

Corporate Disclosure Policy for Prohibition of Insider Trading

CORPORATE POLICY FOR CODE OF INTERNAL PROCEDURES & CONDUCT FOR CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED

[Under the SEBI (Prohibition of Insider Trading) Regulations 1992 read with the amendments to the Regulations made in 2000, 2002 & 2003]

SEBI has framed the guidelines for the prevention of Insider Trading activities within the Company. The Salient features of these guidelines are given hereunder:

- **Initial Disclosure**

Pursuant to Regulation 13 (1) any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in [Form-A](#) the number of shares or voting rights held by such person on becoming such holder within 4 working days of receipt of intimation of allotment of shares or acquisition of shares or voting rights as the case may be.

Pursuant to Regulation 13 (2) any person who is a director or officer of a listed company shall disclose to the company in [Form-B](#) the number of shares or voting rights held by such person within 4 working days of becoming a director or officer of the company.

- **Continual Disclosure**

Pursuant to Regulation 13 (3) any person who holds more than 5% shares or voting rights in any listed company shall disclose within four working days of receipt of intimation of allotment of shares or the acquisition or sale of shares or voting rights to the company in [Form-C](#) the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made and such change exceeds 2% of total shareholding or voting rights in the company.

Pursuant to Regulation 13 (4) any person who is a director or officer of a listed company shall disclose within four working days of receipt of intimation of allotment of shares or the acquisition or sale of shares or voting rights to the company in [Form-D](#), the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under this regulation and the change exceeds Rs.5 lakhs in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower.

Pursuant to Regulation 13 (6), the above disclosures have to be given by the company to the stock exchanges within five days of receipt of the information from the aforesaid persons

Corporate Disclosure Policy for Prohibition of Insider Trading

For the aforesaid purpose, the following persons have been identified as the “designated employees” who shall comply with these regulations:

- i. All the directors of the company
- ii. Officers comprising the top three tiers of the company’s management
i.e. Managers and above and
- iii. All employees in the finance department, secretarial department, directors’ secretariat. .

The company is required to frame a corporate disclosure policy for code of conduct under the Prevention of Insider Trading Regulations which is enclosed herewith.

CAMBRIDGE TECHNOLOGY ENTERPRISES LIMITED

Plot No.1244, Road No.36, Jubilee Hills, Hyderabad 500033

CORPORATE DISCLOSURE POLICY

(Code of internal procedure and conduct pursuant to Regulation 12(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992 read with the amendments to the Regulations made from time to time)

This Code of Conduct will be known as "CTEL Corporate Disclosure Policy for Code of Internal Procedure and Conduct for Prohibition of Insider Trading".

This disclosure policy and code of conduct has been made pursuant to Regulation 12(1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time and may be modified by the Board of Directors as and when required.

This Code of Conduct will be applicable to all the directors, officers, designated employees and their dependant relatives as defined herein below:

- Officer – includes any director, manager or secretary or any person in accordance with whose directions or instructions the Board of Directors is accustomed to act and includes the auditor of the company.
- Designated Employees – includes all the employees of Cambridge Technology Enterprises Limited comprising the top three tiers of the company's management i.e. Managers and above and all the employees in the Finance and Secretarial Departments and such other employees who may be so designated from time to time by the company for the purpose of this code of conduct and who may be able to have access to any price sensitive information.
- Relatives – the following will be treated as relatives of the directors/officers/designated employees:
 - (a) Self and Spouse
 - (b) Dependant children
 - (c) Dependant parents
 - (d) Dependant in-laws
 - (e) Dependant brothers and sisters
- Price Sensitive Information – means any information, which relates directly or indirectly to a company and which if published, is likely to materially affect the market price of securities of the company.
- Compliance Officer – Mr. T.N. Kannan, Company Secretary shall be the Compliance Officer of the company.

Corporate Disclosure Policy for Prohibition of Insider Trading

- Responsibilities of the Compliance Officer:

The Compliance Officer shall be responsible for setting forth policies and procedures and monitoring adherence to the rules for the prevention of "Price Sensitive Information", pre-clearing of trades of all the designated employees and their dependants, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of Directors.

The Compliance Officer shall also assist all the employees / directors in addressing any clarifications regarding these regulations.

- Confidentiality regarding Price Sensitive Information:

All the directors / officers / designated employees are required to maintain the confidentiality of all the price sensitive information. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of shares of the company.

For this purpose, the following has been defined as Price Sensitive Information under the said regulations:

- (a) Periodical financial results of the company
- (b) Intended declaration of dividends (both interim & final)
- (c) Issue of securities or buy back of securities
- (d) Any major expansion plans or execution of new projects
- (e) Amalgamation, Mergers, Acquisitions or Takeovers
- (f) Disposal of the whole or substantial part of the Company.
- (g) Significant changes in policies, plans or operations of the company

- Trading Window:

All directors / officers and designated employees of the company shall be subject to the following trading restrictions: -

- (a) The company's shares can be traded only during the trading period. The trading period shall remain closed for a period of **seven days** prior to the happening of any of the following events in general:

- i. Declaration of financial results (quarterly, half-yearly and annually)
- ii. Declaration of dividend
- iii. Issue of securities by way of public / rights / bonus etc.
- iv. Any major expansion plans or execution of new projects
- v. Amalgamation, mergers, acquisitions, takeovers and buy back of shares
- vi. Disposal of whole or substantially the whole of the Company.
- vii. Any changes in policies, plans or operations of the company
- viii. Acquisition, de-merger, restructuring, scheme of arrangement, spin-off of divisions etc.
- ix. Consolidation / splitting of shares
- x. Voluntary de-listing of shares by the company
- xi. Forfeiture of shares
- xii. ADR / GDR or any other class of securities to be issued abroad
- xiii. Cancellation of dividend/right/bonus etc.

Corporate Disclosure Policy for Prohibition of Insider Trading

Apart from the aforesaid closure of the Trading Window for a period of seven days, the compliance officer (in consultation with the management) shall intimate a longer period of closure of Trading Window for the above on a case to case basis after taking into account the sensitivity of the event / case.

The compliance officer shall take all reasonable steps to inform the concerned, one week in advance, about the date of closing and opening of the Trading Window. The Trading Window shall be opened twenty four hours after the information referred to the above is made public. However, trading in the company's securities would be permitted only on the expiry of twenty-four hours after the opening of the Trading Window.

- (b) During the period of closure of the Trading Window the directors / officers / designated employees shall not trade in the company's securities. .
 - (c) All directors / officers / designated employees of the company shall conduct all their dealings in the securities of the company only in a valid Trading Window.
 - (d) In case of ESOPs, exercise of option may be allowed during the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the Trading Window is closed.
- Other Reporting Requirements:

All directors / officers / designated employees and their relatives shall be required to forward the following details to the compliance officer:

- (a) All holdings in the securities of the company at the time of joining in the format annexed herewith as per [Annexure – A](#).
- (b) Each and every execution of transaction beyond 25000 shares or Rs.5 lakhs in value or 1% of total shareholding or voting rights whichever is lower in the company (hereinafter referred to as the **"threshold limit"**).
- (c) All directors / officers / designated employees of the company who intend to deal in securities of the company over and above the threshold limit shall get their transaction(s) pre-cleared by making an application in the format annexed herewith as per [Annexure – B](#) to the compliance officer.
- (d) An undertaking shall be executed by the director / officer / designated employee as per the format annexed herewith as per [Annexure – C](#) stating the following:
 - i. That the director / officer / designated employee does not have any access or has not received any price sensitive information.
 - ii. That in case the director / officer / designated employee has access to or receives any price sensitive information after signing the declaration but before the execution of the transaction, he/she shall inform the compliance officer of the change in the position

Corporate Disclosure Policy for Prohibition of Insider Trading

and that he/she would completely refrain from dealing in the securities of the company till such time the information becomes public.

- iii. That he/she has not contravened the code of conduct for prevention of insider trading.
- iv. That he/she has made a full and true disclosure in the matter.

All the above details with the accompanying documents will be placed by the compliance officer before the Whole-Time Director on a monthly basis.

- **Pre-clearance of trades**

All Directors / Officers / Designated Employees of the Company who intend to deal, on their behalf and / or on behalf of their dependent family members, in the securities of the Company exceeding 20000 shares or where the transaction value of the shares intended to be dealt exceeds Rs.200000 in any calendar year, should pre-clear the transactions as per the pre-dealing procedure as described hereunder.

An application may be made in the prescribed format to the Compliance Officer indicating the estimated number of securities that the Directors/ Officers/Designated Employees intend to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be specified in this behalf.

Along with the request for pre-clearance of transaction, an undertaking shall be executed in favour of the Company by such Directors / Officers / Designated Employees.

- **Other Trading Restrictions:**

All directors / officers / designated employees shall hold their investments in securities for a minimum period of 30 days in order that the same is considered as a transaction for investment purpose. However, where due to any personal emergency, the sale of security is necessitated before the expiry of 30 days, and then the holding period may be reduced / waived by the compliance officer after recording in writing the reasons there for.

The said holding period shall also apply to subscription in the primary market (IPO). In the case of IPOs, the holding period would commence when the securities are actually allotted.

All directors / officers / designated employees shall execute their order within one week after the approval of pre-clearance is given. If the order is not executed within one week after approval is given, the director / officer / designated employee must get the transaction pre-cleared once again.

All the directors / officers / designated employees are strictly prohibited from involving in the following:

Corporate Disclosure Policy for Prohibition of Insider Trading

(a) Futures:

A contract entered into between two persons either to sell or buy a specific security on a future pre-determined period who mutually agree for the price of the scrip and upon the compensation / premium agreed to in the contract.

(b) Derivatives:

Means buying and selling of securities within the settlement period with a motive of making profits.

▪ Penalty for contravention of Code of Conduct

(a) Any director / officer / designated employee who trades in securities or communicates any information for trading in securities in contravention of the Code of Conduct may be penalized and the company may take appropriate action.

(b) Any director / officer / designated employee of the company who violates the code of conduct shall also be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligibility for participation in future employee stock plans etc.

(c) The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations 1992.

(d) In case it is observed by the company / compliance officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992, the same should be brought to the notice of SEBI immediately.

(e) In the event of any amendment in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or issuance of any clarification relating to prohibition of insider trading, such amendment / clarification shall be deemed to be adopted by the Company and in case of any conflict between the provisions of the Code and SEBI (Prohibition of Insider Trading), regulations, 1992, the latter shall prevail.

• Interpretation

For any interpretational or clarificatory issues in regard to this code, the Compliance Officer may be contacted.

Date :

Place :

Corporate Disclosure Policy for Prohibition of Insider Trading

FORM A

[Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992]

[Regulation 13(1) and (6)]

Details of acquisition of 5% or more shares in a listed company

| | | |
|----|--|--|
| 1 | Name & Address of shareholder with telephone number | |
| 2 | Shareholding prior to acquisition | |
| 3 | Number and percentage of shares / voting rights acquired | |
| 4 | Date of receipt of allotment / advice. Date of acquisition (specify) | |
| 5 | Date of intimation to company | |
| 6 | Mode of acquisition – market purchase / public / rights / preferential offer etc. | |
| 7 | Shareholding subsequent to acquisition | |
| 8 | Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member | |
| 9 | Exchange on which the trade was executed | |
| 10 | Buy quantity | |
| 11 | Buy value | |

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information. I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly

Signature :

Name of shareholder :

Corporate Disclosure Policy for Prohibition of Insider Trading

FORM B

[Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992]

[Regulation 13(2) and (6)]

Details of shares held by Director or Officer of a Listed Company

| | | |
|---|--|--|
| 1 | Name & Address of Director / Officer | |
| 2 | Date of assuming office of Director / Officer | |
| 3 | Number & percentage of shares / voting rights held at the time of becoming director / officer | |
| 4 | Date of intimation to company | |
| 5 | Mode of acquisition – market purchase / public / rights / preferential offer etc. | |
| 6 | Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member | |
| 7 | Exchange on which the trade was executed | |
| 8 | Buy quantity | |
| 9 | Buy value | |

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information.

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly

Signature :

Name of Director / Officer :

Corporate Disclosure Policy for Prohibition of Insider Trading

FORM C

[Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992]

[Regulation 13(3) and (6)]

Details of change in shareholding in respect of persons holding more than 5% shares in a listed company

| | | |
|----|--|--|
| 1 | Name and Address of shareholders | |
| 2 | Shareholding prior to acquisition / sale | |
| 3 | Number & percentage of shares / voting rights acquired / sold | |
| 4 | Receipt of allotment advice / acquisition of shares/ sale of shares - specify | |
| 5 | Date of intimation to company | |
| 6 | Mode of acquisition – market purchase / public / rights / preferential offer etc. | |
| 7 | Number & percentage of shares / voting rights post acquisition / sale | |
| 8 | Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member | |
| 9 | Exchange on which the trade was executed | |
| 10 | Buy quantity | |
| 11 | Buy value | |
| 12 | Sell quantity | |
| 13 | Sell Value | |

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information.

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly

Signature :

Name of shareholder :

Corporate Disclosure Policy for Prohibition of Insider Trading

FORM D

[Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992]

[Regulation 13(4) and (6)]

Details of change in shareholding of Director or Officer of a listed company

| | | |
|----|--|--|
| 1 | Name & Address of Director / Officer | |
| 2 | Number & percentage of shares / voting rights held by the Director / Officer | |
| 3 | Date of receipt of allotment advice / acquisition / sale of shares / voting rights | |
| 4 | Date of intimation to company | |
| 5 | Mode of acquisition – market purchase / public / rights / preferential offer etc. | |
| 6 | Number & percentage of shares / post acquisition voting rights sale | |
| 7 | Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member | |
| 8 | Exchange on which the trade was executed | |
| 9 | Buy quantity | |
| 10 | Buy value | |
| 11 | Sell quantity | |
| 12 | Sell Value | |

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information.

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly

Signature :

Name of Director / Officer :

Corporate Disclosure Policy for Prohibition of Insider Trading

Annexure - A

Format of initial disclosure to be made by the Director / Officer / Designated Employee to the company under the SEBI (Prevention of Insider Trading) Regulations, 1992.

Name of the individual :
Designation held in the Organization :
Date of joining the Organization :
Number of shares held in the company :
Folio / Client Id Number :
Number of shares held by relatives :
Name of the relative :
Folio / Client Id Number :

DECLARATION

I _____ hereby declare that my holdings in Cambridge Technology Enterprises Limited as declared above is correct. I also hereby undertake to disclose all my future acquisitions and disposal of shares of the company from time to time.

Place:

Date:

Signature

Corporate Disclosure Policy for Prohibition of Insider Trading

Annexure - B

Intimation and application for pre-clearance to acquire additional shares over and above 5000 shares through open market.

To
The Compliance Officer
Cambridge Technology Enterprises Limited.

Dear Sir

I wish to bring to your notice that I / my relative intend to acquire through the open market _____ shares of the company which is in addition to my existing holding of _____ shares in the company.

You are requested to take note of the above in your records and pre-clear the transaction. I furnish hereunder my particulars of holdings as on date:

Type: Equity / Preference shares

| Sl.No. | Shares already held including those of relatives | Shares held currently acquired of | Shares sold | Balance / total shares held | % to the total equity | Name of the relation, if any |
|--------|--|-----------------------------------|-------------|-----------------------------|-----------------------|------------------------------|
| | | | | | | |

Name of the Employee:

Designation:

Folio No / Client Id No

Place

Date

Signature

Name & designation of the Compliance Officer along with seal of the company.

Note: The Trading Window will remain closed from _____ to _____ (both days inclusive)

Annexure - C

UNDERTAKING

(To be given by directors / officers / designated employees)

To

The Compliance Officer
Cambridge Technology Enterprises Limited
Plot No.1244, Road No.36, Jubilee Hills
Hyderabad 500033.

Dear Sir

I _____, designated as _____ in Cambridge Technology Enterprises Limited (hereinafter referred to as "the company") hereby undertake and solemnly affirm the following:

- (a) I / we do not have any access or has not received any price sensitive information.
- (b) If I/we has/have access to or receive any price sensitive information after signing the declaration but before the execution of the transaction, I/we shall inform the compliance officer of the change in the position and that I/we would completely refrain from dealing in the securities of the company till such time the information becomes public.
- (c) That I/we have not contravened the code of conduct for prevention of insider trading regulations.
- (d) That I/we have made a full and true disclosure in the matter.

Place

Date

Signature(s)

Note: In case of joint holder(s)/relatives, this undertaking has to be signed by all individually.