

CODE OF CONDUCT FOR REGULATING, MONITORING

AND REPORTING OF TRADING BY INSIDERS

AND

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF

UNPUBLISHED PRICE SENSITIVE INFORMATION

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Introduction:

Insider trading means trading in the securities of a company by its directors, employees or other insiders based on unpublished price sensitive information. Such trading by insiders of a company erode investors' confidence in the integrity of the management and is unhealthy for capital markets.

The Securities and Exchange Board of India (“**SEBI**”), in its endeavour to protect the interests of investors in general and to review the existing Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, constituted a committee under the Chairmanship of Justice N. K. Sodhi (the “**Sodhi Committee**”). The recommendations of the Sodhi Committee were considered and approved by SEBI and accordingly, SEBI has notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the “**Regulations**”) effective May 15, 2015, and thereafter amended the same from time to time.

In order to comply with the requirements of the Regulations (as amended), Speciality Restaurants Limited (the “**Company**”) has updated the Code. The Code is based on the principle that directors, officers and employees of the Company owe a fiduciary duty to, amongst others, the shareholders of the Company, to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest. The Code also seeks to ensure timely and adequate disclosure of unpublished price sensitive information (“**UPSI**”) to the investors by the Company to enable them to make well informed investment decisions in respect of the Company's securities.

1. Definitions:

- 1.1 “**Act**” means the Securities and Exchange Board of India Act, 1992.
- 1.2 “**Board**” means the board of directors of the Company.
- 1.3 “**Chief Investor Relations Officer**” means Chief Financial Officer or any senior officer of the Company who is required to report to the Board and who shall be responsible for dissemination of information and disclosure of UPSI.
- 1.4 “**Code**” or “**Code of Conduct**” shall mean this Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of Speciality Restaurants Limited, as amended from time to time.
- 1.5 “**Company**” means Speciality Restaurants Limited.
- 1.6 “**Compliance Officer**” means Company Secretary or any senior officer designated as the compliance officer, 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 with 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 the codes specified in the Regulations under the overall supervision of the Board, and who shall report to the Board.
- 1.7 “**Connected Person**” means:
- (i) any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person access to, directly or indirectly, 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) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or

- (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i) a banker of the Company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than 10%, of the holding or interest.

1.8 **“Designated Person”** shall include all:

- (i) All Promoters and Directors of the Company and each of its material subsidiaries;
- (ii) Key Managerial Persons and Employees in the top three tiers of the management of the Company and each of its material subsidiaries;
- (iii) All personal secretaries/executive assistants of the Promoters, Directors and Key Managerial Persons of the Company and each of its material subsidiaries;
- (iv) All Employees in finance, budgeting, MIS, project and IT departments (irrespective of any designation and grade) who have access to sensitive information in the Company; and
- (v) Such other Connected Persons as may be identified by the Board in consultation with the Compliance Officer and in line with the objectives of this Code.

1.9 **“Director”** means a member of the Board of Directors of the Company.

1.10 **“Employee”** means every employee of the Company (whether working in India or abroad) including the Directors and Key Managerial Persons.

1.11 **“Generally Available Information”** means information that is accessible to the public on a non-discriminatory basis.

1.12 **“Immediate Relative”** means a spouse of a person, and includes parents, siblings, and children 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.

1.13 **“Insider”** means any person, who is,

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information.

1.14 **“Key Managerial Person”** means such person as defined under Section 2(51) of the Companies Act, 2013.

- 1.15 “**Material Financial Relationship**” means a relationship in which one person is recipient of any kind of payment, such as by way of a loan or gift from a Designated Person, during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm’s length transactions.
- 1.16 “**Promoter**” 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.
- 1.16(a) “**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.
- 1.17 “**Regulations**” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- 1.18 “**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- 1.19 “**Takeover Regulations**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- 1.20 “**Trading**” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.
- 1.21 “**Trading Day**” means a day on which the recognized stock exchanges are open for trading.
- 1.22 “**Unpublished Price Sensitive Information**” means any information, relating to the Company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily include but shall not be restricted to, information relating to the following:
- (i) financial results;
 - (ii) dividends;
 - (iii) change in capital structure;
 - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
 - (v) changes in Key Managerial Personnel;
- 1.23 “**Legitimate Purpose**” means sharing of the 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, as per its “Policy for determination of Legitimate Purposes” as provided in Annexure A to Code of Fair Disclosure and Conduct, provided that such sharing of Unpublished Price Sensitive Information has not been carried out to evade or circumvent the prohibition under this Regulations.

2. Compliance Officer:

- 2.1 The Board shall appoint a Compliance Officer to ensure compliance with and implementation of the Regulations.
- 2.3 The Compliance Officer shall address all clarifications sought by the Employees, and Designated Persons regarding the Regulations and the Code.
- 2.4 The Compliance Officer shall administer this Code and also undertake actions as are prescribed under the Regulations.
- 2.5 The Compliance officer shall maintain a structured digital database of persons with whom UPSI is shared.
- 2.6 The Compliance officer shall report to the Chairman of the Audit Committee or to the Chairman of the Board on quarterly basis on the compliance status and such other additional reports as the situation may warrant.

3. Compliance Team:

- 3.1 The Compliance Officer shall be assisted in the application and monitoring of the Code by the compliance team. For all administrative matters the compliance team led by the Compliance Officer (the “**Compliance Team**”) shall report to the Executive Director and Chief Financial Officer of the Company.
- 3.2 The Compliance Team shall be responsible for setting forth policies, procedures, monitoring, adherence to the rules for the preservation of Unpublished Price Sensitive Information, reviewing trading plans, pre- clearance of Trades of all Designated Persons and their Immediate Relatives, to monitor the Trades and the implementation of the Code under the overall supervision of the Board or the managing director of the Company.
- 3.3 The Compliance Team shall maintain records of the Designated Persons and any changes made in the details of the Designated Persons in the prescribed Form (Annexure 1), based on the declarations provided by the Designated Person. In case of any change in the information previously provided by the Designated Person to the Compliance Officer, the Designated Person shall be required to intimate the Compliance Officer and provide the updated information within [seven days].
- 3.4 The Compliance Team shall strictly enforce the Code and shall conduct periodical reconciliation exercise with the Company’s securities registers maintained by the registrar and share transfer agent of the Company to ascertain if any trades have not been reported by the Designated Persons in accordance with the Regulations and the Code.
- 3.5 The Compliance Team shall ensure that relevant declarations are obtained from third parties/ deemed connected persons as part of policy enforcement and adherence as and when deemed necessary.
- 3.6 The Compliance Team shall review the information security safeguards, Chinese walls and suggest suitable measures with the help of IT team/experts.
- 3.7 The Compliance Team shall undertake an independent review of the insider trading compliance process and procedures once in two years.

4. Preservation of Unpublished Price Sensitive Information:

4.1 All information shall be handled within the Company on a *need-to-know* basis and no Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of a legitimate purpose, performance of duties or discharge of legal obligations. No person shall procure or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to the Company or its Securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.2 Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction which would:

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

Provided that the Board shall record its approval for the sale along with applicable reasons.

4.3 Provided further that the Board shall require the parties to whom any such Unpublished Price Sensitive Information is communicated to execute agreements regarding confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose of the proposed transaction and such parties shall not otherwise Trade in the Securities of the Company when in possession of Unpublished Price Sensitive Information communicated or, allowed access to them in connection with a transaction under Clauses 4.2(i) and 4.2(ii).

4.4 Need to Know:

- (i) “need to know” basis means that Unpublished Price Sensitive Information should be disclosed only to those persons within the Company who need the information to discharge their legal obligations or other legitimate duties and whose possession of such information will not give rise to a conflict of interest or misuse of the information for insider trading.
- (ii) All Unpublished Price Sensitive Information directly received by any Employee should immediately be reported to the Compliance Officer. In case of such reporting, the Compliance Officer shall ensure that either the Unpublished Price Sensitive Information is made Generally Available Information through adequate public dissemination or subject the reporting Employee to restrictions envisaged under applicable laws (including the Regulations) and this Code.

4.5 Limited access to confidential information:

- (i) Files containing confidential information shall be kept secure.
- (ii) Computer files must be subject to adequate security protection, including the access being restricted through passwords.

4.6 Chinese Walls:

- (i) To prevent misuse of Unpublished Price Sensitive Information, the Company shall follow the ‘Chinese wall’ approach and separate those departments which routinely have access to such information (considered “inside areas”) from other departments (considered “public areas”). Employees in the “inside areas” are not allowed to communicate any Unpublished Price Sensitive Information to any person in the “public areas”, except as may be required on a “need-to-know” basis, subject to prior approval of the Compliance Officer.
- (ii) In case of any requirement of sharing Unpublished Price Sensitive Information by any Designated Person with another Employee/external third parties, etc., for any specific purpose in accordance with the Code, the person to whom such information is proposed to be shared, shall be “wall-crossed” only after obtaining Non-Disclosure Agreement and Confidentiality Disclosure by Designated Persons, and due intimation to the Compliance Officer in order to maintain appropriate records in this regard. The Designated Person shall consider whether such person being wall – crossed, is being provided Unpublished Price Sensitive Information on a need – to – know basis. Further, information shared with such wall – crosser(s) should be limited to the specific transaction or purpose for which their assistance is required.
- (iii) Persons who are wall – crossed / receive Unpublished Price Sensitive Information should be notified that they would be deemed to be ‘Designated Person’ and ‘Insider’ under this Code and that consequently, such persons will be required to comply with all applicable provisions of the Code and the Regulations. The wall-crosser(s) will be allowed to resume his/her normal activities, (i.e. only once the specific transaction or purpose for which their assistance is required has been completed or the Unpublished Price Sensitive Information has become Generally Available Information), only after due intimation to the Compliance Officer.

5. Prevention of misuse of Unpublished Price Sensitive Information:

Designated Persons on the basis of their functional role in the Company, as well as their Immediate Relatives shall be governed by an internal code of conduct governing Trading in the Securities of the Company.

5.1 Trading Plan:

An Insider shall be entitled to formulate a trading plan for Trading in the Securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out on his/her behalf in accordance with such plan.

5.2 Trading Plan shall:

- (i) not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the trading 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 Company and the second Trading Day after the disclosure of such financial results;
- (iii) entail Trading for a period of not less than 12 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 and assess potential violation of the Regulations before the approval is granted. The Compliance Officer shall be entitled to take express undertakings as may be necessary to enable such assessment to approve and monitor the implementation of the Trading Plan in accordance with the Regulations.

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

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

5.4 The Trading Plan once approved by the Compliance Officer 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.

5.5 The implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any Unpublished Price Sensitive Information and the said information has not become Generally Available Information at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such Unpublished Price Sensitive Information becomes Generally Available Information.

5.6 Upon approval of the Trading Plan, the Compliance Officer shall notify the plan to the stock exchanges on which the Securities of the Company are listed.

6. Trading Window:

6.1 The trading window is a period during which Trading in the Securities of the Company will be permitted subject to restrictions, pre-clearance and proper disclosure of trades in accordance with the Regulations.

6.2 The trading window will be closed, during the periods notified by the Compliance Officer, including at the time of:

- (i) Declaration of financial results of the Company (quarterly, half-yearly and annual).
- (ii) Declaration of dividend (interim and final)
- (iii) Change in capital structure including Issue of securities through any mode including public, rights, bonus issues.
- (iv) Any major expansion plans or execution of new projects.
- (v) Amalgamation, mergers, takeovers and buy back of Securities.
- (vi) Disposal of whole or substantially whole of the undertaking.
- (vii) Any key changes in policies, plans, operations of the Company.

6.3 The Trading Window shall remain closed from the end of every quarter till 48 hours after information pertaining to the financial results is announced to the stock exchanges. The gap between the Audit Committee Meeting and Board Meeting shall be as narrow as possible and preferably on the same day to avoid leakage of material information.

Such closure shall be imposed in relation to such securities to which such Unpublished Price Sensitive Information relates.

- 6.4 For matters other than financial results and dividends, the trading window shall be closed immediately upon intimation by the Compliance Officer, if it is anticipated that Employees, Designated Persons or Connected Persons may be in possession of Price Sensitive Information, and re-open the window 48 hours after such Undisclosed Price Sensitive Information becomes Generally Available Information.
- 6.5 Designated Persons and their Immediate Relatives shall not trade in Securities when the trading window is closed, except in case of transactions specified in clause [6.7] below.
- a. Directors and other Designated Persons must instruct their investment managers, brokers, portfolio managers or other persons Trading for and on their behalf and / or for their account and / or for and on behalf of their Immediate Relatives, not to Trade in Securities when the trading window is closed.
- 6.6 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, and consultants, assisting or advising the Company, provided that the restrictions on trading of the Company's Securities are duly communicated to them.
- 6.7 The trading window restrictions mentioned above shall not apply in respect of the following transactions:
- (i) the transaction is an off-market inter-se transfer between Insiders who were in possession of the same Unpublished Price Sensitive Information (without contravening the Regulations) and had made a conscious and informed trade decision,
 - (ii) the transaction was carried out through the block deal window mechanism between persons who were in possession of Unpublished Price Sensitive Information (without contravening the Regulations) and had made a conscious and informed trade decision,
 - (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) the trades were executed pursuant to a trading plan formulated in line with the Regulations,
 - (vi) pledge of Securities for bonafide purpose such as raising of funds, subject to pre-clearance by compliance officer being obtained for each of the above transactions.
 - (vii) The trading window closure restriction would also not apply in case of or acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in buyback offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

7. Pre-clearance of trade:

7.1 Applicability:

All Designated Persons and their Immediate Relatives, who (a) intend to trade in the Securities of the Company when the trading window is open and (b) only if the cumulative value of the proposed trades in a financial year is above 3,000 shares or more than Rs.5 lakhs (market value),

whichever is higher, should obtain a pre-trading approval in accordance with the procedure under this Code.

7.2 Pre-dealing procedure:

An application and undertaking may be made in the prescribed Form (Annexure 2 and 3) to the Compliance Officer.

7.3 Approval:

(i) All Designated Persons and their Immediate Relatives shall execute their trade in respect of Securities of the Company within seven Trading Days from the date of pre-clearance is given in the prescribed Form (Annexure 4), failing which fresh pre-clearance would need to be sought from the Compliance Officer. The Designated Persons shall file within 2 (two) Trading Days of the execution of the trade, the details of such trade with the Compliance Officer in the prescribed Form (Annexure 5). In case the transaction is not undertaken within seven Trading Days after the approval is given, a report to that effect shall be filed within two days from the date of expiry of seven Trading Days in the prescribed Form (Annexure 5).

(ii) All Designated Persons and Immediate Relatives who trade in the Securities of the Company shall not enter into an opposite transaction (“**Contra Trade**”) during the next six months following the prior transaction. All Designated Persons and Immediate Relatives shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any 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 the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

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

(viii) The Compliance Officer may waive off the holding period in case of sale of Securities in personal emergency on receipt of application in the prescribed Form (Annexure 11) after recording reasons in writing for the same. However, no such sale will be permitted when the trading window is closed.

8. **General provisions:**

8.1 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.

8.2 The disclosures of Trading in Securities of the Company shall also include trading in derivatives of Securities of the Company and the traded value of the derivatives shall be taken into account for purposes of this Code.

9. Disclosures under the Regulation:

9.1 Initial Disclosure:

Every person on appointment as a Key Managerial Personnel of the Company or a Director or upon becoming a Promoter or member of Promoter Group shall disclose his holding of Securities of the Company as on the date of appointment or becoming a Key Managerial Personnel of the Company or a Director or a Promoter or member of Promoter Group, to the Company within seven days of such appointment or becoming a Key Managerial Personnel of the Company or a Director or a Promoter in the prescribed Form (Annexure 6).

9.2 Continual Disclosure:

Every Promoter, member of Promoter Group, Designated Person and Director of the Company shall disclose to the Company the number of Securities acquired or disposed of within two Trading Days of a 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 Rs.10 lacs in the prescribed Form (Annexure 9).

9.3. Disclosure by the Company to the Stock Exchange(s):

- (i) Within 2 Trading Days of the receipt of intimation/ disclosure or from becoming aware of such information; and
- (ii) The Compliance Officer shall maintain records of all the disclosures/declarations in the appropriate form given by the Directors / officers / Designated Persons for a minimum period of five years or any other period as may be specified by SEBI from time to time.

9.4 Disclosure by other Connected Persons:

Compliance Team in consultation with Chief Financial Officer of the Company may seek disclosures of holdings and trading in Securities of the Company from any other Connected Person(s) or class of Connected Person(s) to whom the Company has to provide Unpublished Price Sensitive Information. The disclosure shall be in such prescribed form (Annexure 10) and at such frequency as may be determined by the Company in order to monitor compliance with the Regulations.

9.5 Disclosure by Designated Persons:

Designated Persons shall be required to disclose names and Permanent Account Number or any other identifier authorised by law of the following persons to the Company on an annual basis, and within [seven days] of any change in such information as submitted to the Company:

- (a) Immediate Relatives;
- (b) Persons with whom such Designated Person 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.

In the event the Designated Person does not share a Material Financial Relationship with any person, the Designated Person shall furnish a declaration confirming the same to the Compliance Officer on an annual basis and within [seven days] of any change in such information as submitted to the Company.

10. Disclosure under the Code:

10.1 All Designated Persons are required to report to the Compliance Officer the following details of transactions in the Securities of the Company by them and their Immediate Relatives under this Code as under:

- (i) Within 15 days from the end of every quarter, a quarterly statement of any transactions of Designated Persons and their Immediate Relatives carried out during the previous quarter in the Securities of the Company in the manner provided in the prescribed Form (Annexure 7).
- (ii) Within 30 days from the end of every financial year, an annual statement of all holding of the Designated Persons and their Immediate Relatives in the Securities of the Company in the manner provided in the prescribed Form (Annexure 8).
- (iii) The Compliance Officer shall maintain records of all the disclosures/declarations in the appropriate form given by the Designated Persons for a minimum period of five years or any other period as may be specified by SEBI from time to time.

10.2 The Compliance Officer shall place before the Board or a committee specified by the Board, on a monthly basis all the details of the dealing in the Securities by Designated Persons and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in the Code.

11. Dissemination of Unpublished Price Sensitive Information:

11.1 No Unpublished Price Sensitive Information shall be communicated by any Designated Persons by way of making a recommendation for the purchase or sale of Securities of the Company.

11.2 Disclosure/dissemination of Unpublished Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed by the Chief Investor Relations Officer while dealing with analysts and institutional investors:

- (i) No Unpublished Price Sensitive Information shall be communicated and any information that is shared should be previously Generally Available Information.
- (ii) At least two representatives of the Company should be present at meetings with analysts, media persons and institutional investors.
- (iii) Unanticipated questions may be taken on notice and a considered response given later. If the response includes or is likely to include Unpublished Price Sensitive Information, such response should be made Generally Available Information by, among others, intimating the Stock Exchanges and publishing the Unpublished Price Sensitive Information on the publicly accessible portions of the Company's website.

- (iv) To publish transcripts or records of proceeding of meetings with analysts, media person, and an investor/ shareholder on the publicly accessible portions of the Company's website after every such meeting.

12. Penalty for contravention of the Code of Conduct:

- 12.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code including to the extent the provisions hereof are applicable to his/her Immediate Relatives.
- 12.2 Any Designated Person who trades in the Securities of the Company or communicates any Unpublished Price Sensitive Information for Trading in Securities of the Company, in contravention of this Code may be penalised and appropriate action may be taken by the Company.
- 12.3 Employees who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, ineligibility for future participation in employee stock option plans, etc. Any amount collected under this clause shall be remitted to the Board for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- 12.4 Action, if any, taken by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- 12.5 In case it is observed that there has been a violation of the Regulations, the Compliance Officer shall promptly intimate of the same to the Board and stock exchanges where the Securities are Traded, in such form and such manner as may be specified by SEBI from time to time.
- 12.6 Under the provisions of the Act, any Insider who indulges in insider trading is liable to a penalty and/or is punishable with imprisonment, as specified in the Act from time to time.

13. Code of Fair Disclosure of Unpublished Price Sensitive Information:

Pursuant to notification of SEBI (Prohibition of Insider Trading) Regulations, 2015 and based on the principles of fair disclosure outlined in the said Regulations, the Company has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as set out in Annexure 12.

14. Institutional Mechanism for prevention of Insider Trading:

The Board has formulated written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of Unpublished Price Sensitive Information as per its "Policy for procedure if inquiry in case of Leak of Unpublished Price Sensitive Information as provided in Annexure B to this Code.

15. Amendments:

The Board shall have the power to amend any of the provisions of this Code, substitute any of the provisions with a new provision or replace this Code entirely with a new Code.

This Code may be amended or replaced from time to time, and such amended or replaced Code shall immediately apply to all Designated Persons and their Immediate Relatives.

16. Interpretation:

Any words used in this Code but not defined herein shall have the same meaning ascribed to it in the Act, Companies Act, 2013, Securities Contracts (Regulation) Act, 1956 or rules and regulations made thereunder, including the Regulations, as may be applicable to the Company.

Annexure A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Introduction:

This Policy, as a part of Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information framed under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

This Legitimate Purposes Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Objective:

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as exception for the purpose of sharing Unpublished Price Sensitive Information (UPSI) relating to the Company or its Securities, if any.

Definition:

(a) "Legitimate Purpose" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations:

1. Promoters of the Company;
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable);
3. Staff Members of the Audit firm/team conducting the Audit;
4. Collaborators;
5. Lenders;
6. Customers;
7. Suppliers;
8. Bankers;
9. Legal Advisors;
10. Insolvency Professionals;
11. Consultants;
12. Any other advisors/consultants/partners;
13. Any other person with whom UPSI is shared.

Sharing of UPSI for legitimate purpose:

The assessment of whether sharing of UPSI for a particular instance would tantamount to 'Legitimate Purpose' would depend on the specific facts and circumstances of each case. Accordingly, this Policy sets out the principles/ standards that should be considered by the Board while assessing if the purpose for which UPSI is proposed to be shared is legitimate.

Primarily, the following factors should be considered while sharing the UPSI:

- i) whether sharing of such UPSI is in the ordinary course of business of the Company;
- ii) whether sharing of the information is in the best interests of the Company or in furtherance of a genuine commercial purpose;
- iii) whether the nature of UPSI being shared is commensurate to the purpose for which access is sought to be provided to the recipient.

Any person in receipt of UPSI pursuant to a "Legitimate Purpose" shall be considered as an "insider" for purpose of the Regulations and the Code, and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with the Regulations and / or Non-Disclosure Agreement / Confidential Agreement shall be signed with such persons (Insiders) to maintain confidentiality of such UPSI in compliance with the Regulations.

Maintenance of Digital Database

In regard to the above, adequate systems and controls shall be put in place to ensure compliance with the Regulations towards sharing of UPSI for Legitimate Purposes, including maintenance of a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under this Policy along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases 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.

The Compliance officer shall ensure that the structured digital database is preserved 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 the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

Penalty:

In case of any failure of any person to maintain confidentiality of UPSI received in terms of this Policy, appropriate action may be taken by the Company.

Amendments:

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

This Policy may be amended or replaced from time to time, and such amended or replaced Policy shall immediately apply to all Designated Persons and their Immediate Relatives.

Interpretation:

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Act, Companies Act, 2013, Securities Contracts (Regulation) Act, 1956 or rules and regulations made thereunder, including the Regulations, as may be applicable to the Company.

Communication of this Policy:

A copy of this Policy shall be communicated to all Designated Persons and Employees. If required, this Policy shall also be hosted on the website of the Company.

Annexure B

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

[Under Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Background:

The SEBI (Prohibition of Insider Trading) Regulations, 2015 has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Speciality Restaurants Limited have laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the Policy’), for adoption.

Objectives

- (i) To strengthen the internal control system to prevent Leak of UPSI.
- (ii) To restrict and prohibit the practice of sharing of UPSI, with un-authorized persons, which originates from within the company and which affects the market price of the Company as well as loss of reputation and investors’ / financiers’ confidence in the Company.
- (iii) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, firm, Company or body corporate.
- (iv) To initiate inquiry in case of Leak of UPSI or suspected Leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) promptly.
- (v) To penalize any Insider, Employee & Designated Persons who appears to have found guilty of violating this Policy.

Scope:

The Company endeavors to preserve the confidentiality and disclosure of un-published price sensitive information (UPSI) and to prevent misuse of such information. The Company shall strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-known person(s) with any un-authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

Definitions:

“Compliance Officer” means Company Secretary or any senior officer designated as the compliance officer, 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 with 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 the codes specified in the Regulations under the overall supervision of the Board, and who shall report to the Board.

“**Designated Person**” shall have the meaning ascribed to it under the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of Speciality Restaurants Limited, as amended from time to time.

“**Enquiry Committee**” shall mean the committee as may be constituted/ designated by the Board to take cognisance of a matter and take necessary action as prescribed under this Policy.

“**Unpublished Price Sensitive Information**” means any information, relating to the Company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily include but shall not be restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v) changes in Key Managerial Personnel;
- (vi) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- (vii) Any other matter as may be prescribed under the Listing Regulations and/or applicable law to be price sensitive, from time to time.

“**Leak of UPSI**” shall mean communication of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Board after following the due process prescribed in this behalf in the Code of Practices Fair Disclosure of the Company and /or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.

“**Support Staff**” shall include IT staff or secretarial staff who have access to Unpublished Price Sensitive Information.

Duties of Compliance Officer:

The Compliance Officer shall be responsible to:

- (i) Oversee the compliance of this policy;
- (ii) Report the incident of actual or suspected Leak of UPSI to the Board of Directors of the Company;
- (iii) Intimate the incident of actual or suspected Leak of UPSI to the Stock Exchanges; and
- (iv) To co-ordinate with and disclose the relevant facts of the incident of actual or suspected Leak of UPSI to the Enquiry Committee.

Constitution of Enquiry Committee:

The Board of Directors or any Committee authorized by them in this behalf, shall constitute a committee to be called as “Enquiry Committee” to consult inquiry into any actual or suspected Leak of UPSI, in terms of this Policy and the Regulations. The Enquiry Committee shall consist of minimum 3 (three) members which shall include Managing Director, Chief Financial Officer and Compliance Officer of the Company or any other officer of the Company, as may be mutually decided by the members of the Committee. The Board of Directions may change/alter/re-constitute the Enquiry Committee as may be required from time to time.

Duties of Enquiry Committee:

The Enquiry Committee shall be responsible:-

- (a) To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected Leak of UPSI, if any; and
- (b) To authorize any person to collect necessary support material/ evidence in relation to such leak;
- (c) To consider, assess and evaluate the facts and circumstances of the matter;
- (d) To decide disciplinary action thereon; and
- (e) To appoint or engage external consultants/ advisors/ professionals to assist the Enquiry Committee in the conduct of the inquiry or to advise them on the process, including forensic investigation, if necessary.

Procedure for enquiry in case of leak/ suspected Leak of UPSI:

(a) Cognizance of the Matter:

On receiving a complaint or information from any person(s), or suo moto (upon becoming aware of), or having received information from any regulatory authority or otherwise, of an actual or suspected leak of Unpublished Price Sensitive Information of the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or unknown person, the Compliance Office shall inform the same to the Managing Director or Chief Financial Officer of the Company, to assess the matter. Where the Enquiry Committee determines that the allegations are frivolous or not maintainable, based on its fact finding exercise, no further action will be taken by the Enquiry Committee. In case the Enquiry Committee determines that the matter requires further investigation, the below mentioned procedure shall be followed:

(b) Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The Enquiry Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant facts, material substances on actual or suspected Leak of UPSI.

(b) Report of Preliminary Enquiry to the Enquiry Committee:

The person(s) appointed/authorized to enquire the matter of actual or suspected Leak of UPSI shall submit his/her report to the Enquiry Committee within 7 days from the date of his/her appointment on this behalf. [Upon receipt of the report, the Enquiry Committee shall apprise the Board of the findings of the preliminary enquiry.]

Based on the findings set out in the preliminary enquiry report, or as advised by the Board, the Enquiry Committee may launch a further investigation, forensic or otherwise, to assess the Leak of UPSI.

(c) Disciplinary Action:

Based on the findings of the preliminary enquiry, and upon providing an opportunity to the suspected person to reply, if necessary, the Enquiry Committee shall submit its final decision in the matter to the Board or any committee duly authorised by the Board, within 7 days from the date of receipt of the enquiry report. Pursuant to the findings, the Company may initiate disciplinary action(s) against the person, including wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Committee.

Enquiry Procedure:

In connection with the procedure set out in this Policy, the Enquiry Committee shall endeavor to complete the investigation/ enquiry within 15 days of the receipt of the information / complaint of actual or suspected Leak of UPSI or such instance coming to the knowledge of Compliance Officer/ any member of the Enquiry Committee, as the case may be. Where the Enquiry Committee requires additional time to complete the inquiry, it may, where necessary, provide an interim update to the Board.

The decision of the Enquiry Committee shall be final and binding.

Disclosure of Actual of Suspected Leak of UPSI :

On becoming aware of actual or suspected Leak of Unpublished Price Sensitive Information of the Company, the Compliance Office shall ensure that the same is enquired into and report will be submitted to Enquiry Committee.

Report of actual of suspected leak of UPSI to SEBI:

On becoming aware of actual or suspected Leak of Unpublished Price Sensitive Information of the Company, the Compliance Officer shall ensure that a report on such actual or suspect Leak of UPSI, and enquiry thereon is submitted to Enquiry Committee. The Enquiry Committee based on the report shall decide the action to be taken and disclosure to be made to the Stock Exchanges and SEBI in the format as set out in “Annexure C” and “Annexure D” to this policy.

Amendments:

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

This Policy may be amended or replaced from time to time, and such amended or replaced Policy shall immediately apply to all persons.

Interpretation:

Any words used in this Policy but not defined herein shall have the same meaning ascribed to it in the Act, Companies Act, 2013, Securities Contracts (Regulation) Act, 1956 or rules and regulations made thereunder, including the Regulations, as may be applicable to the Company.

Communication of this Policy:

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