

PUNJAB & SIND BANK

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORTING TRADING BY INSIDERS [under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

Introduction

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Regulations") vide powers conferred on it under the SEBI Act, 1992 ('the Act') to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework. These regulations shall come into force from 15th May, 2015 and the same have been made applicable to all listed entities at Indian stock exchanges. The Bank is required to formulate Code of conduct to regulate, monitor and reporting trading by Insiders ("Code of Conduct").

1. Objective of the Code of Conduct

The Code of Conduct aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the promoters, directors, key managerial personnel and connected person of the Bank. Further, it also aims to transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations.

2. Definitions :

- (i) 'Act' means the Securities and Exchange Board of India Act, 1992;
- (ii) 'Board' means the Securities and Exchange Board of India;
- (iii) 'Bank' means **Punjab & Sind Bank**.
- (iv) 'Compliance Officer' for the purpose of these regulations means General Manager holding charge of Share Cell (in his absence person officiating him), who shall be responsible for compliance of Code.
- (v) "Connected person" means,-
 - (i) any person who is or has during the six months prior to the concerned act been associated with the Bank, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Bank or holds any position including a professional or business relationship between himself and the Bank whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - (a) an immediate relative of connected persons specified in clause (i); or
 - (b) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (c) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (d) an official of a stock exchange or of clearing house or corporation; or
 - (e) 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
 - (f) 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

- (g) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (h) a banker of the Bank; or
 - (i) 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 Bank, has more than ten per cent of the holding or interest;
- (vi) "**Designated Person**" means-
- (i) Key Managerial Personnel, i.e., Chairman & Managing Director; Executive Director(s);
 - (ii) General Managers;
 - (iii) All Employees in H.O. Accounts & Audit Department, Share Cell; and
 - (iv) Any other Employee/connected person as may be designated by the Compliance Officer in consultation with the Chairman & Managing Director of the Bank on the basis of role and function who have access to UPSI.
- (vii) "**Generally available information**" means information that is accessible to the public on a non-discriminatory basis;
- (viii) "**Immediate relative**" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- (ix) "**Insider**" means any person who is: (i) Designated person; (ii) a connected person; or (iii) in possession of or having access to unpublished price sensitive information;
- (x) "**Promoter**" means Ministry of Finance, Govt. of India.
- (xi) "**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;
- (xii) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly. Trading also includes trading in derivatives of the securities, as permitted by any law for the time being in force;
- (xiii) "**Trading day**" means a day on which the recognized stock exchanges are open for trading;
- (xiv) "**Trading Window**" means the period during which trading may be carried out in Bank's Securities by Designated persons. Also, the Bank shall use notional trading window, by keeping them informed of the duration of the same, as an instrument of monitoring trading by the designated person possessing unpublished price sensitive information;
- (xv) "**Unpublished Price Sensitive Information**" (**UPSI**) – means any information, relating to the Bank 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) change in key managerial personnel (CMD, ED).
 - (v) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
 - (vi) material events in accordance with the listing agreement.

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

3. Communication or procurement of unpublished price sensitive information.

No insider shall 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 purposes, performance of duties or discharge of legal obligations and vice versa. The information shall be handled within the Bank on a need-to-know basis and appropriate Chinese Wall procedures and processes may be permitted to any designate person to cross the Wall.

4. Trading when in possession of unpublished price sensitive information.

4.(1). No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Provided that the insider may prove his innocence by demonstrating the circumstances including the following : –

(i) in the case of non-individual insiders: –

(a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and

(b) appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

(ii) the trades were pursuant to a trading plan set up in accordance with regulation 5.

4.(2). In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on SEBI.

5. Trading Plan

5.(1) An insider, who may be perpetually in possession of unpublished price sensitive information, 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.

5. (2) Such 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 review the trading plan to assess whether the plan would have any potential for violation of these 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.

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.

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.

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. Trades by Designated Persons

6.(1) Trading Window

- a. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- b. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Bank.
- c. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is **above Rupees ten lac** in any calendar quarter. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

6.(2) Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

6.(3) The trades which have been pre-cleared shall be executed by the designated person in not more than seven trading days, failing which fresh pre-clearance would be needed for the trades to be executed.

6.(4) The designated person who is permitted to trade shall not execute a contra trade in not less than six months. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Code. Should a 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 for credit to the Investor Protection and Education Fund administered by SEBI.

Disclosure of Trading by Insiders:

7. General provisions.

7.(1) Every public disclosure shall be made in such form as may be specified by SEBI.

7.(2) The disclosures to be made by any person shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

7.(3) The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes:
Provided that trading in derivatives of securities is permitted by any law for the time being in force.

7.(4) The disclosures made shall be maintained by the Bank, for a minimum period of five years, in such form as may be specified by SEBI.

Disclosures by certain persons

8.(1) Initial Disclosure

(a). Every promoter, key managerial personnel and director of the Bank, shall disclose his holding of securities of the Bank as on the date of these regulations taking effect, to the Bank within thirty days of these regulations taking effect (i.e., 14.06.2015), as per Annexure C;

(b). Every person on appointment as a key managerial personnel or a director of the Bank shall disclose his holding of securities of the company as on the date of appointment, to the Bank within seven days of such appointment, as above;

8.(2) Continual Disclosures

(a). Every promoter, employee and director of every company shall disclose 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 **rupees ten lakh** or such other value as may be specified, as per Annexure D;

(b). Bank shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

Explanation. — It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold specified as above.

8.(3) Disclosures by other connected persons.

Bank may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Bank in such form and at such frequency as may be determined by the Bank in order to monitor compliance with these regulations.

9. Other provisions

9.(1) Reporting: The Compliance officer shall report to Board of Directors and to provide reports to Audit Committee/Board of Directors on **half yearly basis**.

9.(2) Sanctions for violations.

In case of any violation of these regulations, the Bank shall inform SEBI promptly. Further, any contravention of these regulations shall be dealt with by SEBI.

Also, the Bank may take disciplinary action including wage freeze, suspension etc., for the contravention of the Code.

9.(3) Amendment to the code

This Code and any subsequent amendment(s) thereto, shall be by way of written approval of the Board of Directors and shall promptly be notified to the Stock Exchange(s) where the securities of the Bank are listed.

APPLICATION FOR PRE-CLEARANCE FOR PURCHASE/SALE OF SECURITIES

Date :

The Compliance Officer,
Punjab & Sind Bank
Head Office,
21-Rajendra place, New Delhi

Dear Sir,

Sub: Application for Pre-clearance for purchase/sale of securities

Pursuant to the Bank's Code of Conduct for Prevention of Insider Trading, I seek approval for trading of securities of the Bank as under:

I propose to trade in _____ no. of _____ securities of the Bank, during the week ending _____ seek your approval for buying/selling No. of equity shares. The said shares will be bought/sold in the name of whose Depository Participant details and/or existing folio nos. are as under:

I. Details of Shareholding of Directors/Officers/Designated Employees Held In Their Own Name.

Name	No. of shares held (with Folio/DP ID/ Client ID)	Nature of Transaction for which approval is sought	No. of shares to be dealt

II. In this regard I do hereby undertake as under :

- a. I have not received, nor I had any access to any unpublished price sensitive information upto the time of signing this undertaking.
- b. In case I have access or receive price sensitive information after the signing of this undertaking but before the execution of the transaction I shall inform the Compliance Officer of the same and shall refrain from dealing in the Securities of the Bank till the time such information becomes public as prescribed.
- c. I have not contravened the code of conduct for prevention of insider trading as notified by the Bank from time to time.
- d. I have made a full and true disclosure in the matter.

Signature:

Designation:

PF No.

PRE-CLEARANCE Approval/disapproval

Date: _____

Mr. _____
Punjab & Sind Bank

Dear Sir,

This is to inform you that your request for trading of _____ shares of the Bank as mentioned in your application dated _____ is approved/ disapproved. Please note that the said transaction must be completed on or before _____ i.e. within 7 days from today.

For Punjab & Sind Bank

Compliance Officer

FORM A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (a) read with Regulation 6 (2)]

Name of the company: _____

ISIN of the company: _____

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

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

Signature:

Designation:

Date:

Place:

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the company: _____

ISIN of the company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointme nt of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointme nt of Director/KMP	
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	5	6	6	7	7

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

Signature: _____

Designation: _____

Date: _____

Place: _____

FORM C

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (2) read with Regulation 6(2)]

Name of the company: _____

ISIN of the company: _____

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN, & address of Promoter/ Employee / Director with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public rights/ preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transa ction	Post transa ction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

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

Signature:

Designation:

Date:

Place:

Form D (Indicative format)

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

Regulation 7(3) – Transactions by Other connected persons as identified by the company

1	2	3		4		5		6		7	8	9	10	11	12	13				14	15	16	17								
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)		No.		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)		No.								Pre transaction		Post transaction						From		To		Buy		Sell	
		Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)							Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)					Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)				

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

Name:

Signature:

Date:

Place:

Undertaking by the Connected Person

This is to undertake that we Mr./Ms./M/s _____ having registered office address or resident of _____ being the connected person to the Bank will duly inform our concerned Team of the nature of work relationship and shall not undertake any said transaction in violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015

For _____(Details of the Connected Person)

Authorised Person