



THE WATERBASE LIMITED

**CODE OF CONDUCT FOR
PREVENTION OF INSIDER TRADING**

AND

CODE OF FAIR DISCLOSURE PRACTICES

THE WATERBASE LIMITED

PART A

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1) Preamble

This Code of Conduct for Prevention of Insider Trading (Code) is being framed by the Company as required by Securities and Exchange Board of India (Insider Trading) Regulations, 2015 ('Regulations'). The Code lays down the policy of the Company in ensuring Unpublished Price Sensitive Information (UPSI), as defined herein, is protected, communicated on need to know basis and is not subject to misuse to the disadvantage of public investors. The requirements of the Code are in accordance with the framework specified by the Regulations and are in addition to the Compliances specified by the Regulations.

2) Definitions

- a) "Compliance Officer" Compliance Officer shall mean the Chief Executive officer 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Board of Directors of the Company.
- b) "Connected Persons" means such persons defined as connected or deemed to be connected persons under the Regulations.
- a) "Designated Person" shall mean:-
1. All Directors
 2. All Key Managerial Personnel as defined under the Companies Act, 2013
 3. All Officers in the rank of General Manager and above;
 4. All Officers in the rank of Manager and above in Finance, Accounts & Secretarial Departments;
 5. Any other employees designated by the Compliance Officer having regard to the access that such employee may be expected to have to UPSI.
 6. Any person having a fiduciary, contractual or professional relationship with the Company such as auditors, accountancy firms, law firms, analysts, consultants etc assisting or advising the Company who would be reasonably be expected to have access to UPSI.
 7. Immediate Relatives of persons covered above.
- b) "Immediate relative" means 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;

- c) "Insider" means any person who is:
 - 1. a connected person; or
 - 2. in possession of or having access to unpublished price sensitive information;

- d) "Unpublished Price Sensitive Information" (UPSI) means any information pertaining 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 include, but not restricted to, information relating to the following:
 - 1. Periodical audited or unaudited financial results of the Company, stand-alone or consolidated;
 - 2. Intended declaration of dividends (both interim and final);
 - 3. Changes in capital structure;
 - 4. Any major expansion plans or execution of new projects;
 - 5. Amalgamation, mergers, takeovers, delisting, disposal or expansion of business and such other transactions;
 - 6. Changes in Key Managerial Personnel;
 - 7. Any material events for the purpose of Listing Agreement.

- e) All other terms and words not defined herein shall have the same meaning and definition assigned to them in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

3) Role of Compliance Officer

- a) The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of UPSI, pre-clearing of designated employees' and their dependents' trades, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of Directors of the company. The Compliance Officer shall provide report on Compliance with the provisions of the Securities and Exchange Board of India (Insider Trading) Regulations, 2015 and this Code to the Chairman of the Audit Committee on half-yearly basis.

- b) The compliance officer shall assist all the Designated Persons in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the company's code of conduct.

4) Preservation of "Price Sensitive Information"

Designated Persons shall maintain the confidentiality of all UPSI that may come to their knowledge or possession. Designated Persons shall not pass on such information to any person directly or indirectly except by following the Chinese wall

procedure detailed in this Code.

5) Need to know and Chinese Wall

- a) UPSI shall be handled on a “need to know” basis, i.e., such Information should be disclosed only to those within the company who need the information to discharge their duty. The Compliance Officer shall specify, for each category of UPSI, the list of Designated Persons who shall normally expected to have access to such information (Chinese Wall).
- b) The Designated Persons who are normally expected to have access UPSI may communicate such information to others i.e. breach the Chinese Wall only:
 - i. If it is required for performing the duty or out of legal obligation
 - ii. If it is required in connection with an obligation to make an open offer under the Takeover Regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company; or
 - iii. If the transaction does not attract the obligation to make an open offer under the Takeover Regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute UPSI 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 of Directors may determine.
- c) All communication of UPSI as in Clause 5 (b) (i) to (iii) by Designated Persons are required to be made only after informing the Compliance Officer in writing.
- d) In case of Designated Persons having contractual relationship with the Company, the Board of Directors shall require the Designated Person to execute agreements to contract confidentiality and non-disclosure obligations on the part of such Designated Person and such Designated Person shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of UPSI.
- e) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

6) Prevention of misuse of UPSI

- a) The Designated Persons shall not deal/ buy/sell/ pledge etc 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. The Compliance Officer shall specify a Trading Window closure period during such time when price sensitive information remains

unpublished. No Designated Person shall trade or deal with the Securities of the Company when the trading window is closed.

- b) 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 UPSI 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.
- c) The period of closure of 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.
- d) The Trading Window shall be opened on third calendar day from the day on which UPSI is communicated to the Stock Exchange and becomes generally available.
- e) The Compliance Officer shall communicate in writing such trading window to the concerned designated persons.

7) Pre-clearance of trades and other restrictions

- a) All Designated Persons, who intend to deal in the securities of the company, exceeding Rs.5 lakhs in value or 25,000 shares or 1% of the paid-up capital of the Company, whichever is lower, should pre-clear the transaction as per the pre-dealing procedure described hereunder. The limit specified above shall be calculated on cumulative basis of all transactions during a calendar quarter. Buy and sell transactions shall not be netted off while calculating cumulative transactions. Each transaction above the limit shall be subject to pre-clearance irrespective of the volume or value of the transaction.
- b) An application stating, inter alia, the estimated number of securities that the Designated Person intends to deal 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 1**. An undertaking shall also be executed in favour of the Company by such Designated Person incorporating, inter alia, the following clauses, as may be applicable:
 - i. That the said Designated Person does not have any access or has not received UPSI up to the time of signing the undertaking.
 - ii. That in case the said Designated Person has access to or receives UPSI 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 till the time such information becomes public.

- iii. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
 - iv. That he/she has made a full and true disclosure in the matter.
- c) All Designated Persons shall execute their order in respect of securities of the company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the Designated Persons must pre-clear the transaction again and shall also inform the Compliance Officer of non-execution of the trade immediately stating the reasons for non execution of pre-cleared trade.
- d) All Designated Persons who buy or sell any number of shares of the company shall not enter into an opposite transaction in those shares i.e. sell or buy any number of shares during the next six months following the prior transaction. All Designated Persons shall also not take positions in derivative transactions in the shares of the company at any time.
- e) In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the compliance officer after recording in writing his/her reasons in this regard.

8) Trading Plan

- a) The Designated Persons, who are expected to be in perpetual 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. Upon approval of Trading Plan, the Compliance Officer(s) shall notify the same to Stock Exchanges where securities of the Company are listed. When trades are done under an approved trading plan, the pre-clearance requirements specified under Clause 7 shall not apply to those trades. However, all other requirements like Trading Window, reporting of transactions etc shall apply to such trades.
- b) 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.
- c) The Trading plan shall comply with following requirements:
- i. Trading/Dealing in securities will commence after six months of public disclosure of trading plan.
 - ii. No Trading/Dealing between twenty (20) trading days prior to last day of

any financial period for which results are required to be announced and till second(2) trading day after disclosure of financial results.

- iii. Trading plan should be for a period of at least 12 months and there should not be any time overlapping in two trading plans.
- iv. 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
- v. The Trading should not entail/result in market abuse.
- vi. The trading plan once approved shall be irrevocable & the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

9) Reporting Requirements for transactions in securities

- a) All Designated Persons of the company shall be required to forward following details of their securities transactions to the Compliance Officer:
 - i. All holdings in securities of that company by Designated Persons at the time of joining the company or entering into contractual relationship with the Company, within 15 days from the date of joining or entering into contractual relationship (As per **Annexure – 2**);
 - ii. Half yearly statement (April to September and October to March) of transactions in the securities, within 15 days from the end of the respective period (As per **Annexure – 3**); and
 - iii. Annual statement of all holdings in securities as on 31st of March, within 15 days thereof (As per **Annexure – 4**).
- b) The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Designated Persons for a minimum period of eight years.
- c) The Compliance Officer shall place before the Audit Committee, on a Quarterly basis, all the details of dealing in the securities by Designated Persons of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

10) Penalty for contravention of code of conduct

- a) Any Designated Persons who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may

be penalised and appropriate action may be taken by the company.

- b) Designated Persons of the company who violate the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligible for future participation in employee stock option plans etc.
- c) The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015

11) Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 SEBI shall be informed by the Company.

THE WATERBASE LIMITED

CODE OF FAIR DISCLOSURE PRACTICES

1) Corporate Disclosure Policy

The object of the Policy is to ensure that the company gives timely and adequate disclosure of UPSI by following the below mentioned norms:—

2) Prompt disclosure of UPSI

- a) Price sensitive information shall be given to stock exchanges and disseminated on a continuous and immediate basis once credible and concrete information comes into being.
- b) The Company may also consider ways of supplementing information released to stock exchanges by improving Investor access to the public announcements by disclosing the same in the website.

3) Overseeing and co-ordinating disclosure

- a) The Compliance Officer is designated as Chief Investor Relations Officer (CIRO) to oversee the corporate disclosures.
- b) The CIRO shall be responsible for ensuring that the company complies with continuous disclosure requirements under the Listing Agreement and also under this Code, overseeing and co-ordinating disclosure of UPSI to stock exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure. In any case, UPSI shall not be shared on selective basis i.e. with analysts, media etc before making the UPSI publicly available.
- c) Information disclosure/dissemination shall normally be approved in advance by the CIRO.
- d) If information is accidentally disclosed without prior approval, the person responsible may inform the CIRO immediately, even if the information is not considered price sensitive.
- e) The Company shall not share any UPSI with any analysts or other market intermediaries who do not have a Code of Conduct as per the requirements of the Regulations.

4) Responding to market rumours

- a) The CIRO is responsible for responding to any queries or requests for verification of market rumours by exchanges.

- b) The CISO is responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

5) Timely Reporting of shareholdings/ownership and changes in ownership

Disclosure of shareholdings/ownership by major shareholders and disclosure of changes in ownership as provided under any Regulations made under the Act and the listing agreement shall be made in a timely and adequate manner.

6) Disclosure/dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors

The Company should follow the guidelines given hereunder while dealing with analysts and institutional investors:—

- (i) **Only Public information to be provided** – The Company shall provide only public information to the analyst/research persons/large investors like institutions. Alternatively, the information given to the analyst should be simultaneously made public, within 15 minutes of providing the information to the analyst/research persons/large investors like institutions.
- (ii) **Recording of discussion** - In order to avoid misquoting or misrepresentation, it is desirable that at least two company representatives be present at meetings with Analysts, brokers or Institutional Investors and discussion should preferably be recorded.
- (iii) **Handling of unanticipated questions** – The Company should be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- (iv) **Simultaneous release of Information** - When the company organises meetings with analysts, the company shall make a press release or post relevant information on its website after every such meet. The company may also consider live webcasting of analyst meets.

7) Medium of disclosure/dissemination

- a) Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- b) The Company shall ensure that disclosure to stock exchanges is made promptly.
- c) The Company may also facilitate disclosure through the use of its dedicated

Internet website.

- d) The Company's website(s) may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.
- e) The information filed by the Company with exchanges under continuous disclosure requirement may be made available on the company's website(s).

To

The Compliance Officer
The Waterbase Limited

APPLICATION FOR PRE-CLEARANCE

As on date I /my dependent Shri. _____ am/is holding _____ shares in your Company, under Folio No. / DP ID – Client ID _____. I/my dependent am/is desirous of dealing (purchase/sell) _____ Shares of the Company. I seek your approval for the same under the Code of Conduct for Prevention of Insider Trading.

I hereby state that--

- a) I am not depending on/using any price sensitive information as defined in the Code that has not become public.
- b) In the event that I have access to or received any information that could be construed as “Unpublished Price Sensitive Information” as defined in the code, 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 dealing in the securities of the company until such information becomes public;
- c) I have not contravened the provisions of the code of conduct for prohibition of insider trading as notified by the company from time to time.
- d) I have made full and true disclosure in the matter.

NAME :

SIGNATURE :

DATE :

DISCLOSURE OF PARTICULARS BY DESIGNATED PERSONS

Date: _____

To
The Compliance Officer
The Waterbase Limited

Dear Sir,

My/ Our details are as under:

NAME OF DESIGNATED PERSON _____
Emp. No: _____ Grade _____ Department _____
Location _____ Date of Appointment/ Date of Agreement _____

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, and the Company's Code of Conduct for prevention of insider trading, I hereby declare that I/we

- Do not hold any securities as on date
 Hold securities as per details given below

Name of the holder	First or joint holder	Folio No. (Physical form)	Holding	DP ID / Client ID (Electronic form)	holding

** indicate "F" where the named holder is the first holder of the securities and "J" where he/she is the joint holder of the securities.

All DP IDs and Client IDs to be furnished even if no securities of the Company are held.

I hereby declare that the above details are true, correct and complete in all respects.

NAME :

SIGNATURE :

DATE :

Annexure - 3

To

The Compliance Officer
The Waterbase Limited

HALF YEARLY DISCLOSURE OF TRANSACTIONS BY DESIGNATED PERSONS

Reporting Period			6 months ended _____		
Name of Designated Person					
<i>Date of purchase</i>	<i>No. of shares</i>	<i>Price per share</i>	<i>Date of Sale</i>	<i>No. of shares</i>	<i>Price per share</i>
TOTAL			TOTAL		
<i>Total no. of shares held at the beginning of the Half Year</i>					
<i>Total no. of shares held at the end of the Half Year</i>					

NAME :

SIGNATURE :

DATE :

To

The Compliance Officer
The Waterbase Limited

ANNUAL DISCLOSURE OF SHAREHOLDINGS OF DESIGNATED PERSONS

DETAILS OF SHARES HELD BY DESIGNATED PERSONS

NAME	DESIGNATION	NO OF SHARES HELD ON 31st March _____	FOLIO NO/DP ID/ CLIENT ID

NAME :

SIGNATURE :

DATE :