

POLICY ON PROHIBITION OF INSIDER TRADING

Introduction:

- 1) The Securities and Exchange Board of India (“SEBI”) notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”) on January 15, 2015, which came into effect from May 15, 2015.
- 2) Pursuant to Regulation 4(2)(c)(iv) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Humming Bird Education Limited (the “**Company**”) is required to formulate a framework to avoid insider trading and abusive self-dealing (“**Insider Trading Policy**”).

Objective:

- 1) This Insider Trading Policy is enforced to maintain the highest ethical standards of dealing in securities of the Company by persons to whom it is applicable. The provisions of the Insider Trading Policy are designed to regulate, monitor and report trading by Insiders in the securities of the Company.
- 2) This code has been adopted by the Board of Directors (the “**Board**”) at its meeting held on December 01, 2018 and became effective from the date of listing of equity share of the Company with the Stock Exchanges (i.e. BSE Sme).

Definitions:

- 1) “**Insider Trading**” shall have the meaning set forth in the Companies Act, 2013;
- 2) “**Insider**” means any person who is or was a “Connected Person” or in possession of or having access to unpublished price sensitive information;
- 3) “**Compliance Officer**” means the Officer appointed by the Board of Directors at its meeting;
- 4) “**Confidential Information**” shall mean any information which is directly or indirectly related to the Company and associate companies and which is not available to the general public or which is proprietary in nature and includes Unpublished Price Sensitive Information as defined under the Insider Trading Regulations;
- 5) “**Connected Persons**” means:
 - any person who is or has during the six months prior to the concerned act been associated with a 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - 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, -

- (i) an immediate relative of connected persons specified in clause (i); or
 - (ii) a holding company or associate company or subsidiary company; or
 - (iii) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (iv) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (v) an official of a stock exchange or of clearing house or corporation; or
 - (vi) 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
 - (vii) 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
 - (viii) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (ix) a banker of the company; or a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;
- 6) **“Insider”** means any person who is:
- a connected person; or
 - in possession of or having access to unpublished price sensitive information;
- 7) **“Prohibited Period”** means the period effective from the date on which the Company sends intimation to the Stock Exchange advising the date of the Board Meeting, up to 24 hours after the price sensitive information is submitted to the Stock Exchange.
- 8) **“Unpublished Price Sensitive Information”** means any information, relating to a 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 including but not restricted to, information relating to the following: –
- financial results;
 - dividends;
 - change in capital structure;
 - mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
 - changes in key managerial personnel; and
 - material events in accordance with the listing agreement.

Duties of Compliance Officer:

- 1) He shall maintain a record of designated employees and any changes made to the list of Connected Persons.
- 2) He may in consultation with the CEO / Board of Directors and shall as directed by the Board, specify Prohibited Period from time to time and immediately make an announcement thereof to all concerned.
- 3) He shall maintain a record of Prohibited Period specified from time to time.

- 4) He shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Price Sensitive Information, pre-clearing of Designated Employees and their dependents' trades, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of the Company.
- 5) He shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers, and Designated Employees for a minimum period of three years.
- 6) He shall place before the CEO / Board of Directors, on a monthly basis all the details of the dealing in the securities by Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules.
- 7) He shall from time to time inform the Stock Exchanges of any Price Sensitive Information on immediate basis.
- 8) He shall intimate to all Stock Exchanges on which the securities of the Company are listed the relevant information received.
- 9) He shall be responsible for overseeing and coordinating disclosure of Price Sensitive Information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure and report to the CEO / Board of Directors.
- 10) He shall inform SEBI of any violation of the PIT Regulations within 7 days of knowledge of violation.

Preservation of Price Sensitive Information

Directors, Designated Employees, Officers shall maintain the confidentiality of all Price Sensitive Information. Employees / Directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities. Following practices should be followed in this regard:

1) Need to know

Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

2) Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

Prohibition on Dealing, Communicating or Counselling on Matters Relating to Insider Trading

No Insider shall:

- 1) either on his own behalf, or on behalf of any other person, deals in securities of the Company when in the possession of any unpublished price sensitive information; or
- 2) communicates, counsel or procures, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

Trading Restrictions

All Directors / Officers and designated employees of the Company shall be subject to trading restrictions as enumerated below:-

1) Trading Window:

The period prior to declaration of Price Sensitive Information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information. During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities. The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

2) **The trading window shall be, inter alia, closed at the time of:**

- Declaration of Financial results (quarterly, half-yearly and annual);
- Declaration of dividends (interim and final);
- Issue of securities by way of public / rights / bonus, etc.;
- Any major expansion plans or execution of new projects;
- Amalgamation, mergers, takeovers and buy-back;
- Disposal of whole or substantially whole of the undertaking;
- Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
- Commencement of any new commercial production/commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year;
- Developments with respect to changes in pricing/ realisation on goods and services arising out of changes in government policy;
- Litigation/dispute with a material impact;
- Revision of credit ratings assigned to any debt or equity instrument of the Company;
- Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;
- The period of closure shall be effective from the date on which the Company sends intimation to Stock Exchange advising the date of the Board Meeting, up to 24 hours after the Price sensitive information is submitted to the Stock Exchange.
- The trading window shall be opened 24 hours after the Price Sensitive Information is made public.
- All Directors, Officers, Designated Employees of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.
- In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

Pre-clearance of trades

- 1) All Directors, Officers, Designated Employees of the Company who intend to deal in the securities of the Company during free period in excess of 15,000 Securities in number shall pre-clear the transactions as per the pre-dealing procedure as described hereunder. The Company Secretary is authorised to change the number of Securities from time to time.
- 2) Pre-dealing Procedure:
 - An application for pre-clearance of trade may be made in Form 'A' to the Compliance Officer along with an undertaking in favour of the Company by such Designated Employee, Director, Officer.

- The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of Price Sensitive Information even though the trading window is open.
- The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
- The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer.
- If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.

Reporting Requirements for transactions in securities

1) Initial Disclosures.

Every Promoter, Key Managerial Personnel and Director shall disclose to the Company within thirty days of the Regulations taking effect their respective holding of the Company's Securities as on the date of these Regulations taking effect in the form prescribed by the Securities and Exchange Board of India and as amended from time to time;

Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose their respective holding of the Securities of the Company, as on the date of appointment or upon becoming a Promoter, to the Company within seven days of such appointment or becoming a promoter in the form prescribed by the Securities and Exchange Board of India and as amended from time to time.

2) Continual Disclosures.

Every Promoter, Employee and Director of the Company shall disclose to the Company the number of such Securities acquired or disposed of within two trading days of such transaction if the value of the Securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 Lac or such other value as may be specified in the form prescribed by the Securities and Exchange Board of India and as amended from time to time;

The Company shall notify the particulars of such Trading to the stock exchanges on which the Company's Securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information in the form prescribed by the Securities and Exchange Board of India and as amended from time to time.

3) Disclosures by other connected persons.

The Company 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 Company in such form prescribed by the Securities and Exchange Board of India and as amended from time to time and at such frequency as may be determined by the Company in order to monitor compliance with the Regulations.

- 4) All Designated Persons must make an annual disclosure of the number of Securities of the company held as on 31st March each year by them including details of purchase / sale of Securities of the Company during the financial year to the Compliance Officer. This disclosure must be made within 30 (thirty) days from the close of each financial year.

Form-A

APPLICATION FOR PRE-TRADING APPROVAL

To
The Compliance Officer
Humming Bird Education Limited

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase / sell / subscribe _____ equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
2A.	Relationship with the Applicant (Self/Immediate Relative)	
3.	Number of Securities held as on date	
4.	Folio No/DP Id/Client Id No	
5.	The Proposal is for	(a) Purchase of Securities (b) Subscription to the Securities (c) Sale of Securities (d) Pledge
6.	Proposed date of trading in securities	
7.	Estimated number of securities to be purchased/subscribed/sold/pledge	
8.	Current Market Price (as on date of application)	
9.	Whether the proposed transaction will be through stock exchange or off-market trade	
10.	Folio No. /DP ID/Client ID where the securities will be credited/debited	

I enclose herewith the undertaking signed by me.

Signature: _____

Name:

Date:

**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR
PRECLEARANCE**

To
The Compliance Officer
Humming Bird Education Limited

I, _____ being a designated person of the company as per the Rules for Trading in the securities of Humming Bird Education Limited residing at _____, am desirous of trading in equity shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time.

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defence, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

I declare that I have made full and true disclosure in the matter.

Signature: _____

Name:

Date: