



# **BANK OF BARODA**

## **Codes of Fair Disclosure and Conduct**

**(Amended upto 31.08.2023)**



## INTRODUCTION

### **Necessity for the Code:-**

**Insider trading** is the buying or selling or dealing in the securities of a listed Company by a Director, member of management, an employee of the firm or by any other person such as internal and statutory auditor, agent, advisor, analyst, consultant etc., who in possession of or having access to unpublished price sensitive information. The dealing in securities by an 'insider' is illegal when it is predicated upon the utilization of 'inside' information to profit at the expense of other investors who do not have access to the same information. The prices of most securities generally reflect the available public information about these companies. Hence, any investor who acts on non-public information does so at the cost of public confidence in the securities market and in the process he distorts the level playing field.

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, had formulated the SEBI (Insider Trading) Regulations, 1992 under the powers conferred on it under the SEBI Act, 1992. These regulations came into force with effect from 19<sup>th</sup> November 1992 and the same were made applicable to all companies whose shares were listed on Indian stock exchanges.

The entire Regulations were amended and notified as SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations). With a view to strengthen the extant Regulations and to create a framework with larger coverage for prohibition of Insider Trading, SEBI has been amending, from time to time, the Regulations and the last such amendment was made vide Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2022.

The extant Regulations require all listed companies and other specified entities to set up appropriate mechanism and to frame and enforce a Code of Conduct for Prohibition of Insider Trading and internal procedures prescribing various disclosures of interest or holding to be made by its Directors and Designated Employees with substantial shareholding.

In conformity with the updated Regulations, a revised Code namely "Codes of Fair Disclosure and conduct" was prepared and got approved by the MD & CEO on 15.10.2020. Subsequently, the approved Code was noted by the Board at its meeting held on 29.10.2020 vide agenda no. U-4. The Code is applicable to all the Directors, Designated Persons, Connected persons and Deemed to be connected Persons as defined in the Regulations.

### **Objective**

The objective of the Code is to regulate, monitor and report trading by designated persons and immediate relatives of designated persons and to prevent Insider Trading by prohibiting dealing, communicating or counseling on matters relating to unpublished price sensitive information.

## **1. CODE**

- 1.1 The Code may be called as **Bank of Baroda Codes for Fair Disclosure and Conduct** and shall come into effect from July 17, 2020 and replace the existing Bank of Baroda Directors and Employees Code of Conduct for Prohibition of Insider Trading.
- 1.2 The Code has been made pursuant to Regulation 8(1) and 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended) (hereinafter called as the



Regulations) to regulate, monitor and report trading by the employees and other connected persons of the Bank with a view to comply with the provisions of the Regulations.

## 2. Applicability

The Code will be applicable to Promoters / Directors / Designated Persons, their Immediate Relatives, all Connected Persons and Insiders, as defined in this Code. This Code shall be posted on the Bank's website [www.bankofbaroda.in](http://www.bankofbaroda.in) under "Shareholders/Investor Services" section / link on the home page

## 3. Definitions:

As used in this Code:

- a) **"Act"** means Securities and Exchange Board of India Act, 1992 (15 of 1992)
- b) **"Bank"** means Bank of Baroda
- c) **"Board"** means the Securities and Exchange Board of India
- d) **"Code"** means **"Bank of Baroda Codes of Fair Disclosure and Conduct"**, as applicable, including modifications made there to from time-to-time.
- e) **"Compliance Officer"** means any senior officer, designated so and reporting to the board of directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of this Code under the overall supervision of the Board of Directors of the Bank. The Compliance Officer for this Regulation is the Company Secretary of the Bank of Baroda.

[Explanation – For the purpose of this code, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows]

- f) **"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. the holding, associate 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 Bank; or
- j. a concern, firm, trust, Hindu undivided Family, Company or association of persons wherein a director of the Bank or his immediate relative or banker of the Bank, has more than ten percent of the holding or interest.

**Note:** It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in the Bank but are in regular touch with the Bank and its officers and are involved in the know of the Bank's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about the Bank by virtue of any connection that would put them in possession of unpublished price sensitive information.

g) **“Designated Persons” means:**

- a. All Chief General Managers, General Managers, Functional Heads and all the officers in Scale V & VI posted at Corporate Office and Head Office only.
- b. All the employees associated with Corporate Accounts & Taxation, Investor Services, Economist, Planning, Board Secretariat, Company Secretary, Offices of the Chairman, Managing Director & CEO, Offices of the Executive Directors and Secretariats of all Chief General Managers, General Managers, Functional Heads of the Bank at the Corporate Office / Head Office.
- c. Connected persons identified by the Compliance Officer in consultation with the Board of Directors, who in their opinion can come in possession of Unpublished Price Sensitive Information based on their functional areas and the propensity to generate such information.

h) **“Director”** means a member of the Board of Directors of the Bank.

- i) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis. Information given to Media/ Stock Exchanges in India, where the securities issued by the Bank are listed/posted on their websites and information posted on Bank's website shall be treated as generally available information.

Note: It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what unpublished price sensitive information is. Information published on the website of a stock exchange would ordinarily be considered generally available.



- j) **“Immediate relative”** means 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.

**Note:** It is intended that the immediate relatives of a “connected person” too become connected persons for purposes of this Code. Indeed, this a rebuttable presumption.

- k) **“Insider”** means any person who is
- a connected person; or
  - in possession of or having access to unpublished price sensitive information;

**Note:** Since “generally available information” is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an “insider” regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who had traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely converted by the exonerating circumstances.

- l) **“Key managerial persons or personnel”** means key managerial persons as defined in Section 2 (51) of the Companies Act, 2013.
- m) **“Officer”** means any Director, Secretary or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act including an auditor of the Bank.
- n) **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issued of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- o) **“Promoter Group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- p) **“SEBI”** means the Securities and Exchange Board of India;
- q) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 (42 of 1956) or any modification thereof.
- r) **“Specified”** means specified by SEBI in writing
- s) **“Takeover regulations”** means the Securities and Exchange of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- t) **“The Regulations”** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as may be amended from time to time.



- u) **"Trading"** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly;  
**Note:** Under the parliamentary mandate, since the Section 12A ( e ) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the term "trading" to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc. when in possession of unpublished price sensitive information.
- v) **"Trading day"** means a day on which the recognized stock exchanges are open for trading;
- w) **"Trading plan"** means the term 'trading plan' as described in Regulation 5 of the Regulations;
- x) **"Trading in securities"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- y) **"Unpublished price sensitive information"** 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) Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
  - (v) Changes in key managerial personnel.

**Note:** It is intended that information relating to the Bank securities, that is not generally available would be unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

Words and expressions used and not defined in this code but defined in Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015), Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or Companies Act, 2013 (18 of 2013) and rules and regulations made there under shall have the meanings respectively assigned to them in those legislation.

- z) **"Investor Protection and Education Fund"** means the Investor Protection and Education Fund created by the Board under section 11 of the Act.

### 3 (A) Duties of Compliance Officer:-

- i. The Compliance Officer shall maintain a record of the designated employees and changes, if any, from time to time in Structural Digital Database (SDD) as prescribed by SEBI.
- ii. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of "Unpublished Price Sensitive Information", pre-clearance of trades of designated employees and their dependents (directly or through respective department heads as decided by the Bank), monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of Directors of the Bank.

- iii. The Compliance Officer shall maintain a record of Prohibited Period specified from time to time.
- iv. The Compliance Officer shall maintain records of all the declarations submitted in the appropriate form given by the Designated Employees for a minimum period of eight years.
- v. The Compliance Officer shall assist all the Designated Employees in addressing any clarification regarding the Regulations and the Bank's Code.
- vi. The Compliance Officer shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for pre clearance of trades.
- vii. The Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the requirements of SEBI (PIT) Regulations to prevent insider trading.

#### **4. Restrictions on Communication and Trading by Insiders:**

##### **Communication or procurement of unpublished price sensitive information.**

4.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Bank 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.

**Note:** This provision is intended to cast an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis. It is also intended to lead to organizations developing practices based on need-to-know principles for treatment of information in their possession.

4.2 No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Bank or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**Note:** This provision is intended to impose a prohibition on unlawfully procuring possession of unpublished price sensitive information. Inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this provision.

4.2A The Board of Directors of Bank shall make a policy for determination of "legitimate purposes" as a part of "Codes of Fair Disclosure and Conduct" formulated under regulations 8.

[Explanation: For the purpose of illustration, the term "legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.]

4.2B Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered as "insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.





4.3 Notwithstanding anything contained in this Code, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–

- (i) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Bank is of informed opinion that sharing of such information is in the best interests of the Bank;

**Note:** it is intended to acknowledge the necessity of communicating, providing, allowing access to or procuring UPSI for substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control to assess a potential investment. In an open offer under the takeover regulations, not only would the same price be made available to all shareholders of the Bank but also all information necessary to enable an informed divestment or retention decision by the public shareholders is required to be made available to all shareholders in the letter of offer under those regulations.

- (ii) not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Bank is of informed opinion that sharing of such information is in the best interests of the Bank and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.

**Note:** It is intended to permit communicating, providing, allowing access to or procuring UPSI also in transactions that do not entail an open offer obligation under the takeover regulations [ when authorized by the board of directors if sharing of such information] is in the best interests of the company. The board of directors, however, would cause public disclosures of such unpublished price sensitive information well before the proposed transaction to rule out any information asymmetry in the market.

4.4 For purposes of sub-code (4.3), the board of directors shall require the parties to execute agreements as per **Form 8 (Annexure VIII)** 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 sub-code (4.3), and shall not otherwise trade in securities of the Bank when in possession of unpublished price sensitive information.

4.5 A structured digital database shall be maintained centrally with the Compliance Officer containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. Yearly compliance thereof will be placed before the Board.

**Note:** Accordingly, Bank has installed and implemented two software systems i.e. Fintrak – INSIDERS (web based model) and Fintrak – UPSI (integrated with Finance presently) for maintaining insiders' information and Structured Digital Database (SDD) respectively under the Code. Login credentials are communicated on bank's personal mail id of insiders / designated persons. Bank has also framed SOP for software use and FAQs for convenience of the users. Both SOP and FAQs are also communicated to the insiders / designated persons on their bank's personal mail id.





4.6 The Compliance Officer shall ensure that the structured digital database is preserved centrally for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

## 5. Trading when in possession of unpublished price sensitive information.

5.1 No insider shall trade in securities of the Bank that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Explanation: When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

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

(i) the transaction is an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of Code 4 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under sub code 4.3 of code 4.

Provided further that such off-market trades shall be reported by the insiders to the Bank within two working days. Bank shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

(ii) The transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of Code 4 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either persons under sub-Code 4.3 of Code 4.

(iii) The transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.

(iv) The transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.

(v) 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 Codes 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;



(vi) The trades were pursuant to a trading plan set up in accordance with Code 6.

**Note:** When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated the Code. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in the proviso, failing which he would have violated the prohibition.

5.2 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 the Board.

5.3 The Board may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of these Codes.

## 6. Trading Plans

6.1 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.

**Note:** This provision intends to give an option to persons who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the unpublished price sensitive information came into being.

6.2 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;

**Note:** It is intended that to get the benefit of a trading plan, a cool-off period of six months is necessary. Such a period is considered reasonably long for unpublished price sensitive information that is in possession of the insider when formulating the trading plan, to become generally available. It is also considered to be a reasonable period for a time lag in which new unpublished price sensitive information may come into being without adversely affecting the trading plan formulated earlier. In any case, it should be remembered that this is only a statutory cool-off period and would not grant immunity from action if the insider were to be in possession of the same unpublished price sensitive information both at the time of formulation of the plan and implementation of the same.

- (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 Bank and the second trading day after the disclosure of such financial results;

**Note:** Since the trading plan is envisaged to be an exception to the general rule prohibiting trading by insiders when in possession of unpublished price sensitive information, it is important that the trading



plan does not entail trading for a reasonable period around the declaration of financial results as that would generate unpublished price sensitive information.

(iii) entail trading for a period of not less than twelve months;

**Note:** It is intended that it would be undesirable to have frequent announcements of trading plans for short periods of time rendering meaningless the defense of a reasonable time gap between the decision to trade and the actual trade. Hence it is felt that a reasonable time would be twelve months.

(iv) not entail overlap of any period for which another trading plan is already in existence;

**Note:** It is intended that it would be undesirable to have multiple trading plans operating during the same time period. Since it would be possible for an insider to time the publication of the unpublished price sensitive information to make it generally available instead of timing the trades, it is important not to have the ability to initiate more than one plan covering the same time period.

(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

**Note:** It is intended that while regulations should not be too prescriptive and rigid about what a trading plan should entail, they should stipulate certain basic parameters that a trading plan should conform to and within which, the plan may be formulated with full flexibility. The nature of the trades entailed in the trading plan i.e. acquisition or disposal should be set out. The trading plan may set out the value of securities or the number of securities to be invested or divested. Specific dates or specific time intervals may be set out in the plan.

(vi) not entail trading in securities issued by the Bank for market abuse.

**Note:** Trading on the basis of such a trading plan would not grant absolute immunity from bringing proceedings for market abuse. For instance, in the event of manipulative timing of the release of unpublished price sensitive information to ensure that trading under a trading plan becomes lucrative in circumvention of Code 5 being detected, it would be open to initiate proceedings for alleged breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations 2003.

6.3 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.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

**Note:** It is intended that the compliance officer would have to review and approve the plan. For doing so, he may need the insider to declare that he is not in possession of unpublished price sensitive information or that he would ensure that any unpublished price sensitive information in his possession becomes generally available before he commences executing his trades. Once satisfied, he may approve the trading plan, which would then have to be implemented in accordance with this code.



- 6.4 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 issued by the Bank 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 sub-code (1) of Code 5.

**Note:** It is intended that since the trading plan is an exception to the general rule that an insider should not trade when in possession of unpublished price sensitive information, changing the plan or trading outside the same would negate the intent behind the exception. Other investors in the market, too, would factor the impact of the trading plan on their own trading decisions and in price discovery. Therefore, it is not fair or desirable to permit the insider to deviate from the trading plan based on which others in the market have assessed their views on the securities.

The proviso is intended to address the prospect that despite the six-month gap between the formulation of the trading plan and its commencement, the unpublished price sensitive information in possession of the insider is still not generally available. In such a situation, commencement of the plan would conflict with the over-riding principle that trades should not be executed when in possession of such information. If the very same unpublished price sensitive information is still in the insider's possession, the commencement of execution of the trading plan ought to be deferred.

- 6.5 Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities issued by the Bank are listed.

**Note:** It is intended that given the material exception to the prohibitory rule in Code 5, a trading plan is required to be publicly disseminated. Investors in the market at large would also factor the potential pointers in the trading plan in their own assessment of the securities and price discovery for them on the premise of how the insiders perceive the prospects or approach the securities in their trading plan.

## 7. Disclosures of Trading by Insiders

General Provisions.

- 7.1 Every public disclosure under this Code shall be made in such form as may be specified.
- 7.2 The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

**Note:** It is intended that disclosure of trades would need to be of not only those executed by the person concerned but also by the immediate relatives and of other persons for whom the person concerned takes trading decisions. This Code is primarily aimed at preventing abuse by trading when in possession of unpublished price sensitive information and therefore, what matters is whether the person who takes trading decisions is in possession of such information rather than whether the person who has title to the trades is in such possession.

- 7.3 The disclosures of trading in securities issued by the Bank shall also include trading in derivatives of securities issued by the Bank and the traded value of the derivatives shall be taken into account for purposes of this Code:



Provided that trading in derivatives of securities is permitted by any law for the time being in force.

7.4 The disclosures made under this Code shall be maintained by the Bank, for a minimum period of five years, in such form as may be specified.

## 8. Disclosures by certain persons.

### 8.1 Initial Disclosures.

- (a) Every person on appointment as a key managerial personnel or a director of the Bank or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the Bank as on the date of appointment or becoming a promoter, to the Bank within seven days of such appointment or becoming a promoter in **Form 1 (Annexure I)**;

### 8.2 Continual Disclosures.

- (a). Every promoter, member of the promoter group, designated person and director of the Bank shall disclose to the Bank 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 **ten lakh rupees** or such other value as may be specified **Form 2 (Annexure II)**;
- (b) The Bank shall notify the particulars of such trading to the stock exchange on which the securities issued by the Bank 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-code, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) of sub-code (2).

- (c) The above disclosures shall be made in such form and such manner as may be Specified by SEBI from time to time.

### 8.3 Disclosures by other connected persons

The 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 this Code.

**Note:** This is an enabling provision for Bank to seek information from those to whom it has to provide unpublished price sensitive information. This provision confers discretion on any company to seek such information. For example, Bank may ask that a management consultant who would advise it on corporate strategy and would need to review unpublished price sensitive information, should make disclosures of his trades to the Bank.



## CODES OF FAIR DISCLOSURE AND CONDUCT

### 9. Code of Fair Disclosure:

9.1 The board of directors of bank, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to these codes without diluting the provisions of this code in any manner.

**Note:** This provision intends to require every company whose securities are listed on stock exchanges to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities. Principles such as equality of access to information, publication of policies such as those on dividend, inorganic growth pursuits, calls and meetings with analysts, publication of transcripts of such calls and meetings, and the like are set out in the schedule.

9.2 Every such code of practices and procedures for fair disclosure of unpublished price sensitive information and every amendment thereto shall be promptly intimated to the stock exchanges where the securities are listed.

**Note:** This provision is aimed at requiring transparent disclosure of the policy formulated in sub- code (1)

### 10. Code of Conduct:

10.1 The board of directors of the Bank shall ensure that the Managing Director & Chief Executive Officer shall formulate a Code of Conduct with their approval to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with this code, adopting the minimum standards set out in Schedule B without diluting the provisions of this Code in any manner.

**Note:** It is intended that the Bank whose securities are listed on stock exchanges is mandatorily required to formulate a code of conduct governing trading by designated persons and their immediate relatives. The standards set out in the schedules are required to be addressed by such code of conduct.

### 11. Institutional Mechanism for Prevention of Insider trading:

11.1 The Managing Director & Chief Executive Officer of the Bank shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in this Code to prevent insider trading.

11.2 The internal controls shall include the following:

11.2.1 All employees who have access to unpublished price sensitive information are identified as designated person;

11.2.2 All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;

11.2.3 Adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by this Code;

11.2.4 Lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;





11.2.5 All other relevant requirements specified under this Code shall be complied with;

11.2.6 Periodic process review to evaluate effectiveness of such internal controls.

11.3 The board of directors of the Bank shall ensure that the Managing Director & Chief Executive Officer ensures compliance with Code 10 and sub-code (1) of this Code.

11.4 The Audit Committee of the Bank shall review compliance with the provisions of this Code at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

11.5 The Bank shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by the board of directors of the Bank and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

11.6 The Bank shall have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

11.7 If an inquiry has been initiated by Bank in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Bank in connection with such inquiry.

## **12.Prevention of Misuse of Unpublished Price Sensitive Information:**

12.1 Promoters, Directors, Insiders or Designated Persons and their immediate relatives of the aforesaid persons shall not trade in the securities issued by the Bank when Trading Window is closed and trading restriction period.

12.1.1 Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

12.1.2 The gap between clearance of account by audit committee and Bank's board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

12.2 Compliance Officer of the Bank may determine closure of Trading Window for securities of the Bank when any of the following events occur:-

- i. Declaration of Financial Results;
- ii. Recommendation/ Declaration of Dividends
- iii. Change in capital structure
- iv. Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v. Material events in accordance with the listing agreement.

12.3 The timing for re-opening of the Trading Window shall be determined by the Compliance Officer of the Bank 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.



12.4 The Trading Window shall also be applicable to any person having contractual or fiduciary relation with the Bank, such as auditors, accountancy firms, law firms, analysts, consultants, advisors etc., assisting or advising the Bank.

12.5 The information about the Closure of Trading Window shall be posted on Bank's website [www.bankofbaroda.in](http://www.bankofbaroda.in) under "Shareholders/Investor Services" section / link on the home page. The Bank/Compliance Officer/Company Secretary shall not be responsible for communicating details of Trading Window Closure to those concerned.

### 13 Pre-Clearance of Trades:

13.1 The persons mentioned in Code 12.1 shall:

- Execute trades subject to the Compliance with the Code
- Trade only when "**Trading Window**" is open.
- Trade in the securities of the Bank from and above 5000 number of securities only on seeking pre-clearance in **Form 3 (Annexure III)** from the Compliance Officer, along with an Undertaking in **Form 4 (Annexure IV)**.

13.2 The Compliance Officer may after

- Seeking such information as may be necessary from the applicant **(Form 5 (Annexure V))**;
- Ensuring that the applicant is not in the possession of unpublished price sensitive information;
- Confirming that the request for trade is in accordance with the Trading Plan, if any, submitted by the applicant earlier;
- Applicant has not done any prior contra trade within the previous period of six months,
- Ensuring that declaration, if any, made at the time of seeking pre-clearance is correct,

grant the pre-clearance in **Form 6 (Annexure VI)**.

The pre-clearance shall be valid for a period of days as may be granted by the Compliance Officer and in no event more than 7 trading days. In case of failure to execute trade within the stipulated period fresh application for obtaining pre-clearance has to be sought.

13.3 Pre-clearance shall be required even if the transaction is only in the nature of transfer of beneficiary rights to any of the immediate relatives of the applicant.

13.4 The applicant shall be required to disclose the details of the trade within two days of such trade. In the event the applicant does not trade during the period, the applicant shall report to the Compliance Officer the reasons for the same.

13.5 The applicants shall not execute a contra trade for a period of 6 months within which a trade is permitted.

13.6 The Compliance Officer may grant relaxation to a contra trade for reasons recorded in writing provided that such relaxation does not violate the Code or the Regulations i.e. SEBI (Prohibition of Insider Trading) Regulations 2015. **Form 7 (Annexure VII)**

13.7 In case a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by it.

13.8 In case any Director or employee has to be allotted securities in terms of the ESOP/ESPS Scheme



of the Bank, there shall be no restriction on allotment of securities even during the Trading Window Closure period. However, the employee shall not be permitted to dispose of the securities during the Trading Window Closure period.

13.9 The Compliance Officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

#### **14 Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in securities of other companies for which Bank is acting as Intermediary or Fiduciary:-**

**Need-to-know:** All information obtained from the customers of the Bank as an intermediary or in banker customer relationship shall be handled within the Bank on a need to know basis and no unpublished price sensitive information of the customers shall be communicated to any person except in furtherance of legitimate purposes, performances of duties or discharge of legal obligations.

**Restriction of Trading:** Designated person and their immediate relatives shall not trade in securities of a Company (listed or proposed to be listed on a stock exchanges) when in possession of unpublished price sensitive information related to that Company. When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

##### **List of Restricted Securities:**

All Credit verticals shall prepare a list of companies (listed or in process of listing with a recognized stock exchange) which are customers of the Bank and from whom Bank has received or may receive any unpublished price sensitive information during its dealing with the said Company. For e.g. Bank obtains unpublished price information (financial projections, order in hand, details of new business line, sales achievements, unaudited financial results etc.) for sanctioning of loan proposal of listed companies.

Credit Verticals shall update the said list on regular basis and forward the same to Compliance Officer.

The Compliance Officer shall confidentially maintain list of securities of such companies as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre clearance of trades.

**Pre-Clearance of the Trade:** Designated persons may execute trades subject to compliance with this Code. Trading by designated persons shall be subject to pre clearance by the Compliance Officer, if the value of the proposed trades in securities of any listed entity is more than Rs. 10,00,000 (Rupees Ten Lakhs) in a calendar quarter.

Designated person has to apply for pre clearance of trades as per clause 13 of this code.

#### **15 Formats**

The formats of various forms / applications referred to in the Code are annexed.

#### **16 Reports**

- (i) The Compliance Officer shall submit compliance reports to the Audit Committee of the Board as well as the Board of Directors at the end of every quarter.
- (ii) The Compliance Officer shall within seven days of coming to know of any contravention of the Code or the Regulations, immediately bring the same to the notice of the Chairperson of the Audit



Committee and also notify SEBI of the contravention.

#### **17 Penalty and Punishment for Contravention of the Code of Conduct:**

- (a) Any Director / Designated Person of the Bank and any other person considered as an Insider who deals in securities or communicates any Unpublished Price Sensitive information, in violation / contravention of a listed Bank's Code maybe penalized by the Bank. The Bank may take appropriate action against such person and such action may include disciplinary action viz., wage freeze, suspension, ineligibility for future participation in employee stock option plans etc.
- (b) Such a person shall also be subject to any action that may be taken by SEBI for violation of the Code in accordance with the provisions of the Act.

#### **18 Schedules**

1. Principals of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information – Schedule A
2. Minimum Standards for Code of Conduct – Schedule B
3. Policy for determination of Legitimate Purposes – Schedule C

#### **19 Review of Codes/ Sunset Clause:**

**The Code will be valid for three years from the approval date.**

**Any guidelines issued by SEBI/Reserve Bank of India/ Government of India will automatically be a part of this Code with immediate effect.**

**The Managing Director and CEO and in his absence Executive Director/s of the Bank shall have power to permit renewal of this Code, subject to reporting to the Board in next Board Meeting.**

===== 0000 =====



## Schedule- A

### Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. Ensuring that information shared with analysts and research personal is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.



## Schedule- B

### Minimum Standards for Code of conduct

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairperson of the Audit Committee, if any, or to the Chairperson of the board of directors at quarterly intervals.
2. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The Code of Conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated persons to “cross the wall”.
3. Designated Persons and immediate relatives of designated persons in the organization shall be governed by an internal code of conduct governing dealing in securities.
4. Designated persons may execute trades subject to compliance with this Code. 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 persons 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.

Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

The trading window restrictions mentioned in sub-clause (1) shall not apply in respect of –

(a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-Code (1) of Code 5 and in respect of pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the SEBI;

(b) transactions which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer **or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.**

**Note:** - SEBI vide circular no. SEBI/HO/ISD/ISD-PoD-2/P/CIR/2023/124 dated July 19, 2023 has advised the implementation of the framework for restricting trading by Designated Persons (“DPs”) by freezing PAN at security level and has defined the process for implementation of the system as under:-

- The Designated Depository (“DD”) appointed by the Bank shall enable access to the respective listed company on the portal/ platform.
- Upon login, DD shall auto-populate PAN and name of the DPs and their demat account number / DP ID and client ID (only in case of PAN exempt cases) as per the last updated or available information under system-driven disclosure uploaded by the Bank with DD.
- The Bank shall confirm to the DD details with respect to listed ISIN of equity share of the Bank, Name, PAN, and confirm the demat account number viz. DP ID and client ID (in case of PAN exempted



cases) of DPs. In the event any updation is required to the aforementioned details, the Bank shall take necessary steps as per stipulation.

- DD shall provide a facility to the Bank to specify the 'Trading Window Closure Period' i.e. 'Commencement Date' and 'End Date' on portal/platform.
  - (i) With respect to financial results, the Bank shall specify the 1st day (T- day) immediately after the end of every quarter for which results are to be announced, as 'Trading Window Closure commencement date' and the date on which 48 hours ends post disclosure of financial results, as 'Trading Window Closure End date' in the portal/platform.
- The Bank shall provide the aforesaid details atleast 2 trading days prior to the commencement of trading window closure date (T-2 days). For example, for financial results for the quarter ending September 30, 2023, the Bank shall confirm the details by September 29, 2023.
- DD shall provide the details received from the Bank (i.e. Commencement Date and End Date of the trading window closure period, Name and PAN of DPs, ISIN, etc.) to the Stock Exchanges and other Depository at least 1 trading day prior to the commencement of trading window closure commencement date (T-1 day). For example, for financial results for the quarter ending September 30, 2023, the DD shall provide the details by September 30, 2023. Further, during the trading window closure period, DD shall also provide the aforesaid details and changes therein, if any, to the Stock Exchanges and other Depository on a daily basis.
- The demat accounts shall be identified by the Depositories based on the PAN of the DP of Sole / joint holder.
- Based on demat accounts identified as per above and instruction given by the Bank as per above paras, the off-market transactions and creation of pledge shall be restricted by the Depositories with reason code as "Trading Window Closure Period".
- On the basis of data received from the Depositories, the Stock Exchanges shall restrict the on-market transactions of DPs in equity shares and equity derivatives contracts of the Bank from T day i.e. Commencement Date of trading window closure period. As per the example mentioned above, Commencement Date of trading window closure period shall be October 01, 2023, for the quarter ending September 30, 2023.
- In case of any addition/deletion/updation pertaining to the details of DP, the Bank has to follow the procedure specified in terms of SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 09, 2020 and shall be required to separately provide the details as mentioned at above paras.
- Such instances shall be effected within 2 trading days of receipt of intimation from the Bank. For example, assuming the trading window closure period is October 01 - 15, 2023 and if the Bank adds any DP on October 10, 2023, then the change, i.e. freeze shall be effected on or before October 12, 2023.
- There shall be provision in the system to specify the details of DP to be exempted by the Bank from Trading Window restriction in terms of 4<sup>th</sup> paragraph of para 4 above. In such cases, the restriction shall be removed within 2 trading days from the date of receipt of request from the Bank. As per the example given above, if the listed company provides exemption to any DP on October 11, 2023, then the change i.e. de-freeze shall be effected on or before October 13, 2023. The restriction shall be re-introduced automatically post lapse of the exemption period or completion of the transaction by the DP.
- The freezing/de-freezing of PAN at the security level on account of changes due to addition or deletion will be effected post market hours.
- Pay-in and pay-out obligations in respect of transactions, if any, taken place prior to freezing the PAN of DP at the security level, may be permitted to be settled, squared off or closed out, as the case may be.
- The formats and timelines for sharing of data shall be standardized, as agreed upon by the Depositories and Stock Exchanges. Further, operational guidelines for the Bank shall be issued by the Depositories.



- In case of any discrepancy, the issue shall be resolved by the Depositories, in coordination with Stock Exchanges and the Bank.
5. 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.
  6. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate.
  7. 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 unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
  8. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
  9. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate this 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 to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

10. The code of conduct shall stipulate such formats as the board of directors deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with this Code.
11. Without prejudice to the power of SEBI under the Act, the code of conduct shall stipulate penalty, salary / increment freeze/suspension, recovery, etc., that may be imposed, by the Bank required to formulate a code of conduct under sub-Code (1) of Code 10, for the contravention of the code of conduct. Any amount collected under this clause shall be remitted to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
12. The violations of code shall be promptly informed to the stock exchange(s) where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time.
13. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Bank on an annual basis and as and when the information changes:
  - (a) Immediate relatives
  - (b) Persons with whom such designated person(s) shares a material financial relationship



(c) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

14. Bank shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.



## Schedule- C

### **BANK OF BARODA Policy for determination of “Legitimate Purposes”**

**The sharing of Unpublished Price Sensitive Information shall be deemed to be for “Legitimate Purpose” if it satisfied the following criteria:**

- (i)** The ‘Legitimate Purpose’ shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of this code.
- (ii)** The information shall be shared with any persons on ‘need to know’ basis.
- (iii)** Insiders shall share the Unpublished Price Sensitive Information with the external agencies only in the interest of the Bank and/or in compliance with the requirements of the law.
- (iv)** Sharing of information may be construed as insider trading even while it is in pursuit of compliances required or business interests of the Bank in appropriate circumstances. The persons who has the Unpublished Price Sensitive Information should ideally recuse himself from assigned task of the sharing the Unpublished Price Sensitive Information with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- (v)** The agreements entered into involved sharing of Unpublished Price Sensitive Information should have a “confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of Unpublished Price Sensitive Information.



**ANNEXURE- I**

**Form 1**

**STATEMENT OF INITIAL DISCLOSURE OF SHARES HELD IN THE BANK**

Code 8.1 (a)

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as defined in the code**

Name, PAN No. CIN/DIN & address of Director/ Designated employee with contact nos	Category of person (Promoters / KMP / Director / Immediate relative to / Others etc)	Date of appointment of Director / KMP / or Date of becoming Promoter	Securities held as on the date of regulation coming into force		% of shareholding
			Securities held at the time of becoming promoter / appointment of Director / KMP (strike out whichever is not applicable)		
			Type of Securities (For eg.- Shares, Warrants, Convertible Debentures etc.)	Number	
1	2	3	4	5	6

**Note:** "Securities" shall have the meaning as defined under 3 (q) of the code.

**Details of Open Interest (OI) in derivatives held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as defined in the code.**

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.		
Securities held at the time of becoming promoter / appointment of Director / KMP (strike out whichever is not applicable)			Securities held at the time of becoming promoter / appointment of Director / KMP (strike out whichever is not applicable)		
Contract Specifications	No. of units (Contract lot size)	Notional value in Rupee terms	Contract Specifications	No. of units (Contract lot size)	Notional value in Rupee terms
7	8	9	10	11	12

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

**I declare that I have not violated the code while holding/trading the securities.**

Place:

(Name & Signature)

Date

Designation:



**ANNEXURE- II**

**FORM 2**

**STATEMENT OF CONTINUAL DISCLOSURE IN THE SECURITIES OF THE BANK**

[Code 8.1(a)]

**Details of change in holding of Securities of Promoter, Employee or Director of the Bank**

Name, PAN No. CIN/DIN & Address of Director/ Designated employee with contact numbers	Category of person (Promoters / KMP/ Director / Immediate relatives / Others etc.)	Securities held prior to acquisition/ disposal		Securities Acquired / Disposed				Securities held post acquisition / disposal		Date of allotment advice / acquisition of shares / sale of shares specify		Date of intimation to Bank	Mode of acquisition (Market purchase / Public rights/ preferential offer / Off market / inter - se transfer
		Type of Security (Shares, Warrants, Convertible Debentures etc)	No and % of shareholding.	Type of Security (Shares, Warrants, Convertible Debentures)	No.	Value	Transaction Type (Buy / Sale / Pledge / Revoke / Invoke)	Type of security (for eg. – Shares, Warrants, Convertible Debentures 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 3 (q) of the code.

**Details of trading in derivatives of the Bank by Promoter, Employee or Director of the Bank**

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		15	21
		Notional Value	No. of units (Contracts lot size)	National Value	No. of units (Contracts lot size)		
15	16	17	18	19	20		

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

**I declare that I have not violated the code while holding/trading the securities.**

Place:

(Name & Signature)

Date

Designation





ANNEXURE-III

Form 3

APPLICATION FORM FOR PRE-CLEARANCE OF TRADES IN BANK'S  
SECURITIES  
[Code 13.1]

Date

TO  
THE COMPLIANCE OFFICER,  
BANK OF BARODA

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

Name and Address of the Director / Designated  
Employee

Dear Sir,

With reference to Bank of Baroda Code of Conduct for Prohibition of Insider Trading, I seek your approval to subscribe to/agree to subscribe to/purchase /sell, deal as an agent/principal in \_\_\_\_\_ equity shares of the Bank.

The statement of shareholding in Form No.4, as on \_\_\_\_\_ and undertaking in the prescribed format is enclosed for your perusal.

Details of transaction to be entered into

Name of the person for whom the transaction is to be executed	
Relationship with the applicant	
No. of shares covered by the transaction	
Allotment / Purchase / Sale	
Depository I.D. No.	
Client I.D. No.	
Particulars of the broker through whom the transaction is to be executed	Name: Phone No.:

I request you to kindly pre-clear the above transaction at the earliest.

Thanking you,

Yours faithfully,

Signature of the Applicant

Encl.: 1. Form-4.



**ANNEXURE- IV**

**Form 4**

(Draft undertaking to be accompanied with every pre-clearance application)

[Code 13.1]

THE COMPLIANCE OFFICER  
BANK OF BARODA

**CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

Dear Sir,

I ----- a Director / Designated Employee of the Bank here by confirm:

- a. to maintain confidentiality of all 'Unpublished Price Sensitive Information' that may come into my possession in the discharge of my duties with the Bank;
- b. not to pass on such information to any person directly or indirectly by way of making are recommendation for the purchase or sale of securities of the Bank based on the same;
- c. to report to the Compliance Officer, any non-public information that may be directly received by me;
- d. that I did not have any access or received 'Unpublished Price Sensitive Information' up to the date Of signing this undertaking;
- e. that in case I have access to or receive 'Unpublished Price Sensitive Information' after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I shall completely refrain from dealing in the securities of the Bank till such time such information becomes public ;
- f. that I have not contravened the Code of Conduct for Prohibition of Insider Trading as notified by the Bank from time to time ; and
- g. that I have made full and true disclosure in the matter.

Signature:

Name of Director / Designate Employee:

Employee Code No:

Department:

Location:

Place:

Date:



**ANNEXURE-V**

**Form 5**

**BANK OF BARODA CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

Statement of shares held in the Bank at the time of preclearance  
(Code 13.2)

Name of Director / Designated Employee	
Employee Code No.	
Department	
Location	
For the period ended	

PARTICULARS		PARTICULARS OF SHARE HOLDING	
Name	Relation	Folio/Client ID. No.	No. of shares held

Add more rows if required

I / we declare that I/ we have complied with the requirement of the minimum holding period of 30 days with respect of the shares sold.

Place:

Date:

(Signature)



**ANNEXURE- VI**

**Form 6**

(Draft letter of approval from Compliance Officer)

[Code –13.2]

Date:

To:

Dear Sir/Madam,

Sub: Pre-clearance of trade in Bank's Securities

Ref: Your application for pre-clearance of transaction for Shares of the Bank in the name of Mr/Mrs.  
.....

With reference to your above application pursuant to Code 13.1 of Bank of Baroda Code of Conduct for Prohibition of Insider Trading, seeking pre-clearance of your transaction in shares of the Bank, we here by accord our approval to the proposed transaction.

You may kindly note that pursuant to provisions of Code 13 of the said Code of Conduct, the aforesaid transaction shall be executed within one week from the date of receipt of this approval letter, failing which, an application seeking pre-clearance to the proposed transaction together with undertaking in the prescribed format, shall be made afresh within four days from the conclusion of the week stated here in above. As stipulated in Code 13.5 of the Code of Conduct, you shall not execute any contra trade for a period of 6 months with in which the trade was permitted.

You may also note that a statement as per **Form 2 Annexure – II** (enclosed), in respect of the transactions in the securities of the Bank executed by you is to be submitted to the Compliance Officer, within two days from the date of such transactions. Non-submission of this statement will be in violation /contravention of the above code of conduct.

Thanking you,

Yours faithfully

For BANK OF BARODA

Compliance Officer



**ANNEXURE- VII**

Form 7

(Draft application for waiver of Contra Trade)

[CODE 13.6]

The Compliance Officer

BANK OF BARODA CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

From

Name	
Employee Code	
Department	
Location	

Dear Sir,

I request you to grant me waiver pursuant to Code 10.6 of the Bank of Baroda Code of Conduct for Prohibition of Insider Trading to execute contra trade proposed to be done in the name of Mr/Mrs. .... (Relation :.....) to Buy / Sell of ..... Equity Shares of the Bank against the original trade transaction done of Buy / Sell of ..... Equity shares of the Bank in the name of Mr./Mrs. .... (Relation: .....) executed on .....

I desire to deal in the said shares on account of \_\_\_\_\_(give reasons)

Thanking you,

Yours faithfully,

Signature:  
(Name of the Applicant)

Waiver Granted / Rejected.

Signature:  
Compliance Officer

Place:

Date



## ANNEXURE- VIII

### Form 8

This Agreement is made on this\_            Day of ..            between

of the first part and BANK OF BARODA having its Corporate Office at Corporate Center, C-26, G-Block, Bandra Kurla Complex, and Bandra (East), Mumbai-400051 (hereinafter referred to as the Bank) on the second part.

WHERE AS the Bank has formed a code of conduct known as the “Bank of Baroda Directors and Employees Code of Conduct for Prohibition of Insider Trading” in pursuance of Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

In Compliance of which I agree to the following covenants that

I shall not:

1. at any time without the consent of the Bank disclose, divulge make public or pass on such Unpublished Price Sensitive Information to any person directly or indirectly by way of making are commendation for the purchase or sale of securities of the Bank based on the same.
2. disclose Unpublished Price Sensitive Information to family members, friends, business associates or any other individual.
3. discuss Unpublished Price Sensitive Information in public places.
4. disclose Unpublished Price Sensitive Information to any employee who does not need to know the information for discharging his or her duties.
5. recommend to any one that they may undertake dealing in securities of the Bank while being in possession, control or knowledge of Unpublished Price Sensitive Information.
6. be seen or perceived to be dealing in securities of the Bank on the basis of unpublished Price Sensitive Information.

Signed and delivered by	
In presence of the within named witness	
For Bank of Baroda Compliance Officer	
In presence of the within named witness	