

KAJARIA CERAMICS LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. PREAMBLE

Kajaria Ceramics Limited (the "Company") endeavors to preserve the confidentiality of the Unpublished Price Sensitive Information and to prevent the misuse of such information. The Company shall also endeavor to disseminate the Price Sensitive Information ("PSI") in public domain in shortest possible time. Till such time, the PSI remains unpublished, the same shall be kept confidential by restricting its accessibility on "Need to Know" basis.

Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "SEBI PIT Regulations"), the Company is required to formulate Code of Conduct for Prevention of Insider Trading in relation to the Securities of the Company to regulate, monitor and report of trading its Designated Persons and Immediate Relatives.

Accordingly, the Company has adopted the Code of Conduct for Prevention of Insider Trading pursuant to the provisions of the SEBI PIT Regulations as amended from time to time and revised in accordance with the provisions of the SEBI PIT Regulations read with amendment thereto, from time to time.

2. APPLICABILITY

This Code of Conduct applies to following:

A. Designated Persons:

- All Promoters and members of the Promoter Group of the Company;
- All the Directors and Key Managerial Personnel ("KMPs") of the Company;
- All employees on/above the rank of General Managers of the Company and Functional Heads below the rank of General Managers, if any;
- All employees of the Material Subsidiary(ies) on/above the rank of General Managers, if any, of the Company and employees on the basis of their functional role or access to the Unpublished Price Sensitive Information(s) relating to the Company, to be decided by the Compliance Officer in consultation of the Managing Director(s) of the Company;
- All employees on/above the rank of Asst. General Managers of the Company in the Accounts, Finance and Taxation Departments posted at the Corporate Office of the Company;

- All employees of Legal & Secretarial Departments and the Secretaries of the Managing Directors / KMPs, posted at the Corporate Office of the Company;
- Employee of other Departments, who could be reasonably expected to have access to the Unpublished Price Sensitive Information(s) relating to the Company, to be decided by the Compliance Officer in consultation of the Managing Director(s) of the Company, on case to case basis;
- Connected Persons as defined in this Code of Conduct or prescribed under SEBI PIT Regulations.
- Such other person(s) as may be identified by the Compliance Officer in consultation of the Managing Director(s) of the Company.

B. Immediate Relative(s) of the Designated Persons.

3. DEFINITIONS AND INTERPRETATIONS

3.1 Definitions

Terms used but not defined herein, shall unless the context requires otherwise have the meaning to them below:

"**Act**" means the Securities and Exchange Board of India Act, 1992, including amendment thereto from time to time;

"**Board**" means the Board of Directors of the Company;

"**Code**" or "**Code of Conduct**" or "**Code of Conduct for Prevention of Insider Trading**" shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons / Insiders of Kajaria Ceramics Limited, as amended from time to time;

"**Company**" means 'Kajaria Ceramics Limited';

"**Compliance Officer**" means the Company Secretary of the Company;

"**Connected Person**" shall have the meaning given to it in the SEBI PIT Regulations and, unless the SEBI PIT Regulations specify otherwise, means:

- any person who is or has during 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 is a Director or officer or employee of the Company 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 with in 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) above; or
 - (b) a holding company or associate company or subsidiary 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 recognized 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 a company or his immediate relative or banker of the company, has more than ten percent of the holding or interest.

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

"Director" means a member of the Board of Directors of the Company;

"Employee" means every employee of the Company, whether permanent or contractual, including the Directors in the employment of the Company;

"ESOP" means any Employee Stock Option Plan or Scheme for the benefit of the employees of the Company or its subsidiaries;

"Financial Results" means the quarterly, half yearly or annual financial statements of the Company;

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

"Immediate Relative" means spouse of a person and includes parent, sibling and child of such person or of spouse, any of whom is either dependent financially on such person or consults such person in taking decision relating to trading in Securities of the Company;

"Insider" means any person who is:

- a Connected Person; or
- in possession of or having Unpublished Price Sensitive Information;

"Insider Trading" means the use of Unpublished Price Sensitive Information by an Insider / Designated Persons to engage in dealing in Securities of the Company;

"Key Managerial Personnel" or "KMP" means:

- The Managing Director / Joint Managing Director / Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer(s), as may be prescribed under the applicable laws.

"Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 including amendment thereto from time to time.

"Material Subsidiary" means a subsidiary which shall be considered as a Material subsidiary of the Company, if the net worth or income of such subsidiary exceeds 10% of the consolidated net worth or income, respectively, of the Company and its subsidiaries in the immediately preceding financial year.

"Option" means a right to subscribe for, or purchase, or otherwise receive any equity shares of the Company or other Security convertible into, or exchangeable into, or exercisable for, any equity shares of the Company;

"Promoter" and "Promoter Group" will have meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modifications thereof;

"Regulations" or "SEBI PIT Regulations" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendments thereto from time to time;

"SEBI" means the Securities and Exchange Board of India.

"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;

"Specified" means specified by the SEBI in writing;

"Stock Exchange" means the Stock Exchange where the Securities of the Company are listed.

"Takeover Regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Securities of the Company by any person and "Trade" shall be construed accordingly;

"Trading day" means a day on which the recognized stock exchanges are open for trading;

“Trading Window” means the period during which trading in the Securities of the Company can be undertaken by the Designated Persons, subject to compliance of this Code.

“Unpublished Price Sensitive Information” or “UPSII” 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:

- Financial results;
- Dividends;
- Change in capital structure;
- Merger, Demerger, acquisition, delisting, disposal of whole or substantially the whole of the undertaking, expansion of business and such other transactions;
- Changes in Key Managerial Personnel;
- Any other matter as may be prescribed under the Listing Regulations and/or other laws to be price sensitive, from time to time.

3.2 Interpretation

This Code of Conduct shall be interpreted as follows:

- (a) Words and expressions used and not defined in this Code of Conduct but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Listing Regulations, 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.
- (b) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
 - that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and
 - any subordinate legislation or regulation made under the relevant statute or statutory provision.
- (c) unless the context otherwise requires, all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders, and words importing the singular include the plural and vice-versa; and
- (d) Any reference to a person includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in this Code shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns.

4. COMPLIANCE OFFICER

4.1 The Company Secretary of the Company is the Compliance Officer for the purposes of compliance of this Code of Conduct and SEBI PIT Regulations, who shall work subject to guidance of the Board of Directors and the Managing Director(s) of the Company.

4.2 The Compliance Officer shall be responsible, inter-alia, for the following:

- compliance of the policies, procedures;
- maintenance of records/data of the Designated Persons and their Immediate Relatives/Intermediary(ies) and changes thereto from time to time, in consultation with Managing Director(s) of the Company in structured manner as prescribed under the SEBI PIT Regulations;
- monitoring adherence to the rules for preservation of Unpublished Price Sensitive Information;
- monitoring of trades and implementation of the Codes specified in the SEBI PIT Regulations;
- inquiring and assisting any/ all employees in addressing any clarifications regarding the SEBI PIT Regulations and the Company's Code of Conduct;
- monitoring, reviewing and approving all trading Plans;
- based on his/her discretion and occurrence of specific events detailed in this Code of Conduct, regulate and monitor the Trading Window of the Securities of the Company;
- disclosure of shareholding and trading in Securities of the Company by any other persons (law firms, consultants, investment bankers, vendors, customers, bankers, etc.);
- assisting the Company in formulation of Chinese walls and Crossing the Wall policy in order to regulate the abuse of unpublished price sensitive information;
- maintenance of list of such Securities, confidentially, as a restricted list which shall be used as their basis for approving or rejecting application for pre-clearance of trades;
- administer the Code of Conduct and other requirements under the SEBI PIT Regulations;
- Awareness among the Designated Persons about the compliance of SEBI PIT Regulations;
- establish effective systems of internal controls for ensuring compliance with requirements given under the SEBI PIT Regulations and review the same annually in consultation with the Managing Director(s) of the Company and to assist the Audit Committee for reviewing the compliance of the SEBI PIT Regulations alongwith adequacy/effectiveness the systems for internal control.
- compliance of the Code of Conduct and the provisions of the SEBI PIT Regulations;
- matters as prescribed by the Code or the SEBI PIT Regulations or the Board of Directors or Audit Committee of the Company, from time to time.

5. PRICE SENSITIVE INFORMATION

5.1 Preservation of Price Sensitive Information

Designated Persons and their Immediate Relative(s) will maintain the confidentiality of all Price Sensitive Information and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities of the Company.

5.2 Need to Know

All Information shall be handled on a "Need to Know" basis and no Unpublished Price Sensitive Information shall be disclosed to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations and whose possession of such information will not give rise to conflict of interest or appearance of misuse of information.

5.3 Limited access to confidential information

Any files containing confidential information shall be kept secure. Any computer files must have adequate security of login and password, etc. Such files containing confidential information should be deleted/destroyed after its use.

5.4 POLICY AND PROCEDURES FOR INQUIRY IN CASE OF LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Company endeavors to preserve the confidentiality of UPSI and to prevent misuse of such information and always strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person or any other known or un-known person(s) with any un-authorized person which affects the market price of the Securities of the Company as well as causes loss of reputation of the Company and investors' confidence in the Company, except in furtherance of legitimate purposes, performance of duties and discharge of obligations.

Leak of UPSI shall mean communication of information which is/shall be UPSI by any Insider, Employee and Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Company in accordance with the Code of Practices and Procedures for Fair Disclosure of UPSI and/or under Listing Regulations and/or SEBI PIT Regulations including any amendment, re-amendment or re-enactment thereto, from time to time.

5.4.1 Procedure for inquiry in case of leak of UPSI

- i. On becoming aware, sue-moto or otherwise, of actual or suspected leak of UPSI of the Company by any Promoter/a member of Promoter Group, Director, Key Managerial Person, Insider, Employee, Designated Person or any other known or un-known person, the Compliance Officer shall inform the same to the Managing Director(s) of the Company and the matter will be referred to the Inquiry Committee, to be constituted

(whenever required) by the Managing Director(s) of the Company, comprising of minimum 3 members, which shall include the Directors and Senior Officials of the Company;

- ii. The Inquiry Committee shall conduct Preliminary Inquiry to ascertain the truth contained in the information or complaint through the Compliance Officer.

The objective of the Preliminary Inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

- iii. The Inquiry Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.
- iv. The person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report within 7 (Seven) working days from the date of his appointment to the Inquiry Committee.
- v. The disciplinary action(s) which shall include, wage freeze, suspension, recovery, claw back, etc., as may be decided by the Inquiry Committee.

5.4.2 Duty of the Compliance Officer regarding prevention of leakage of UPSI

The Compliance Officer shall:

- To preserve the confidentiality of UPSI and to prevent misuse of such information and to create awareness about prevention of leak of UPSI.
- To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI with the Inquiry Committee;
- To intimate the incident of actual or suspected leak of UPSI to the SEBI and the Stock Exchanges where the Securities of the Company are listed.

6. PROHIBITION AND RESTRICTION ON DEALING, COMMUNICATING OR COUNSELING ON MATTERS RELATING TO INSIDER TRADING

6.1 Prohibition

- i. No Insider shall:

(a) Trade in Securities of the Company, either on their own behalf or on behalf of any other person when in possession of any Unpublished Price Sensitive Information, except in the

circumstances/manner prescribed in the SEBI PIT Regulations;
or

- (b) Communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to a Company or Securities listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of legitimate obligations, performance of duties or discharge of legal obligations.
- ii. No person shall procure from or cause the communication by any Insider of the Unpublished Price Sensitive Information, relating to the Company or Securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- iii. Any person in receipt of Unpublished Price Sensitive Information pursuant to a "Legitimate Purpose" as mentioned in the "Code of Fair Disclosure" of the Company shall be considered as an Insider for the purpose of this Code and the SEBI PIT Regulations and such person(s) will have to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with this Code read with the SEBI PIT Regulations.
- iv. Notwithstanding anything contained in the SEBI PIT Regulations, an Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - (a) 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;
 - (b) 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 to be adequate and fair to cover all relevant material facts.
- v. For purposes of Clause iv of this Code, 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 purpose of Clause iv, and shall not otherwise trade in Securities of the Company when in possession of the Unpublished Price Sensitive Information.
- vi. The prohibitions stated in Clause i above shall not be applicable to any communication required in the ordinary course of business or under any law or not in violation of this Code or the SEBI PIT Regulations.

vii. Chinese Wall

The Compliance Officer shall monitor and regulate the Company's Chinese walls and Cross the wall procedures.

In general, Chinese Walls separate areas that have access to confidential inside information from those who do not have such access. The Company formulates Chinese Walls to operate as barriers to the passing of inside information and confidential information and a means of managing conflicts of interest. The establishment of Chinese Walls is not intended to suggest that within insider areas material, confidential information can circulate freely. Within insider areas, the need-to-know shall be in effect.

- (a) The Company has separated those areas of the organisation which routinely have access to confidential information and considered "inside areas" from those areas which deal with sale/marketing/ investment advice or other departments providing support services, considered "public areas";
- (b) The employees in the inside area shall not communicate any price sensitive information to anyone in public area without the prior approval of the Managing Director(s) / the Compliance Officer;
- (c) The employees in inside area may be physically segregated from employees in public area;
- (d) Departments in the inside area has been demarcated;
- (e) In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "Need to Know" basis;
- (f) The Company shall ensure that appropriate procedures and physical arrangements are implemented for the relevant businesses and that such procedures are complied with by all affected employees.

viii. Crossing theWall

- (a) If an employee/outsider receives inside information from the inside area of the Company, it is treated that the said employee or outsider has crossed the wall. Pursuant to crossing the wall, the employee becomes an Insider. Such employee/outsider must be subject to all restrictions and prohibitions as required under this Code of Conduct and the SEBI PIT Regulations. An employee will no longer be an Insider when the inside information is published or no longer significant to the market;
- (b) If any person crosses the Chinese wall, the same should be immediately reported to the Compliance Officer. The Compliance Officer shall make sure that all restrictions are imposed on such employee relating to the protection to the Unpublished Price Sensitive Information;

- (c) The Compliance Officer shall monitor when employees receive information from inside area behind the Chinese wall, information that cannot be discussed between the employees of different verticals; and
- (d) The Compliance Officer when satisfied that the insider information is generally available may lift such restrictions imposed on such employee.
- ix. The Compliance Officer, in consultation with the Managing Director(s) of the Company, shall identify a person to be considered as an Insider, whenever any sensitive transaction having significant to the market, is being made/proposed to be made with such person / or such person involves/may involve in such transaction and made such person aware about this Code and obligations thereunder. In such situation, the said person will be liable to comply with this Code including the responsibilities and liabilities mentioned therein.
- x. The provisions of this Code shall also be applicable for Trading either as a first named shareholder or as a joint holder.

6.2 Trading Restrictions & Trading Window

- i. Designated Persons and their Immediate Relatives and any person having contractual or fiduciary relation with the Company such as auditors, accountancy firms, law firms, analysts, consultants, advisors, etc. assisting or advising the Company, shall not indulge in trade in Securities of the Company, when the Trading Window is closed.
- ii. Unless otherwise specified by the Compliance Officer, the Trading Window will be closed, the duration of which shall be in accordance with Clause iii below:
 - (a) Declaration of Financial Results (quarterly and annual), standalone and consolidated, of the Company;
 - (b) Intended declaration of Dividends, whether interim or final;
 - (c) Change in Capital Structure of the Company;
 - (d) Merger, Demerger, acquisition, delisting, disposal of whole or substantially the whole of the undertaking and major expansion of business;
 - (e) Any change in Key Managerial Personnel;
 - (f) Issue of Securities by way of public, bonus, rights, etc. or buy-back of the Securities;
 - (g) Any other matter as may be prescribed under the Listing Regulations and/or other laws to be price sensitive, from time to time.

- iii. The Trading Window shall be closed as under:
- a. In case of Financial Results: The Trading Window shall be closed from the first day after the end of every quarter till forty-eight (48) hours after the declaration of Financial Results to the Stock Exchange(s).
 - b. In other cases: The Trading Window shall be closed, for the Board Meeting(s), at which matters related to the Unpublished Price Sensitive Information(s) (Other than the Financial Results) may be discussed and decided or the matters for which Trading Window need to be closed, either from the date of intimation of the Board Meeting(s) to the Stock Exchange(s) OR the date of notice of the Board Meeting(s) to the Directors of the Company OR as per the SEBI PIT Regulations OR the Listing Regulations, whichever is earlier.

The Trading Window shall also be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of the Unpublished Price Sensitive Information.

- iv. The Compliance Officer after taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight (48) hours after the information becomes generally available.
- v. Designated Persons and their Immediate Relatives shall undertake Trading only when the Trading Window is open and shall not Trade during the Prohibited Period(s)/Window Closure Period(s) or during any other period as may be specified by the Company, from time to time.
- vi. When the Trading Window is open, trading by Designated Persons and their Immediate Relatives shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed Trades in Securities, (taking into account the cumulative value of Trades undertaken by such Designated Person and their Immediate Relatives during a calendar quarter), in excess of Rupees 10 (Ten) Lakhs. Alternatively, they can carry out Trades in the Securities of the Company by complying with the requirements of the Trading Plan as mentioned in this Code.
- vii. Subject to the Act and SEBI PIT Regulations, in case of ESOP, exercise of Options shall be allowed during a Prohibited Period/Window Closure Period. However, sale of the Securities allotted on exercise of such Options under ESOP shall not be allowed during a Prohibited Period/Window Closure Period.
- viii. The Trading Window shall also be applicable to any person having any contractual or fiduciary relationship with the Company, such as auditors, accountancy firms, law firms, analysts, consultants, advisors, etc., assisting or advising the Company and which are likely to have access to any Unpublished Price Sensitive

Information.

6.3 Trading Plans

- I. Subject to Clause 6.1 of this Code read with the provisions of the SEBI PIT Regulations, an Insider shall be entitled to formulate a Trading Plan 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.
- ii. Such Trading plan:
 - (a) not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
 - (b) 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 Company and the second trading day after the disclosure of such financial results;
 - (c) entail trading for a period of not less than twelve (12) months;
 - (d) not entail overlap of any period for which another trading plan is already in existence;
 - (e) 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
 - (f) not entail trading in Securities for market abuse.
- iii. The Compliance Officer shall review the Trading Plan to assess whether the said plan would have any potential for violation of the SEBI PIT Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Pre-clearness of trades shall not be required for a Trade executed as per the approved Trading plan. Trading Window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved Trading Plan.

- iv. 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.

Provided that 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 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 so as to avoid a violation of the SEBI PIT Regulations.

- v. Upon approval of the Trading Plan, the Compliance Officer shall notify the plan to the Stock Exchange(s) on which the Securities are listed.

6.4 Pre-clearance or pre-dealing of Trading

Subject to Clause 6.2, Designated Persons and their Immediate Relatives of the Company who intend to Trade in the Securities of the Company for the value exceeds the limits prescribed under Clause 6.2(vi) of this Code shall obtain pre-clearance approval from the Compliance Officer of the Company as per procedure as described below:

Pre-dealing procedure:

- i. An application for pre-clearance of Trades shall be made to the Compliance Officer substantially in the format set out in **ANNEXURE 1**.

However, the Designated Persons and their Immediate Relatives will not apply for pre-clearance of a proposed Trade, while in possession of any Unpublished Price Sensitive Information.

The pre-clearance is not applicable for subscription to the Options granted under ESOP upon its vesting. However, for any subsequent sale of the Securities of the Company acquired under ESOP, pre-clearance shall be applicable as per limits prescribed in this Code.

- ii. The Compliance Officer shall, on receiving an application for pre-clearance, acknowledge the same.
- iii. Subject to Clause 6.2 and if the application for pre-clearance is duly completed substantially in the format set out in **ANNEXURE 1**, the Compliance Officer shall grant approval within two (2) working days from the date of acknowledgement substantially in the format set out in **ANNEXURE 2**.
- iv. The Compliance Officer shall retain copies of all application(s) and related documents.
- v. In exceptional circumstances, if the Compliance Officer is of the opinion that the Applicant has access to, or in possession of, any unpublished Price Sensitive Information, the Compliance Officer shall refuse to give a pre-clearance for the proposed transaction. The Compliance Officer shall provide a written statement of his reasons for withholding his/her approval.
- vi. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for the reasons to be recorded in writing provided that such relaxation does not violate the SEBI

PIT Regulations.

- vii. In case of any contra trade is executed, inadvertently or otherwise, in violation of the Code read with the SEBI PIT Regulations, the profits, if any, 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.
- viii. In case the Compliance Officer and his/her Immediate Relatives intend to Trade in the Securities of the Company requiring pre-clearance, he/she will obtain pre-clearance for the same from the Managing Director(s) of the Company, as per the pre-clearance procedure.
- ix. The pre-clearance granted by the Compliance Officer shall be with reference to this Code only. Such pre-clearance shall not in any way be deemed to be confirmation of compliance with Takeover Regulations, if applicable. The person seeking pre-clearance shall be solely responsible for compliance with the provisions of the Takeover Regulations, if applicable.

6.5 Other Restrictions

- i. Within seven (7) days of the grant of pre-clearance approval by the Compliance Officer, the relevant Designated Persons or their Immediate Relatives shall complete the proposed transaction in respect of which such approval was granted. If the Trade is not executed within this time period, such person shall get fresh pre-clearance in accordance with this Code once again. On execution of the Trade, such person shall intimate details thereof within two (2) Trading Days of execution to the Compliance Officer substantially in the format set out in **ANNEXURE 3** alongwith **ANNEXURE 3A** (as prescribed by the SEBI, from time to time).
- ii. If such transaction is not completed within this period, the relevant Designated Persons or their Immediate Relatives shall intimate the same within two (2) Trading Days or prior to seeking fresh pre-clearance for the Trade, whichever is earlier, substantially in the format set out in **ANNEXURE 3** alongwith **ANNEXURE 3A** (as prescribed by the SEBI, from time to time).
- iii. The Designated Persons and their Immediate Relatives, who buy or sell any number of Securities of the Company shall not enter into contra trade/transaction, i.e. sell or buy any number of the Securities of the Company ('Contra Trade'), either themselves or their immediate Relatives, during the next six months following the prior transaction. All Designated Persons and their Immediate Relatives will also not take any positions in derivative transactions in the Securities of the Company at any time. However, the Compliance Officer may provide relaxation from the above provision, after recording the reason for the same in writing, provided such relaxation does not violate the SEBI PIT Regulations.

However, the restriction on Contra Trade in the Securities of the Company will not apply to:

- Exercise of the options under the ESOP of the Company;
 - Sale of the Securities acquired under ESOP of the Company, provided the Designated Person is not in possession of Unpublished Price Sensitive Information at the time of sale.
- iv. The Designated Persons shall make disclosure of transactions, substantially in the format set out in **ANNEXURE 3** alongwith **ANNEXURE 3A** (as prescribed by the SEBI, from time to time).
- iv. If the sale of Securities by a Designated Persons and their Immediate Relatives is necessitated by a personal emergency, the holding period may be waived by the Compliance Officer, provided that the Compliance Officer records his reasons for doing so in writing.

7. DISCLOSURES

The Designated Persons and their Immediate Relatives, shall comply with the following:

7.1 Initial Disclosures

- i. Every Promoter/a member of Promoter Group, Key Managerial Personnel and Director of the Company, within thirty (30) days of the SEBI PIT Regulations taking effect, shall disclose to the Company the details of all holdings in the Securities of the Company in the format prescribed by the SEBI.
- ii. Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or a member of Promoter Group shall disclose his/her holding of Securities of the Company as on the date of appointment or becoming a Promoter/a member of Promoter Group, to the Company within seven (7) days of such appointment or becoming a Promoter, substantially in the format set out **ANNEXURE 4** alongwith **ANNEXURE 5**.

7.2 Continual Disclosures

- i. Every Promoter/a member of Promoter Group, and Designated Persons and Directors of the Company shall disclose to the Company the number of such Securities acquired or disposed of within two (2) 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 Rupees Ten (10) Lakhs or such other value as may be specified by the Compliance Officer in consultation with the Board, from time to time, substantially in the format set out in **ANNEXURE 3** alongwith **ANNEXURE 3A** (as prescribed by the SEBI, from time to time).

The said disclosure shall be made within two (2) working days of:

- the receipt of intimation of allotment of the Securities, or
 - the acquisition or sale of Securities or voting rights, as the case may be.
- ii. The Company shall notify the particulars of such trading to the Stock Exchanges on which the Securities of the Company are listed, within two (2) Trading Days of receipt of the above disclosure or from becoming aware of such information.
- iii. All Designated Persons shall, submit the following details to the Compliance Officer of the Company:
- a. Declaration of names of Immediate Relatives and person(s) with whom such Designated Person shares a material financial relationship as prescribed under the SEBI PIT Regulations, substantially in the format set out in **ANNEXURE 5** on ANNUAL BASIS as at March 31, of each year and as & when the changes therein, if any, within 15 days after March 31 of each year or changes, as the case may be:
 - b. Annual Statement of holdings in the Securities of the Company held by the Designated Persons (with their educational & past employment details, on one-time basis) and their Immediate Relatives as at March 31 of each year in the format set out in **ANNEXURE 6**, within 15 days after March 31 of every year.
- v. The Compliance officer shall maintain records of all the disclosures given by the Designated Employees for a minimum period of five (5) years.
- vi. The Company, at its discretion, requires any other connected person or class of connected persons to make disclosures of holdings and trading in Securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with this Code read with the provisions of the SEBI PIT Regulations.

8. REPORTING

- i. The Compliance Officer shall give quarterly report to the Board of Directors and to the Chairman of the Audit Committee of the Company in respect of Trade Plan, Trades executed pursuant to the pre-clearance and Trading Plan(s) and such other matters, as may be necessary and prescribed under the SEBI PIT Regulations.
- ii. The Compliance Officer shall provide status of compliance of the Code & the SEBI PIT Regulations alongwith the details of systems of Internal Control to the Audit Committee of the Company and the Audit Committee of the Company shall, at least once in a financial year, review the compliances of the SEBI PIT Regulations and shall also verify that the systems for internal control are adequate and are operating effectively.

9. DISSEMINATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- i) The disclosure of unpublished price sensitive information shall be on a uniform basis and non-discriminatory.
- ii) The Compliance Officer to deal with dissemination of information and disclosure of the Unpublished Price Sensitive Information in a uniform manner.
- iii) No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of Securities of the Company.
- iv) Uniform basis will be followed while dealing with research analysts and institutional investors, which includes the following:
 - Information available in public domain is only to be provided;
 - The Company's representative should be present at meetings with analysts, media persons and institutional investors;
 - 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.

10. PENALTIES FOR CONTRAVENTION

- i. Any Designated Persons who trades in Securities or communicates any information for trading in Securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
- ii. Any Designated Person who violates the Code shall be subject to disciplinary action by the Company which may include wage freeze, suspension, recovery, clawback, ineligible for future participation in Employee Stock Option Plan, etc.
- iii. The Disciplinary Action taken by the Company shall not preclude the SEBI from taking any action, if a violation of this Code also results in a violation of the SEBI PIT Regulations
- iv. Any violation of the Code of Conduct and the SEBI PIT Regulations shall immediately be intimated to the Compliance Officer or the Board of Directors of the Company. If any violation of the SEBI PIT Regulations, the Compliance Officer or the Company shall immediately inform the SEBI about such violation.

11. REVIEW / AMENDMENTS

The Board of Directors of the Company, may amend, abrogate, modify or revise any or all provisions of this Code of Conduct, from time to time. However, amendments in the Act/the SEBI PIT Regulations /other applicable laws shall be binding even if not incorporated in this Code.

12. EFFECTIVE DATE

This Code of Conduct will be effective from April 1, 2019.

13. GENERAL

This Code of Conduct is one of the measures to avoid and/or prevent Insider Trading. It will be the responsibility of each person covered under the Code of Conduct and the SEBI PIT Regulations to ensure compliance of the Act, SEBI PIT Regulations and other related statutes. Accordingly, each person covered under this Code of Conduct read with the SEBI PIT Regulations are advised to review this Code and the SEBI PIT Regulations carefully and acquaint themselves with all the provisions contained therein.

This revised Code of Conduct has been approved by the Board of Directors of the Company at their meeting held on March 30, 2019.

(APPLICATION FOR PRE-CLEARANCE OF TRADES)
(As per the Code for Conduct of Prevention of Insider Trading)

Date: _____

To,
The Compliance Officer,
Kajaria Ceramics Limited (the "Company")

Dear Sir,

Subject: Application for Pre-Dealing Approval in Securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (including statutory amendments or re-enactment thereof) and the Company's Code of Conduct for Prevention of Insider Trading, I/My Immediate Relative(s) am/are seeking approval to purchase / sale / subscription of the Securities (i.e. equity shares) of the Company as per details given below:

1	Name of the Designated Person	
2	Designation (with Employee ID), (If applicable)	
3	Department (If applicable)	
4	Name and relationship of Immediate Relative with Designated Person	
5	Number of Securities held	
6	Folio No. / DP ID & Client ID	
7	The proposal is for: (a) Purchase of Securities; or (b) Sale of Securities; or (c) Subscription of Securities	
8	Proposed date of dealing in Securities	
9	Estimated number of Securities proposed to be purchased / sold / subscribed	
10	Price at which transaction is proposed	
11	Current Market Price (as on date of application)	
12	Whether the proposed transaction will be through the stock exchange(s) or off market deal	
13	Folio No. / DP ID & Client ID where the Securities will be credited	

I hereby declare and confirm that:

- Neither I nor any of my Immediate Relative(s) have had any access to nor have I or any of my Immediate Relative(s) received any Unpublished Price Sensitive Information until the time of signing of this declaration. In case I get access to Unpublished Price Sensitive Information hereinafter, but before execution of above-mentioned transaction, I shall inform the Compliance Officer and shall refrain from Trading in the Securities of the Company till such Unpublished Price Sensitive Information becomes public.
- I have not contravened the Code of Conduct for Prevention of Insider Trading of the Company or the SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendment thereto, from time to time.
- I do not have any approved Trading Plan in place.
- I, undertake to submit the necessary disclosure within two (2) working days of execution of the transaction / a 'NIL' disclosure, if transaction is not undertaken.
- If approval is granted, I, shall execute the deal within seven (7) days of the receipt of the approval failing which I shall seek pre-clearance.
- I have made full and true disclosure in the matter.

All capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Code of Conduct for Prevention of Insider Trading of the Company.

Yours' Faithfully,

Signature

**Strike off whatever is not applicable.*

ANNEXURE 2

(PRE-CLEARANCE APPROVAL)

(As per the Code of Conduct of Prevention of Insider Trading)

To,
Mr. _____ (Applicant)
Employee ID: _____
Designation: _____
Location: _____

With reference, to your application dated _____, seeking approval for dealing in _____ (Nos.) Securities (i.e. equity shares) of the Company, please be informed that you are hereby permitted to undertake the said transaction/deal. Please note that the said transaction/deal must be completed on or before _____ (Date) i.e. within 7 days from the date of this approval.

If you don't execute the transaction/deal as approved, on or before the aforesaid date you will have to seek fresh pre-clearance approval before executing any transaction/deal in the Securities of the Company.

Further, you are required to submit the details of the executed transaction(s)/deal substantially in the ANNEXURE as mentioned below within two (2) working days from the date of transaction/deal. In case the transaction is not undertaken, the said ANNEXURE with mark 'NIL' shall also be required to be submitted.

Yours' Truly,
For Kajaria Ceramics Limited

Compliance Officer

Notes:

- *Please provide all the information. Incomplete ANNEXURES will not be accepted.*
- *Please ensure that you have not made any opposite transaction within previous 6 months.*
- *Please refer the Code of Conduct for Prevention of Insider Trading of the Company and provide the disclosures substantially in the format set out in ANNEXURE 3 & ANNEXURE 3A of the said Code for submission of details of transaction.*

(DISCLOSURE OF TRANSACTIONS)
(As per the Code of Conduct of Prevention of Insider Trading)

(To be submitted within two (2) days of transaction/dealing in Securities of the Company)

To,
The Compliance Officer
Kajaria Ceramics Limited (the "Company")

Dear Sir,

Ref: Your Approval letter dated _____

This is to inform you that:

1. I have not bought/sold/ subscribed any Securities (i.e. equity shares) of the Company.
2. I/my Immediate Relative(s) have bought/sold/subscribed _____ (Nos.) Securities (i.e. equity shares) of the Company pursuant to your approval letter referred above and accordingly, I have completed the transaction(s) as per your approval as under:

Name of Holder(s)	No. of Securities dealt with	Bought / Sold / Subscribed	DP-ID & Client-ID / Folio No.	Price (In Rupees)

In this connection, I undertake to preserve for a period of 3 years and produce to the Compliance Officer/ SEBI (If required) any of the following documents:

1. Broker's contract note;
2. Proof of payment to/from brokers;
3. Extract of Bank passbook/statement (to be submitted in case of demat transactions); and
4. Copy of Delivery Instruction Slip (applicable in case of sale transaction)

I agree to hold the above Securities for a minimum period of 6 months. In case there is any urgent need to sell these Securities within said period, I shall approach the Compliance Officer for necessary approval.

I declare that the above information is correct and that no provisions of the Company's Code of Conduct for prevention of Insider Trading and/or applicable laws/regulations have been contravened in relation to conduct or completion of the above transaction(s).

Please contact me at _____ (Contact Number), in case you need further information/clarification.

(Signature)

Name: _____
Designation: _____
Employee ID, if any: _____

Date:
Place:

Notes:

- Please also submit Annexure 3A alongwith this Annexure.
- Strike off whatever is not applicable.

ANNEXURE 3A

SEBI (Prohibition of insider Trading) Regulations, 2015

[Regulation 7(2) read with Regulation 6(2) – Continual disclosure – Refer Form C as per the SEBI PIT Regulations]

Name of Company: KAJARIA CERAMICS LIMITED

ISIN of the Company: INE217B01036

Details of change in holding of Securities of Promoter or a member of Promoter Group or Designated Person or Director of the Company and other such persons as mentioned in Regulation 6(2)

Name, PAN CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP/ Directors/Immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquisition/disposal				Shareholding held post acquisition/disposal		Date of allotment advice/acquisition of shares/sale of shares specify		Date of intimation to the company	Mode of acquisition/disposal (on market/ public/ rights/ preferential offer/ off market/ Inter-se transfer, ESOP's etc.)
		Type of security (For eg.- Shares, Warrants, Convertible Debenture etc.)	No. and % of shareholding	Type of security (For eg.- Shares, Warrants, Convertible Debentures etc)	No.	Value	Transaction Type (Buy/ Sale/ Pledge/Revoke/Invoke)	Type of Security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No. and % of Shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

(Signature)

Name: _____

Designation: _____

Employee ID, if any: _____

Date: _____

Place: _____

Details of trading in derivatives of the Company by Promoter or a member of Promoter Group or Designated Person or Director of the Company and other such persons as mentioned in Regulation 6(2)

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

(Signature)

Name: _____

Designation: _____

Employee ID, if any: _____

Date:

Place:

Notes:

1. Disclosure needs to be made in respect of the Immediate Relative(s) also. Immediate Relative(s) may include the spouse of a person, a parent, sibling and child of such person or their spouse, any of whom is either dependent financially on such a person, or consults such a person in taking decisions relating to trading in the Securities of the Company.
2. Strike off whatever is not applicable.

ANNEXURE 4

SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7(1)(b) read with Regulation 6(2) – Initial Disclosure]

Name of Company: KAJARIA CERAMICS LIMITED
ISIN of the Company: INE217B01036

Details of Securities held on becoming Promoter or a member of Promoter Group or on appointment of Director or Key Managerial Personnel of the Company and such other persons for whom these person takes trading decisions

Name, PAN CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP/ Directors/Immediate relatives/ others, etc.	Date of becoming Promoter / a member of Promoter Group / appointment of Director or KMP of the Company	Securities held at the time of becoming Promoter / a member of Promoter Group or appointment of Director / KMP of the Company		% of Shareholding	Open Interest of the Future contract held at the time of becoming Promoter / a member of Promoter Group / appointment of Director or KMP of the Company		Open Interest of the Option contract held at the time of becoming Promoter / a member of Promoter Group / appointment of Director or KMP of the Company		Educational Details alongwith Past Employment Details@
			Type of security (For eg.- Shares, Warrants, Convertible Debentures, etc.)	No.		No. of Units (Contracts /*Lot Size)	Notional Value in Rupees	No. of Units (Contracts/*Lot Size)	Notional Value in Rupees	
1	2	3	4	5	6	7		8		

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

* In case of Options, notional value shall be calculated based on Premium plus strike price of options.

(Signature)

Name: _____

Designation: _____

Employee ID, if any: _____

Date: _____

Place: _____

Note:

1. Details of Immediate Relative(s) and the person(s) with whom shares material financial relationship as defined below, in ANNEXURE 5 needs to be given alongwith this ANNEXURE.
2. 'Material Financial Relationship' shall mean a relationship in which one person is a recipient of any kind of payment such as by way of loan or gift during immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationship in which the payment is based on arm's length transactions.
3. Strike off whatever is not applicable.
3. @Details to be provided on one-time basis.

[DETAILS OF IMMEDIATE RELATIVE(S)]

(As per the Code of Conduct for Prevention of Insider Trading)

To,
The Compliance Officer
Kajaria Ceramics Limited ('the Company')

Declaration regarding Immediate Relative(s) as on _____ (Date)

I hereby declare that I have the following Immediate Relative(s) and the person(s) with whom shares material financial relationship:

A. Immediate Relative(s):

Sr. No.	Relationship	Name	Contact details (Phone No./ Mobile No.)	PAN & DP ID – Client ID / Folio Nos.	No of Securities (Equity Shares) of the Company held
1	Spouse				
2	Father				
3	Mother				
4	Daughter (including step Daughter)				
5	Son (including step Son)				
6	Brother				
7	Sister				

B. Person(s) with whom shares material financial relationship:

Sr. No.	Name	Contact details (Phone No./ Mobile No.)	PAN & DP ID – Client ID / Folio Nos.	No of Securities (Equity Shares) of the Company held
1				
2				

(Signature)

Name: _____
Designation: _____
Employee ID, if any: _____

Date: _____
Place: _____

Note:

1. To be submitted within 7 days of becoming Designated Person and thereafter changes therein, if any, and also Annually by April 15 of each year, by the Designated Persons.
2. 'Material Financial Relationship' shall mean a relationship in which one person is a recipient of any kind of payment such as by way of loan or gift during immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationship in which the payment is based on arm's length transactions.
3. Strike off whatever is not applicable.

(ANNUAL STATEMENT OF HOLDING BY DESIGNATED PERSONS)*(As per the Code of Conduct for Prevention of Insider Trading)*

To
Compliance Officer
Kajaria Ceramics Limited ('the Company')

I, _____ (Name), _____ (Designation) of the Company, residing at _____, hereby declare that I alongwith my Immediate Relative(s) hold the Securities (i.e. equity shares) of the Company as on March 31, _____ as per the details given below:

1. BY MYSELF:

Physical holding		Electronic Holding		Educational Details / PAN#	Past Employment details#
Folio No.	Total No. of Securities	DP-ID / Client-ID	Total No. of Securities		

2. BY IMMEDIATE RELATIVES:

Name & relationship	Physical holding		Electronic Holding	
	Folio No.	Total No. of Securities	DP-ID / Client-ID	Total No. of Securities

- I declare that the above information is correct and that no provisions of the Company's Code of Conduct and/or applicable laws/regulations have been contravened.
- Further I have not entered into any opposite transaction i.e. sell or buy any number of shares during 6 months following the prior transaction and have also not taken position in derivative transactions in the shares of the Company at any time.
- I further declare that I was not in possession of the any unpublished Price sensitive information during the said period.*

OR

I further declare that I was in possession of Unpublished Price Sensitive Information during the said period, however, I have never communicated, provided or allowed to the Unpublished Price Sensitive Information to any person except where the communication was in furtherance of legitimate purpose, performance of duties of discharge of legitimate obligations nor traded in such Securities at the time of possession of such information.*

(Signature)

Name: _____
Designation: _____
Employee ID, if any: _____

Date: _____
Place: _____

Notes:

- This ANNEXURE alongwith ANNEXURE 5 need to be submitted by the Designated Persons to the Company by April 15 of every year.
- #Details to be provided on one-time basis.
- *Strike off whatever is not applicable.