

## **Gennex Laboratories Limited Insider Trading Policy**

Gennex Laboratories Limited, (the “Company”) is a public Limited Company whose equity shares are listed on BSE Limited and subject to the rules and regulations issued by the Securities and Exchange Board of India (SEBI).

The Board of Directors of the Company have adopted this Insider Trading Policy (the “Policy”) to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI Regulations”).

The SEBI Regulations prohibit an Insider from Trading in the securities of a company listed on any stock exchange on the basis of any unpublished price sensitive information.

### **1. Rules**

The rules shall be called ‘**Rules for Trading in the securities of Gennex Laboratories Limited by an Insider**’ (“**Rules**”). These Rules shall come into force with immediate effect.

### **2. Definitions**

**2.1** “**Act**” means the Securities and Exchange Board of India Act, 1992.

**2.2** “**Board**” means the Board of Directors of the Company.

**2.3** “**Code**” or “**Code of Conduct**” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of **Gennex Laboratories Limited** as amended from time to time.

**2.4** “**Compliance Officer**” means the Company Secretary or such other senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations designated so and reporting to the Board of Directors 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company

**2.5** “**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 or 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, (x) allowed access to UPSI or (y) 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, (x) allowed access to UPSI or (y) 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;

**vii.** Any person who has a professional or business relationship and that relationship that, directly or indirectly, (x) allows access to UPSI or (y) 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 or 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 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;
- 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;
- 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.

**2.6. "Dealing in Securities"** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

**2.7 Designated Person(s) or Employee(s) shall include;**

- (i) every employee in the grade of Managers and above;
- (ii) every employee in the finance, accounts, secretarial and legal department as may be determined and informed by the Compliance Officer; and
- (iii) any other employee as may be determined and informed by the Compliance Officer from time to time.

**2.8 "Director"** means a member of the Board of Directors of the Company

**2.9 "Immediate Relative"** means a spouse, or the parent, sibling or child of that person or his or her spouse, if they are either dependent financially on such person or consult such person in taking decisions relating to Trading in securities.

**2.10 "Employee"** means every employee of the Company including the Directors in the employment of the Company

**2.11 "Generally available Information"** means information that is accessible to the public on a non-discriminatory basis.

- 2.12** “**Insider**” means any person who is:  
(i) a Connected Person or  
(ii) in possession of or having access to UPSI.
- 2.13** “**Key Managerial Personnel**” shall have the meaning assigned to it under the Companies Act, 2013.
- 2.14** “**Officer**” shall have the meaning assigned to it under the Companies Act, 2013.
- 2.15** “**Promoter**” shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- 2.16** “**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.
- 2.17** “**Trading**” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.
- 2.18** “**Takeover regulations**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- 2.19** “**Trading Day**” means a day on which the recognized stock exchanges are open for trading;
- 2.20** “**Unpublished Price Sensitive Information**” means: 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; and  
(vi) material events in accordance with the listing agreement
- 2.21** “**Regulations**” shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- 2.22** “**Specified Persons**” means the Directors, connected persons, the insiders, the Designated Employees and the promoters and immediate relatives s are collectively referred to as Specified Persons.

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.

### **3. Role of Compliance Officer**

3.1 The Compliance Officer shall report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors.

3.2 The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct.

### **4. Preservation of "Price Sensitive Information"**

4.1 All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which entails:

- 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
- not attracting 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 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 of Directors may determine.

However, 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 limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information

#### **4.2 Need to Know:**

- (i) "need to know" basis means that Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- (ii) All non-public information directly received by any employee should immediately be reported to the head of the department.

#### **4.3 Limited access to confidential information**

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

## **5. Prevention of misuse of “Unpublished Price**

Employees and connected persons designated on the basis of their functional role ("designated persons") in the Company shall be governed by an internal code of conduct governing dealing in securities.

### **5.1 Trading Plan**

An insider shall be entitled to formulate a trading plan for dealing in securities of the Company 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.

### **5.2 Trading Plan shall:**

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- (ii) 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 issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either 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; and
- (vi) not entail trading in securities for market abuse.

5.3 The Compliance Officer shall consider the Trading Plan made as above and shall approve it forthwith. However, he shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Regulations.

5.4 The Trading Plan once approved shall be irrevocable and 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.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

5.5 Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **6. Trading Window**

6.1 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.

6.2 Designated Persons shall not Trade in the Company's securities when the trading window is closed.

6.3 The trading window shall generally be closed for all Insiders between the sixteenth 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 disclosure of such financial results.

6.4 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.

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

## **7. Pre-clearance of Trading**

7.1) 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.

7.2) 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.

7.3) 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.

7.4) 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 4. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.

7.5) 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.

7.6) A Designated Person who Trades in securities 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.

7.7) Nothing in this rule shall apply to any Trade involving a value less than Rs 10 Lakhs or such other amount as may be specified by the Board of Directors from time to time (a "de minimis Trade") provided the Designated Person is not in possession of UPSI while executing the de minimis Trade.

## **8. Additional trading restrictions on Designated Persons**

8.1) No Director or Key Managerial Personnel shall enter into derivative transactions in respect of the securities of the Company.

8.2) All Designated Persons who Trade in the securities of the company shall not enter into an opposite transaction during the next six months following the prior transaction. In case of any contra trade be 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 SEBI.

## **9. Trading Plan**

9.1) 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 pursuant to which Trades may be carried out in his behalf in accordance with such plan.

9.2) The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.

9.3) 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. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

## **10. Penalty for contravention of the code of conduct**

10.1 Every Specified Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).

10.2 Any Specified Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.

10.3 Specified Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.

10.4 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. Disclosure requirements**

11.1) Initial Disclosure:

a) Every Promoter, Key Managerial Personnel, director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days of these Rules taking effect as per Annexure 5.

b) Every person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter 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.

#### 11.2) Continual Disclosure:

a) Every Promoter, employee, director of the Company and each of their Immediate Relatives shall disclose as Annexure 6 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.

#### 11.3) 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.

#### 11.4) 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.

### **12. Miscellaneous**

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

12.2) The Compliance Officer shall provide the Audit Committee of the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.

12.3) The Compliance Officer shall maintain (a) 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'.

12.4) 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.

## ANNEXURE 1

### SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL

Date:

To,  
The Compliance Officer,  
Gennex Laboratories Limited  
Hyderabad.

Dear Sir/Madam,

#### **Application for Pre-dealing approval in securities of the Company**

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's **Code of Conduct for Prevention of Insider Trading**, I seek approval to purchase / sale / subscription of \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant		
2.	Designation		
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
6.	Proposed date of dealing in securities		
7.	Estimated number of securities proposed to be acquired/subscribed/sold		
8.	Price at which the transaction is proposed		
9.	Current market price (as on date of application)		
10.	Whether the proposed transaction will be through stock exchange or off-market deal		
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited		

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of the Employee)

**ANNEXURE 2**

**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE  
APPLICATION FOR PRE-CLEARANCE**

**UNDERTAKING**

To,  
Gennex Laboratories Limited  
Hyderabad.

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of dealing 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 or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "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.

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

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

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance.

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

Date :

Signature : \_\_\_\_\_

\* Indicate number of shares

**ANNEXURE 3**

**FORMAT FOR PRE- CLEARANCE ORDER**

To,

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Place : \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (nos) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,  
For **Gennex Laboratories Limited**

Compliance Officer

Date : \_\_\_\_\_

Encl: Format for submission of details of transaction

## ANNEXURE 4

### FORMAT FOR DISCLOSURE OF TRANSACTIONS

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

To,  
The Compliance Officer,  
**Gennex Laboratories Limited**  
Hyderabad

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)

Name of holder	No. of securities dealt with	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 Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date : \_\_\_\_\_

Signature : \_\_\_\_\_

Name :  
Designation:

## ANNEXURE 5

### FORMAT FOR INITIAL DISCLOSURE OF SECURITIES

The Compliance Officer,  
**Gennex Laboratories Limited**  
Hyderabad

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of securities held in the Company as on \_\_\_\_\_ (date of becoming Specified Person).

#### I. Details of securities held by me :

Type of Securities	No. of securities held	Folio No	Beneficiary A/c Client ID

#### II. Details of dependent(s) :

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Company's Code of Procedures and Conduct for Prevention of Insider Trading, I hereby declare that i have the following dependents :

Sr. No.	Name of the dependent	Relation with Director / Officer / Designated Employee

#### III. Details of securities held by dependent(s) :

Name of Relative	Relationship	Type of securities	No. of Securities held	Folio No	Beneficiary A/c Client ID

Date :

Signature: \_\_\_\_\_

**ANNEXURE 6**

**DISCLOSURE OF CHANGE IN SHAREHOLDING**

The Compliance Officer,  
**Gennex Laboratories Limited**  
**Hyderabad**

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the following details of change in holding of securities of the Company :

<i>Name, PAN No. &amp; address of shareholder</i>	<i>No. of securities held before the transaction</i>	<i>Receipt of allotment advice/ acquisition of /sale of securities</i>	<i>Nature of transaction &amp; quantity</i>			<i>Trading member through whom the trade was executed with SEBI Registration No. of the TM</i>	<i>Exchange on which the trade was executed</i>
			<i>Purchase</i>	<i>Sale</i>	<i>Others</i>		

**Details of change in securities held by dependent family members :**

<i>Name, PAN No. &amp; address of shareholder and relationship</i>	<i>No. of securities held before the transaction</i>	<i>Receipt of allotment advice/ acquisition of /sale of securities</i>	<i>Nature of transaction &amp; quantity</i>			<i>Trading member through whom the trade was executed with SEBI Registration No. of the TM</i>	<i>Exchange on which the trade was executed</i>
			<i>Purchase</i>	<i>Sale</i>	<i>Others</i>		

I/We declare that I/We have complied with the requirement of the minimum holding period of six months with respect to the securities purchased/sold.

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

Date :

Signature: \_\_\_\_\_