



**Minimum Standards for Code of Conduct to Regulate, Monitor
and Report Trading by Designated Persons**

[Effective Date: 10.02.2018 Last Amended Date: 10.05.2025]

1. PREFACE

High Energy Batteries (India) Limited ('the company') is a public limited company and its Equity Shares are listed on BSE. It commits to diligently follow the mandate set out in the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations"). The Company in deference to Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") hereby sets out the minimum standards for code of conduct to regulate, monitor and report trading by Designated Persons with reference to dealing with the Price Sensitive Information.

2. PURPOSE

- All price sensitive information shall be handled within the organization on a "need to know" basis.
- No Unpublished Price Sensitive Information (UPSI) shall be communicated to any person except in furtherance of the insiders' legitimate purposes, performance of duties or discharge of his legal obligations.
- In case of doubt, written confirmation of the compliance officer shall be obtained before proceeding to make disclosure of such information whether to an outsider or insider.

3. APPLICABILITY

A. The company designates the following as “designated persons” for the purpose of this code:

- Promoters and members of the Promoter Group of the Company
- All Directors
- All Key Managerial Personnel KMPs and Senior Managerial Personnel SMPs
- All employees up to two levels below MD
- All employees in HO in the rank of Manager and above
- All intermediaries or fiduciaries and their employees having access to UPSI of the company.
- All employees in Accounts department, IT department and Secretarial department who have access to UPSI.
- Any other employee designated by the company to whom these trading restrictions shall be applicable

B. The designated persons and their immediate relatives shall be governed by this internal code of conduct for dealing in the securities of the company.

Accordingly, the compliances and restraints on designated persons spelt out herein shall equally apply to their immediate relatives for trading in the securities of the company.

4. DEFINITION

All terms used in this document shall have the meaning assigned to them under the SEBI (Prohibition of Insider Trading) Regulations, 2015 other applicable SEBI Regulations and Companies Act, 2013.

5. OBJECTIVES

The Company Secretary is designated as the compliance officer responsible for complying with the Companies Act, 2013 and all SEBI Regulations including the SEBI (Prohibition of Insider Trading) Regulations, 2015.

- The compliance officer shall provide a report under the Regulations to the Chairman of the Audit Committee at every meeting of the Audit Committee.
- For this, the Agenda for the Audit Committee shall include relevant information towards disclosures received, transactions reported to Stock Exchanges, trading plans approved and any other information relevant to compliance of the Regulations.
- Frequency of reporting is at the meeting succeeding such transactions but even in the absence of any transaction, there shall be a Nil Report once a year before 31st March.

6. POLICY DETAILS & PROCEDURES

6.1. DETAILED FRAMEWORK FOR EXECUTING TRADES

- The company takes note of the fact that the designated persons in its case are seldom involved in trading in the securities of the company. Accordingly, there is no present need to have a detailed framework towards regulating such trade. Nonetheless, having regard to the specific mandate of the Regulations and to be pro-active, the company has devised the code to deal with trading by designated persons.
- Designated persons may execute trades subject to compliance with these Regulations. The compliance officer will use a notional trading window as an instrument to monitor trading by the designated persons.
- (i) The trading window shall close when the compliance officer determines that the designated person can reasonably be expected to have possession of UPSI.

(ii) The trading window shall in any event remain closed from the end of every quarter till 48 hours after declaration of financial results.

- The designated persons and their Immediate Relatives shall not trade in the securities of the company when the trading window is closed except in conformity with Para 4(3) of Schedule B to the SEBI LODR Regulations.
- The compliance officer shall determine the timing for reopening the trading window taking relevant factors into account including the UPSI becoming generally available and being capable of assimilation by the market.
- (i) When the trading window is open, trading by designated persons is allowed if the value of the proposed trade, including the trades already made during a calendar quarter, is below Rs.10 lakhs.

(ii) In case of trade value exceeding the above threshold, designated persons can trade when the trading window is open only subject to pre-clearance by the compliance officer.
- The compliance officer before approving any trade is entitled to seek declarations from the applicant for pre-clearance that he is not in possession of any UPSI. He may also test the reasonableness of the declaration so made.
- Pre-clearance given by the compliance officer would be valid only for seven trading days. In case the pre cleared trade has not been executed by the designated person or his immediate relatives within this time limit, he must seek fresh pre-clearance again.
- (i) The designated person is not permitted to execute a contra trade shall not be less than six months of trade in pursuance of the pre- clearance.

(ii) The compliance officer however is empowered to grant relaxation from a strict application of this restriction for reasons to be recorded in writing provided that such relaxation in no manner violates the regulation.

(iii) In case a contra trade is executed, inadvertently or otherwise, in violation of the restrictions the profits from such trade are liable to be disgorged for remittance to board for credit to the Investor Protection and Education fund administered by the board under the act.

- The Board of Directors would stipulate formats for various purposes under the code of conduct as would become necessary from time to time. It may cover inter alia the application 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 considered reasonable and necessary to monitor compliance with the Regulations.
- Designated persons shall furnish for each financial year a declaration confirming that they have complied with this code. Such declaration must be sent to the compliance officer before 30th April each year.
- Designated persons are required to disclose the names and PAN/ other identifier of the following persons to the company 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.

6.2. CHINESE WALL MECHANISM

To prevent the misuse of UPSI, the Company has adopted a “Chinese Wall” mechanism which separates those departments which routinely have access to UPSI, considered “inside areas” from those departments which deal with sales or other departments providing ancillary/support services, considered as “public areas”.

As per this mechanism, the employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas. Only in exceptional circumstances, employees from the public areas are brought “over the wall” and given

UPSI for the furtherance of legitimate purposes / discharge of duties and on the basis of “need to know” criteria.

6.3. INQUIRY PROCEDURE

The policy and procedure for inquiry in case of leak or suspected leak of UPSI is given below:

- (i) An employee of the Company, having aware of any instance of leak or suspected leak of UPSI, shall submit the information in writing (“Intimation”) to the Chairman of the Audit Committee or through mail hebcnn@highenergy.co.in.
- (ii) The Chairman of the Audit Committee in consultation with Managing Director or any officer of the Company may ascertain whether there is a suspected leak of UPSI.
- (iii) Upon satisfaction of suspected leak of UPSI, the Chairman of the Audit Committee directly or through any officer of the Company shall conduct an inquiry without disclosing the name of the employee who reports leak of UPSI.
- (iv) The Chairman of the Audit Committee may conduct hearing for the concerned person who was involved in such leak of UPSI and direct him to submit his written explanation along with necessary evidence, within 10 working days.
- (v) If the Chairman of the Audit Committee is not satisfied with written explanation, he may submit his report recommending to the Board the Directors for taking such disciplinary action on the concerned persons as stipulated in this Code of Conduct.
- (vi) The Board is empowered to take disciplinary actions, including wage freeze, suspension, recovery, claw back etc for contravention of the code of conduct. Any amount collected under this clause shall be remitted to the Investor Protection and Education Fund.
- (vii) As and when the company observes or has come to know of any violation of these regulations, it shall inform NSE & BSE promptly of same.

7. REVIEW AND AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the statutory provisions and remains effective. This Policy shall be reviewed periodically and may be amended by the Board, as may be deemed necessary. On any amendment of the Policy, the same will be published on the Company's website.
