



Policy on Prevention of Insider Trading

1. PREFACE

RCRS INNOVATIONS LIMITED (herein after referred to as the “Company”) is committed to the preserving the confidentiality and preventing the misuse of any un-published price sensitive information. The Company is further committed to adherence to all applicable laws and regulations set forth by the Securities and Exchange Board of India (“SEBI”) or the Stock Exchanges with regards to prevention of insider trading. Trading on insider information is not only illegal, but also tarnishes corporate credibility of the Company. The Company is committed to ensuring transparency and fairness in dealing with all stakeholders of the Company. This insider trading policy (this “Policy”) aims to define and establish rules & process of the Company with respect to:

- Prevention of Insider trading of securities;
- To ensure there is no violation of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
 - Maintenance of confidentiality of Unpublished Price Sensitive Information; and
 - Adherence to SEBI’s applicable guidelines by all Connected Persons or deemed Connected Persons including directors, officers and Designated Persons for prevention of insider trading.

The Policy shall come into force with effect from the date of listing of the equity shares of the Company on Emerge Platform of NSE (National Stock Exchange of India Limited).

2. DEFINITIONS

Definitions of some of the key terms used in this Policy are given below:

- a) “Board” means the Board of Directors of the Company; 1
- b) “Company” means Indian Energy Exchange Limited;
- c) “Compliance Officer” means any senior officer, designated so from time to time, in compliance with the provisions of SEBI Insider Trading Regulations;
- d) “Connected Person” means a ‘Connected Person’ as defined under Clause 2(d) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, which includes:
 - (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 Securities and Exchange Board Act, 1992, as amended, 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 SEBI; 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;

e) "Designated Person" shall include a person occupying any of the following position in the company:

- i. All Directors on the Board;
- ii All Key Managerial Personnel;
- iii All Senior Managerial Personnel;
- iv All Vice President & above;
- v. All Employees (Above Manager Grade) in the Finance & Accounts, Legal, Secretarial & Compliance, Investor Relations, Communications and Media Communications departments;
- vi. All employees who are attached to Directors/MD/CEO's Office;
- vii Internal Auditors, Statutory Auditors, Secretarial Auditors, Consultants and Advisors of the Company;
- viii Any other person who on the basis of their role and function in the Company, is reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, as may be decided by the Chairman/Managing Director/Whole-Time Director/Joint Managing Director/Compliance Officer, from time to time;

f) "Dealing in Securities" means an act of subscribing, buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent;

g) "Generally available information" means information that is accessible to the public on a non-discriminatory basis;

h) "Insider" means as defined under Clause 2 (g) of the SEBI (Prohibition of Insider Trading)

Regulations, 2015, which includes:

- i) a Connected Person; or
- ii) In possession of or having access to unpublished price sensitive information;

i) "Insider Trading" means actions where insiders use unpublished price sensitive information to arrive at securities trading/dealing (including buying as well as selling) decisions;

j) "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;

k) "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;

l) "SEBI Insider Trading Regulations" means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

m) "Unpublished Price Sensitive Information" shall have the meaning as defined under the SEBI Insider Trading Regulations which means any information, relating to a 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 such other transactions;
- v Changes in key managerial personnel;
- vi Material events in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended.

Words and expressions not defined in this Policy shall have the same meaning as contained in SEBI Insider Trading Regulations.

3. **DUTIES OF COMPLIANCE OFFICER** The Company shall appoint any senior person as the Compliance Officer who shall report to the Board on matters relating to prevention of Insider trading as specified in the Policy.

His duties shall include the following:

- He shall be responsible for monitoring implementation of the Policy under the overall supervision of the Board;
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He shall maintain a record of Designated Persons and any changes made to the list of Designated Persons;

- He shall assist all the employees in addressing any clarification regarding the “Company’s Policy on Prevention of Insider Trading” and SEBI Insider Trading Regulations;
- He may in consultation with the Chairman and/or Managing Director and shall as directed by the Board, specifies prohibited period from time to time and immediately make an announcement thereof; • He shall ensure that prohibited period is intimated to all concerned before the commencement of the said period;
- He shall maintain records of all the declarations submitted in the appropriate form given by the Designated Persons;
- He shall inform all Stock Exchanges on which the securities of the Company are listed, the information received under as required and disclose to the extent, as required under rules and regulations promulgated by SEBI or the Stock Exchanges;
- He shall place details of the dealing in the securities by Designated Persons before the Managing Director/Chief Executive Officer on quarterly basis and the accompanying documents that such persons had executed under the pre-dealing procedure as mentioned in this Policy. • He shall implement the punitive measures or disciplinary action prescribed for any violation or contravention of the Code of Conduct;
- He shall do all such things as provided in the SEBI Insider Trading Regulations and as may be prescribed by SEBI from time to time.

4. MAINTENANCE OF CONFIDENTIALITY

- Insider Persons shall maintain the confidentiality of all unpublished price sensitive information.
 - Such persons shall also not pass on such information to any person directly or indirectly by means such as making a recommendation for the purchase or sale of securities etc.
 - 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 such information to discharge their duties.
 - All files, whether electronic or manual, containing confidential information shall be kept secure.

5. PROHIBITION OF FRAUDULENT AND UNFAIR TRADE PRACTICES RELATING TO SECURITIES MARKET

A. The company will ensure the compliance of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. The terms defined below will be used for this section only.

a) “Dealing in securities” includes an act of buying, selling or subscribing pursuant to any issue of any security or agreeing to buy, sell or subscribe to any issue of any security or otherwise transacting in any way in any security by any person as principal, agent or intermediary referred to in section 12 of the Act.

b) "Fraud" includes any act, expression, omission or concealment committed whether in a deceitful manner or not by a person or by any other person with his connivance or by his agent while dealing in securities in order to induce another person or his agent to deal in securities, whether or not there is any wrongful gain or avoidance of any loss, and shall also include—

i. a knowing misrepresentation of the truth or concealment of material fact in order that another person may act to his detriment;

ii. a suggestion as to a fact which is not true by one who does not believe it to be true;

iii. an active concealment of a fact by a person having knowledge or belief of the fact;

iv. a promise made without any intention of performing it;

v. a representation made in a reckless and careless manner whether it be true or false;

vi. any such act or omission as any other law specifically declares to be fraudulent,

vii. deceptive behaviour by a person depriving another of informed consent or full participation

viii. a false statement made without reasonable ground for believing it to be true.

ix. the act of an issuer of securities giving out misinformation that affects the market price of the security, resulting in investors being effectively misled even though they did not rely on the statement itself or anything derived from it other than the market price.

And "fraudulent" shall be construed accordingly;

Nothing contained in this clause shall apply to any general comments made in good faith in regard to—

i. The economic policy of the government

ii. The economic situation of the country

iii. Trends in the securities market;

iv. any other matter of a like nature

whether such comments are made in public or in private;

B. Prohibition of certain dealings in securities,

No person shall directly or indirectly—

i. buy, sell or otherwise deal in securities in a fraudulent manner;

ii. use or employ, in connection with issue, purchase or sale of any security listed or proposed to be listed in a recognized stock exchange, any manipulative or deceptive device or contrivance in contravention of the provisions of the Act or the rules or the regulations made there under;

iii. employ any device, scheme or artifice to defraud in connection with dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange;

iv. engage in any act, practice, course of business which operates or would operate as fraud or deceit upon any person in connection with any dealing in or issue of securities which are listed or proposed to be listed on a recognized stock exchange in contravention of the

provisions of the Act or the rules and the regulations made there under.

C. Prohibition of manipulative, fraudulent and unfair trade practices 1. Without prejudice to the provisions of above para (B) (regulation 3 of (b) SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003), no person shall indulge in a fraudulent or an unfair trade practice in securities.

6 Dealing in securities shall be deemed to be a fraudulent or an unfair trade practice if it involves fraud and may include all or any of the following, namely:—

- a) indulging in an act which creates false or misleading appearance of trading in the securities market;
- b) dealing in a security not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of such security for wrongful gain or avoidance of loss;
- c) advancing or agreeing to advance any money to any person thereby inducing any other person to offer to buy any security in any issue only with the intention of securing the minimum subscription to such issue
- d) paying, offering or agreeing to pay or offer, directly or indirectly, to any person any money or money's worth for inducing such person for dealing in any security with the object of inflating, depressing, maintaining or causing fluctuation in the price of such security;
- e) any act or omission amounting to manipulation of the price of a security;
- f) publishing or causing to publish or reporting or causing to report by a person dealing in securities any information which is not true or which he does not believe to be true prior to or in the course of dealing in securities;
- g) entering into a transaction in securities without intention of performing it or without intention of change of ownership of such security;
- h) selling, dealing or pledging of stolen or counterfeit security whether in physical or dematerialized form;
- i) an intermediary promising a certain price in respect of buying or selling of a security to a client and waiting till a discrepancy arises in the price of such security and retaining the difference in prices as profit for himself;
- j) an intermediary providing his clients with such information relating to a security as cannot be verified by the clients before their dealing in such security;
- k) an advertisement that is misleading or that contains information in a distorted manner and which may influence the decision of the investors;
- l) an intermediary reporting trading transactions to his clients entered into on their behalf in an inflated manner in order to increase his commission and brokerage;
- m) an intermediary not disclosing to his client transactions entered into on his behalf including taking an option position;

- n) circular transactions in respect of a security entered into between intermediaries in order to increase commission to provide a false appearance of trading in such security or to inflate, depress or cause fluctuations in the price of such security;
- o) encouraging the clients by an intermediary to deal in securities solely with the object of enhancing his brokerage or commission;
- p) an intermediary predating or otherwise falsifying records such as contract notes.
- q) an intermediary buying or selling securities in advance of a substantial client order or whereby a futures or option position is taken about an impending transaction in the same or related futures or options contract.
- r) planting false or misleading news which may induce sale or purchase of securities.

7. RESTRICTIONS AND PROCEDURE FOR DIRECTORS, OFFICERS AND DESIGNATED PERSONS WHILE DEALING IN COMPANY SECURITIES

Designated Persons may deal in Securities subject to compliance with the Regulations and this Policy.

8 PROHIBITION IN DEALING IN SECURITIES OTHER THAN DURING A VALID TRADING WINDOW

All Designated Persons shall conduct all their dealings in the securities of the Company only in a valid trading window within the threshold limit prescribed hereunder and shall not deal in any transactions involving the purchase or sale of the Company's securities during the period when the trading window is closed.

.VALID TRADING WINDOW FOR DEALING IN SECURITIES OF THE COMPANY • Trading window means a period other than the prohibited period; • Prohibited period means: • The period beginning with the day when the intimation of the Board/ Committee meeting is given to the Stock Exchanges to consider any price sensitive information and ending after 48 hours from the time the Price Sensitive information is made public and; • Such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman and/or Managing Director;