**”) pursuant to a resolution dated 12-02-2018.

This Code is applicable to all employees and other Connected Persons (as defined below) who have access to or could have access to Unpublished Price Sensitive Information (as defined below) about the Company. Such persons are required to comply with this Code and to make the necessary disclosures as per the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as adopted by the Company.

Effective Date:

This Code will be effective from the date of listing of the equity shares of the Company on BSE Limited and on National Stock Exchange of India Limited

III. DEFINITIONS

1. "**Act**" means the Securities and Exchange Board of India (SEBI) Act, 1992 (15 of 1992), Rules framed there under and any amendments thereto.
2. "**Board of Directors**" or "**Board**", means the collective body of the Directors of the Company.
3. "**Code**" means this Code of Conduct for Prevention of Insider Trading.

4. “**Company**”, “**This Company**” or “**The Company**”, wherever occur in the policy shall mean “Bharat Hotels Limited”.
5. “**Compliance Officer**” means the Company Secretary of the Company 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board.
6. “**Connected Persons**” 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; and (ii) Generally, the following persons shall be deemed to be connected persons unless the contrary is established:
 - a. an immediate relative of connected persons (as defined in (i));
 - b. a holding company or associate company or subsidiary company of the 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 the Company or his immediate relative or Banker of the Company, has more than ten per cent of the holding or interest.

7. “**Designated Persons**” means:
 - a. All Directors;
 - b. Key Managerial Personnel (KMP’s) as defined under section 2(51) of the Companies Act, 2013, as amended;
 - c. All employees of Manager cadre and above;
 - d. Each of the persons falling within the definition of “Promoter” as defined in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**SEBI ICDR Regulations**”);
 - e. Each of the persons falling within the definition of “Promoter Group” as defined in the SEBI ICDR Regulations;
 - f. Persons in contractual, fiduciary or advisory relationships with the Company i.e. consultants, retainers, auditors, law firms, analysts etc.
 - g. Other persons as designated by the Board in consultation with Compliance Officer of the Company, from time to time; and
 - h. Immediate relatives of persons covered under clause (a) to (f) above.

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;

9. “**insider**” means any person who is:
 - i. a connected person; or
 - ii. in possession of or having access to unpublished price sensitive information.

10. “**SEBI**” shall mean the Securities and Exchange Board of India.

11. “**Stock Exchange**” shall mean the National Stock Exchange of India Limited, BSE Limited and any other stock exchange(s) on which the securities of the Company are listed for the time being.

12. “**Takeover Regulations**” shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

13. “**Trading**” means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in any securities and “trade” shall be construed accordingly.

14. “**Trading Day**” means a day on which the recognized stock exchanges are open for trading.

15. **"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, delistings, disposals and expansion of business and
 - (v) such other transactions;
 - (vi) changes in Key Managerial Personnel;
 - (vii) material events in accordance with the Securities and Exchange Board of India
 - (viii) (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ix) Other matters as may be prescribed by SEBI/considered by the Compliance Officer to be price sensitive from time to time.

IV. INTERPRETATION

Words and expressions used and not defined in the Code but defined in the Regulations, the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996), or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under, each as amended, shall have the meanings respectively assigned to them in those legislations.

V. CODE

1. PRESERVATION OF "UNPUBLISHED PRICE SENSITIVE INFORMATION" AND PROHIBITION TO DEAL/BUY/SELL/PLEDGE ETC. SECURITIES OF THE COMPANY BY INSIDERS

- 1.1 The insiders shall maintain the confidentiality of all Unpublished Price Sensitive Information and shall not pass on such information to any person, including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 1.2 The insiders when in possession of any unpublished price sensitive information pertaining to the Company shall not:
 - i. Trade in the securities of the Company, either on their own behalf or on behalf of any other person.

- ii. Communicate, counsel or procure or allow access to any unpublished price sensitive information to/ from any Person, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2. NEED TO KNOW

- 2.1** Unpublished Price Sensitive Information is to be handled on a “need to know” basis i.e. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their official duties.
- 2.2** A Chinese wall exists between members of respective departments and of the rest of Company. This Chinese wall is designed to isolate activities of one department from other in order to restrict the dissemination of information obtained by the respective departments/ members on a "need-to-know" basis.
- 2.3** This Chinese wall is supported by the following procedures:
 - Physical separation of each Department;
 - Limiting computer access to the Inter-department network;
 - Restriction on access to data via pen drives, external hard drives etc.
- 2.4** 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 is of informed opinion that the proposed transaction is in the best interests of the Company; or
 - (ii) not attract the obligation to make an open offer under the Takeover Regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute Unpublished Price Sensitive Information is disseminated to be made generally available at least two Trading Days prior to the proposed transaction being effected in such form as the Board may determine.

However, the Board 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 limited purpose as set out in 2.4(i) and (ii) and shall not otherwise trade in securities of the Company when in possession of Unpublished Price Sensitive Information.

3. LIMITED ACCESS TO CONFIDENTIAL INFORMATION

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

4. RESTRICTION TO DEAL/ BUY / SELL/ PLEDGE ETC SECURITIES

- 4.1** The Designated Persons shall not Trade in securities of the Company during closure of the trading window, i.e. the period during which trading in the securities of the Company is prohibited. The Designated Persons shall conduct all their dealings in the securities of the Company only during an open trading window and shall not deal in any transaction involving the Trading of the Company's securities during the periods when the trading window is closed.
- 4.2** The closure of trading window for the purposes for which a specific notice/ intimation is required to be given to Stock Exchange shall commence from the date on which intimation of the date of Board meeting for consideration of any Unpublished Price Sensitive Information is given to Stock Exchange. However, if the circumstances so warrants, the time for closing of trading window may be increased or decreased by the Compliance Officer.
- 4.3** The trading window shall be opened on third calendar day from the day on which the Unpublished Price Sensitive Information is communicated to the Stock Exchange and becomes generally available.
- 4.4** The closure of the trading window for the purposes for which no specific notice/ intimation is required to be given to Stock Exchange shall be advised by the Compliance Officer of the Company, while the trading window shall be opened on third calendar day from the day on which price sensitive information is communicated to the Stock Exchange and becomes generally available.
- 4.5** In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale/pledge of shares allotted in exercise of ESOPs shall not be allowed when trading window is closed.
- 4.6** Designated Persons who Trade in the securities of the Company, shall not enter into a contra trade i.e. Trade in the securities, during the six months following the prior transaction. However, the Compliance Officer(s) is empowered to grant relaxation from

strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Regulations and this Code. If 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 the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Act. The application for this approval should be made to the Compliance Officer(s) in format specified in **Annexure I**.

4.7 All Designated Persons, who intend to deal in Company's securities (themselves or through immediate relatives) during the period other than trading window closure, are required to obtain the pre-clearance of the proposed Trade from the Compliance Officer as per the procedure described hereunder, if the said Trade in the securities of Company is in excess of 1500 in number or Rupees Ten Lakh in market value, whichever is lower, in an aggregate in relation to the transaction(s) in a single day. In case of dealing by Compliance Officer(s), pre-clearance from the managing director shall be required. An application stating, *inter alia*, the estimated number of securities that the Designated Person intends to Trade in, the details as to the depository with which he has security account and the details as to the securities already held etc, for pre-clearance shall be made to the Compliance Officer of Company in the format specified in **Annexure II**. An undertaking shall also be executed in favor of the Company by such Designated Person incorporating, *inter alia*, the following clauses, as may be applicable:

- a) That the said Designated Person or his immediate relative does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking.
- b) That in case the said Designated Person or his immediate relative has access to or receives "Unpublished Price Sensitive Information" after signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer(s) of the change in his position and that he/she would completely refrain from dealing in the securities of the Company until the time such information becomes public.
- c) That he/she has not contravened this Code.
- d) That he/she has made a full and true disclosure in the matter.

The Compliance Officer shall assess whether any such declaration is reasonably capable of being rendered inaccurate.

- 4.8** The Compliance Officer(s) will scrutinize the application within two working days of submission and communicate the approval/ refusal (along with reasons thereof) to the applicant. In the absence of the Compliance Officer(s), the pre-clearance application will be decided upon by the managing director.
- 4.9** In case any transaction has been refused, the Designated Person shall be free to re-apply for pre clearance of the transaction, which was refused, to the Chairperson of the Audit Committee of the Company. The decision of the Chairperson of the Audit Committee in this regard shall be final.
- 4.10** The pre-clearance approval shall be valid only for seven calendar days from the date of communication and shall lapse thereafter. If the transaction is not consummated within seven calendar days from the approval date, the Designated Person will be required to follow the process of pre clearance again. However the Compliance Officer(s) shall have the right to revoke the clearance granted, before the relevant transaction has been consummated, if considered necessary.

5. TRADING PLAN

The Insiders, who are perpetually in possession of Unpublished Price Sensitive Information, shall have an option to formulate their Trading Plan and present the same to Compliance Officer(s) for approval and public disclosure. The Compliance Officer(s) shall review the Trading Plan to assess whether the plan would have any potential for violation of the Regulations and may seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan. Upon approval of Trading Plan, the Compliance Officer(s) shall notify the same to Stock Exchanges where securities of the Company are listed.

The Trading plan shall comply with following requirements:

- a. Trading in securities will commence after six months of public disclosure of Trading plan.
- b. No Trading between 20 trading days prior to last day of any financial period for which results are required to be announced by the Company and until the second (2) trading day after disclosure of financial results.
- c. Trading Plan should be for a period of at least 12 months and there should not be any time overlapping in two Trading Plans.

- d. Trading Plan shall set out either the value of trades to be effected or number of securities to be traded along with the nature of trade and the intervals at or the dates on which such trades shall be effected.
- e. The Trading Plan shall not entail Trading in securities for market abuse.

The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the Trading 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 any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of the Trading 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.

6. DISCLOSURES

- 6.1 Designated Persons shall make the following disclosures in relation to Trading in the securities of the Company (including, subject to applicable laws, Trading in derivatives of securities and the traded value of such derivatives shall be taken into account) by them and their immediate relatives, to the Compliance Officer:

Periodicity of Disclosure	Disclosure Requirement	Time period within which disclosure is to be made
Initial Disclosure by Promoter, KMP and Director(s) of the Company	Number of Securities held by them	a) Within 30 days of coming into effect of the Regulations. Such disclosure shall be made in the format prescribed by the SEBI. b) Within seven days of (i) appointment as a director or KMP or (ii) becoming a promoter

		Such disclosure shall be made in the format prescribed by the SEBI
<p>Continual Disclosure by Promoter, Employee and Director of the Company, of the number of securities acquired or disposed of, if the value of securities traded individually or cumulatively during a calendar quarter exceeds Rs. 10 Lakh.</p> <p>For the purpose of continual disclosure as specified above, the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold specified of Rs. 10 Lakh during a calendar quarter. Company shall notify these disclosures within two trading days of receipt of such disclosure or becoming aware of such information to Stock Exchanges where the share of the company are listed</p>	Number of Securities or voting rights acquired or disposed of by them.	Within two trading days of such transaction. Such disclosure shall be made in the format prescribed by the SEBI

7. GENERAL

7.1 In case it is observed by the Company/Compliance Officer(s) that there has been a violation of the Regulations, SEBI shall be informed by the Company.

- 7.2 Designated Persons are advised to go through this Code and the Regulations from time to time, carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer(s) shall assist the Designated Persons in addressing any clarifications regarding the Regulations and this Code.
- 7.3 The Compliance Officer(s) shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of “Unpublished Price Sensitive Information”, pre-clearing of trades by designating employees or their immediate relatives and the implementation of the Code of Conduct for Prevention of Insider Trading under the overall supervision of the Board.
- 7.4 The Compliance officer(s) shall maintain records of all the declarations or information in the appropriate form given by the designated persons for a minimum period of five years.
- 7.5 The Compliance officer(s) shall place before the Chairperson of the Audit Committee, on a quarterly basis all the details of the dealing in the securities by Designated Persons and the accompanying documents that such persons had executed the pre-dealing procedure as envisaged in this code.

8. CONTRAVENTION

Any contravention of the code by Designated Persons shall attract strictest disciplinary action, including but not restricted to recovery of profits made, wage freeze, suspension, termination of employment and/or penalties in accordance with the Securities Contract (Regulation) Act, 1956.

Annexure I

Date:

The Compliance Officer
Bharat Hotels Limited,
Barakhamba Lane,
New Delhi

Sub: Waiver of minimum holding period for Securities of the Company

Dear Sir,

I have purchased/ acquired _____ equity shares of the Company on _____ and due to the below mentioned reason, I wish to sell _____ equity shares before the end of 6 months/ 30 working days from the date of purchase/ allotment. Please grant me waiver with respect to the holding of equity shares for minimum period of six months/30 working days.

Reasons for waiver:

[Insert]

Thanking you,

(Signature)

Name:

Designation:

Annexure II

Date:

The Compliance Officer
Bharat Hotels Limited,
Barakhamba Lane,
New Delhi

Sub: Application for Pre-clearance of Trade

Dear Sir,

I intend to deal in the Securities of Company. Detailed particulars of Proposed Transaction are as follows:

1. Name :
2. Designation, Department & Employee Code :
3. DPID-Client Id & Details of Depository :
4. Name(s) of Account Holder(s) :
5. Relation with Designated Employee :
6. No of securities held (including those held by immediate relatives) before Proposed Transaction;
7. Date of last disclosure:
8. Nature of Proposed Transaction :
9. Estimated number of securities to be dealt in Proposed Transaction (including by immediate relatives) (including number of securities proposed to be sold, number of securities proposed to be acquired and the resultant balance holding):
10. Estimated value of securities to be dealt in Proposed Transaction (including by immediate relatives):
11. Reason for Proposed Transaction :

I confirm that:

- a. I do not have access to any price sensitive information and have complied with the code of conduct for prevention of insider trading as specified by the Company from time to time;
- b. I shall execute the trade in the securities of the Company within seven working days of your approval, failing which I shall apply again for your approval; and
- c. I shall hold the securities of the Company for a minimum period of 30 working days from the date of acquisition.

I confirm that the aforesaid facts are true and correct and I shall be fully responsible for any wrongful acts done by me, including such penalties as may be imposed by the Company.

You are requested to pre-clear the above transaction.

Thanking you,

(Signature)