

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

INTRODUCTION

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”), effective from May 15, 2015 requires every listed company to formulate a code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of the designated persons. The Code of Conduct to regulate, monitor and report trading by insiders (“Code”) was first adopted by the Board of Directors of Ashok Leyland Limited (“the Company”) on October 20, 2010 and modified on May 12, 2015 and thereafter the Board approved the amendments to the code on March 20, 2019 and November 8, 2019 in compliance with the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

OBJECTIVE OF THE CODE

The Code has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

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 “**Company**” means Ashok Leyland Limited.

1.4 “**Compliance Officer**” means the Company Secretary of the Company, 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information (UPS), monitoring of trades and implementation of the Code under the overall supervision of the Board.

1.5 “**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 the officer/ employees 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/herself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to UPSI 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 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 organisation recognised or authorised by SEBI; 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 a company or his Immediate Relative or banker of the company, has more than ten percent of the holding or interest.

1.6 **“Dealing in securities”** means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent.

1.7 **“Designated Person”** shall include person identified by the Board of Directors in consultation with the Compliance Officer based on his/her role and function in the organisation and the access to UPSI and shall also include:

- (i) The promoters of the Company;
- (ii) Members of the Board of Directors of the Company;
- (iii) Key Managerial Personnel of the Company;
- (iv) Auditors of the Company;

- (v) All employees, support staff of the Accounts, Finance, Legal, Internal audit, Information technology and Secretarial Department of the Company at the Corporate Office;
- (vi) Key Managerial Personnel of the material subsidiary of the Company;
- (vii) Secretaries/Executive Assistants reporting to the Directors and the Key Managerial Personnel;
- (viii) All Departmental Heads of the Company;
- (ix) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to UPSI(s) relating to the Company, to be decided by the Chairman/Managing Director/ Compliance Officer/Chief Financial Officer, on a case-to-case basis; and
- (x) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to UPSI in the organisation by their Board of Directors;
- (xi) Employees upto two levels below the Board of Directors of the Company irrespective of their functional role in the company or ability to have access to UPSI;
- (xii) Any support staff of the Company, such as IT staff or secretarial staff Legal Staff, Finance Staff, Strategy Staff who have access to UPSI;
- (xiii) Such other persons as may be identified by the Compliance Officer.

1.8 **“Derivative”** includes-

- (i) a security derived from a debt instrument, share, loan, whether secured or unsecured, risk instrument or contract for differences or any other form of security;
- (ii) a contract which derives its value from the prices, or index of prices, of underlying securities.

1.9 **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.

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

1.11 **“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.

1.12 **“Insider”** means any person who is:

- (i) Designated person(s) and their immediate relatives;
- (ii) a Connected Person; or
- (iii) in possession of or having access to UPSI.

- 1.13 **“Key Managerial Personnel”** means a person as defined in Section 2 (51) of the Companies Act, 2013.
- 1.14 **“Legitimate purpose”** shall include sharing of UPSI 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.
- 1.15 **“Non-Trading Period”** means:
- (i) the period, i.e., the number of Trading Days, before and after the date of a meeting of the Board or shareholders of the Company where ‘UPSI’ is to be considered as provided under Clause 5 of the Code; or
 - (ii) such other period(s) as may be decided and notified by the Compliance Officer.
- 1.16 **“Promoter”** means a person defined as a Promoter under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 1.17 **“Promoter Group”** means a person defined as a Promoter Group under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 1.18 **“Securities Exchange Board of India” or “SEBI”** means the regulatory body for the investment market in India, constituted under the resolution of the Government of India in the Department of Economic Affairs.
- 1.19 **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund.
- 1.20 **“Specified”** means specified by SEBI in writing.
- 1.21 **“Stock Exchanges”** shall include BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the securities of the Company are currently listed.
- 1.22 **“Takeover Regulations”** means the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- 1.23 **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly.
- 1.24 **“Trading Day”** means a day on which the recognised stock exchanges are open for Trading.

1.25 **“Trading Plan”** shall mean a plan for trades to be executed in the future by persons who have perpetual access to the UPSI.

1.26 **“Trading Window”** shall mean the window available for trading in the securities of the Company.

1.27 **“Unpublished Price Sensitive Information” or “UPSI”** 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 not restricted to, information relating to the following: -

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- (v) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- (vi) Changes in Key Managerial Personnel;

Words and expressions used and not defined in the Regulations but defined in the Act, the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Securities Contracts (Regulations) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

2. TRADING BY INSIDERS - COMMUNICATION/RESTRICTIONS/EXEMPTIONS

2.1 Communication of UPSI:

2.1.1 No Insider shall communicate, provide or allow access to UPSI, relating to the Company or its securities, to any person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.1.2 No person shall procure from or cause the communication by any Insider of UPSI, relating to the Company or its Securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.1.3 The Insiders who are in possession of UPSI are required 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.

2.1.4 Need-to-Know

(a) “need to know” basis means that UPSI 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 the information.

(b) All non-public information directly received by any employee should immediately be reported to the head of the department.

2.1.5 Limited access to confidential information:

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

2.1.6 No information shall be passed by designated persons by way of making a recommendation for the purchase or sale of securities of the Company.

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

The following guidelines shall be followed while dealing with analysts and institutional investors:

- (i) Only public information to be provided.
- (ii) At least two Company representatives 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 answer includes price sensitive information, a public announcement should be made before responding.
- (iv) Simultaneous release of information after every such meet.

2.2 Exemptions to communicate the UPSI:

UPSI may be communicated, provided, allowed access to or procured, in the following cases:

2.2.1 Open Offer as per the Takeover Regulations where the Board is of the informed opinion that sharing of such an offer is in the best interests of the Company.

Not an Open Offer as per the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("SEBI Takeover Regulations") but where the Board is of the informed opinion that sharing of the information the proposed transaction is in the best interests of the Company.

2.2.2 If the information that constitutes UPSI is disseminated to be made generally available at least 2 (two) Trading Days prior to the proposed transaction being effected in such form as the Board may determine. However, the Board would cause public disclosures of such UPSI well before the proposed transaction to rule out any information asymmetry in the market.

2.3 For the purpose of the aforementioned exemptions, the parties involved shall execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in securities of the Company when in possession of UPSI.

2.4 **Digital Data Base:**

The Board shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorised by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls such as time stamping and audit trails to ensure non-tampering of the database.

3. **Compliance Officer**

3.1 The Company has appointed the Company Secretary as the Compliance Officer who shall report to the Board and shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the Board.

The Compliance Officer shall report on insider trading to the Board and, in particular, will submit a report to the Chairman of Audit Committee, instances of violation of the Code or the Regulations by any person and on the disclosures, Trading Plans and pre-clearances approved and rejected on the basis of information furnished at a frequency as may be stipulated by the Board.

3.2 The Compliance Officer shall, prior to approving any trade, be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI. He/she shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

3.3 Trading Plan for prevention of misuse of UPSI:

3.3.1 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.

3.3.2 Trading shall be commenced only after 6 months from the public disclosure of the Trading Plan. Trading Plan shall not entail Trading for the period between the twentieth Trading Day prior to the last day of any financial period for which results are required to be announced by the issuer of the Securities and the second Trading Day after the disclosure of such financial results. Trading Plan shall entail Trading for a period of not less than 12 months.

3.3.3 The Compliance Officer shall review the Trading Plan to assess whether the plan would have any potential for violation of the Regulations.

3.3.4 The Compliance Officer shall have the right to seek express undertakings to enable assessment of the Trading Plan and approve the same.

3.3.5 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily implement without any deviation.

3.3.6 The Securities outside the scope of Trading Plan shall not be dealt with by the Insiders.

3.3.7 The implementation of the Trading Plan shall not be commenced if any UPSI 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.

In such event, the Compliance Officer shall confirm that the commencement ought to be deferred until such UPSI becomes Generally Available Information.

3.3.8 The Trading Plan shall not overlap any period for which another Trading Plan is already in execution.

3.3.9 The Trading Plan shall state the following:

- Value of trade;
- Number of securities;
- Nature of trade;
- Intervals / dates on which such trades should be effected.

3.3.10 The Trading Plan shall not entail Trading in Securities for market abuse.

3.4 Disclosure of Trading Plan:

Upon approval of the Trading Plan, the Compliance Officer shall notify the Trading Plan to the Stock Exchanges.

3.5 Pre-Clearance of Trade:

3.5.1 All Designated Persons shall when the Trading Window is open, trade (i.e. buy or sell securities and if the value of the securities likely to be traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000/- (Rupees Ten Lakh Only), only subject to pre-clearance by the Compliance Officer, by sending the request for approval in **Form No.I** indicating the estimated number of units of securities that the designated person or immediate relative(s) intends to trade, the details as to the depository with which he/she has a security account, the details as to the securities in such depository mode and such other details as specified in the form and also declare that the applicant is not in possession of UPSI.

3.5.2 The request can be sent by email to secretarial@ashokleyland.com. No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person is in possession of UPSI even if the Trading Window is not closed.

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

3.5.4 The Compliance Officer shall have the authority to ask for further information, if deemed necessary and it shall be obligatory for the Designated Person(s) to immediately furnish the information sought for by the Compliance Officer.

3.5.5 Prior to approving any trade, the Compliance Officer shall be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI. He/she shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

- 3.5.6 The trades that have been pre-cleared shall be executed in not more than 7 (Seven) Trading Days from the date of approval by the Designated Person, failing which fresh pre-clearance would be needed for the trades to be executed.
- 3.5.7 Designated Persons who have obtained the pre- clearance are required to submit a report of the transactions done (including a NIL report, if no transaction is done) within 4 (four) days from the expiry of the specified time-period to Compliance Officer.
- 3.5.8 The application for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions and for reporting level of holdings in securities at such intervals shall be provided in **Form I** which is attached to this Code.

The Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan. Provided trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

- 3.5.9 An undertaking in **Annexure I.I** executed in favour of the Company, forming part of the Application Form as mentioned hereinabove, shall incorporate, inter alia, the following clauses:
- (i) That the Designated Person(s) and their immediate relative(s) does not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
 - (ii) That in case the Designated Person(s) and their immediate relative(s) has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the fact and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - (iii) That he/she has not contravened the Code of Conduct for prevention of Insider Trading as notified by the Company/SEBI from time to time.
- 3.5.10 That he/she has made a full and true disclosure in the matter.
- 3.5.11 The Compliance Officer shall also determine whether any such declaration is reasonably capable of being rendered inaccurate.

3.6 CONTRA TRADE:

- 3.6.1 All Designated Persons who buy or sell Securities of the Company shall not enter into an opposite transaction (contra trade) i.e. sell or buy Securities during the six months period post the previous buy/sell.
- 3.6.2 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 the Regulations.
- 3.6.3 If an opposite transaction (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 SEBI under the Act.

4. TRADING OF SECURITIES OF THE COMPANY

4.1 Trading while in possession of UPSI:

- 4.1.1 No Insider shall trade in the Securities of the Company when in possession of UPSI, provided that the Insider may prove his/her innocence by demonstrating the circumstances including the following:
- 4.1.2 The transaction is an off-market inter-se transfer between insiders who were in possession of the same UPSI without being in breach of restrictions imposed on communication and Trading by Insiders and both parties had made a conscious and informed trade decision.
- Provided that such UPSI was not obtained under the SEBI Takeover Regulations where the Board is informed about sharing of such information is in the best interest of the Company.
- 4.1.3 Off-Markets trades shall be reported by the insiders to the Company within 2 (two) working days.

The Company shall notify the particulars of such Trading (mentioned in Clause 4.1.2 & 4.1.3 above) to the Stock Exchanges within 2 (two) Trading Days of receipt of the disclosure or from becoming aware of such information.

4.1.4 In case of non- individual Insiders:

- a) The individuals who were in possession of such UPSI were different from the individuals taking Trading decisions and such decision-making individuals were not in possession of such UPSI when they took the decision to trade; and
- b) Appropriate and adequate arrangements were in place to ensure that the Regulations/Code are not violated and no UPSI 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.

The trades were pursuant to a Trading Plan set up in accordance with the Regulations/Code.

4.1.5 In the case of Connected Persons, the onus of establishing that they were not in possession of UPSI, shall be on such Connected Persons and in other cases, the onus would be on SEBI.

4.1.6 SEBI may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of the Regulations.

5. NON-TRADING PERIOD

5.1 The Company shall specify a period, to be called "Non-Trading Period", for Trading in the Company's Securities. Any other period shall be Trading Period for the purpose of the Code. The Designated Persons and their Immediate Relatives shall not trade in Company's Securities during the Non-Trading Period.

5.2 The Compliance Officer shall by way of e-mail, communicate the date of the Board Meeting to the Designated Persons. It shall be the onus of the designated Persons to communicate the Non-Trading Period to their Immediate Relatives.

5.3 The following period are hereby notified as Pre-determined Non-Trading period for those who have provided Trading Plan:

5.4 Apart from the pre-determined Non-Trading Period as defined in Clause 5.3 above, if the Company takes up for consideration any UPSI or any other item that has material impact on the price of the securities of the Company, the same shall be intimated to

the Designated Persons and Insiders (as applicable) that such event(s) shall be considered for the ascertainment of Non-trading period.

5.5 The trading window shall be opened 48 (forty eight) hours after the UPSI becomes generally available.

6. TRADING BY PORTFOLIO MANAGERS

This Code is also applicable to insiders who engage Portfolio Managers to trade in shares and hence the insiders are expected to take due precaution while trading in securities through Portfolio Managers by:

- (i) Informing Portfolio Managers about closure of trading window.
- (ii) Ensuring to seek pre-clearance, wherever applicable, when the Portfolio Manager proposes to trade in the Company's shares exceeding threshold limit and also make continual disclosures, wherever applicable, as provided in this Code.
- (iii) Ensuring that the portfolio manager abides by the requirement of minimum holding period and not do contra trade as provided in this Code.
- (iv) Prohibiting the Portfolio manager to trade in securities of Company at his own discretion or when the Insider is in possession of UPSI.

Despite the above, if any trading is done by portfolio managers, it will be treated as trading done by the Insider, and therefore the insider will be held responsible for any such non-compliance and subject to such penalties as specified in this Code.

6.1 Special Non-Trading Period for certain Employees:

Since special events which give rise to event based Non- Trading Period, it may require certain pre-work involving certain Employees concerned, such Employees may be subject to an additional Non- Trading Period, commencing when they are assigned the required pre-work responsibility. This would be notified to the Employees concerned and this additional Non-Trading Period would apply only to the Employees concerned and the management personnel involved in the decision. Such Employees/management personnel are required not to disclose the fact of the special Non- Trading Period to others; so that Employees are generally not made aware that some special event is under consideration.

6.2 The timing for re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 (forty eight) hours after the information becomes Generally Available.

6.3 All Connected Persons of the Company shall conduct all their Dealings in Securities only during the Trading Period and shall not deal in any transaction involving the purchase or sale of Securities during the Non-Trading Period, as referred above or during any other period as may be specified by the Company from time to time.

6.4 In case of ESOPs, the exercise of an option may be allowed during the Non-Trading Period. However, sale of Securities allotted on the exercise of ESOPs shall not be allowed during Non-Trading Period.

7. DISCLOSURES OF TRADING BY INSIDERS

7.1 General provisions:

Every public disclosure under this Clause shall be made in the Form as may applicable, which is attached as **Annexure II** to this Code.

7.1.1 The disclosures to be made by any person shall include those relating to Trading by such person, Immediate Relatives, and by any other person for whom such person takes Trading decisions.

7.1.2 The disclosures of Trading in Securities shall also include Trading in Derivatives of Securities and the traded value of the Derivatives shall be taken into account for the purposes of arriving at the value of trade, subject to Trading of such Derivatives is permitted by any law for the time being in force.

7.2 Reporting requirements for transactions in Securities

7.2.1 Every Promoter, member of the Promoter Group, designated person, Key Managerial Personnel, and Director of the Company shall disclose to the Company holding of Securities of the Company as on the date of the Regulations taking effect i.e., May 15, 2015, to the Company within thirty days of the Regulations taking effect in Form-A which is attached as Annexure III to this Code.

7.2.2 Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a promoter or member of the Promoter Group shall disclose his/her holding of Securities of the Company as on the date of appointment or becoming a Promoter, to the Company within 7 (seven) days of such appointment or becoming a Promoter in **Form-B** which is attached as **Annexure III** to this Code.

7.2.3 The Company, at its discretion shall require any other Connected Person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in **Form-D** (which is attached as **Annexure III** to this Code) at such frequency as may be determined by the Company in order to monitor compliance with the Regulations.

7.3 Continual Disclosure:

Every Promoter, a member of a Promoter Group, Designated Person and Director of the Company shall disclose to the Company the number of such Securities acquired or disposed of within 2 (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. 10,00,000/- in **Form-C** which is attached as **Annexure III** to this Code.

7.4 Disclosure by the Company:

The Company shall notify the particulars of such Trading (mentioned in Clause 7.3 above) to the Stock Exchanges within 2 (two) Trading Days of receipt of the disclosure or from becoming aware of such information.

7.5 Disclosure by Designated Persons

- (a) The Designated persons shall disclose the following information, on one-time basis, to the Company within 15 (fifteen) days from the date on which this code shall become effective;
 - (i) his/her Phone, mobile and cell numbers.
 - (ii) his/her Permanent Account Number or any other identifier authorised by law.

- (b) The Designated person shall disclose the following information, on annual basis, to the Company within 30 (thirty) days from the end of the financial year and on continual disclosure basis, as and when the information changes within fifteen days of such change;
 - (i) Name of Immediate Relatives;
 - (ii) persons with whom such designated person(s) shares a material financial relationship;
 - (iii) Permanent Account Number or any other identifier authorized by law of (i); and
 - (iv) Phone, mobile and cell numbers of (i) & (ii).

Explanations: “Material Financial Relationship” shall mean a relationship as 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.”

8. PENALTY FOR CONTRAVENTION OF THE CODE

8.1 Any Designated Person who trades in Securities or communicates any information for Trading in Securities, in contravention of the Code may be penalised and appropriate action may be taken by the Company.

8.2 Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include monetary fine, wage freeze, suspension, ineligibility for future participation in ESOP, etc. at the sole discretion of the Company.

8.3 The penalty provisions for violation or non-compliance of the Code are given in **Annexure IV**. The action taken by the Company in terms of the penalty provisions shall not preclude SEBI from taking any action in case of violation of the Regulations.

9. INFORMATION TO SEBI IN CASE OF VIOLATION AND CONSEQUENCES OF DEFAULT UNDER SEBI REGULATIONS

9.1 In case it is observed by the Compliance Officer that there has been a violation of the Code by any person, then the violation shall be informed by the Compliance Officer to the Board promptly.

9.2 If any Insider who—

(i) either on his own behalf or on behalf of any other person, deals in securities of a body corporate listed on any stock exchange on the basis of any UPSI; or

(ii) communicates any UPSI to any person, with or without his request for such information except as required in the ordinary course of business or under any law; or

(iii) counsels, or procures for any other person to deal in any securities of any body corporate on the basis of UPSI, shall be liable to a penalty which shall not be less than Rs.10 lakhs but which may extend to Rs.25 Crores or three times the amount of profits made out of insider trading, whichever is higher.

10. AMENDMENT

The Board reserves its right to amend or modify the Code in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the concerned unless the same is notified in writing.

11. CONCLUSION

All Designated Persons are advised to familiarise themselves with the SEBI Regulations and comply with the same, as well as with the Code; both in letter and in spirit. Designated Persons are also advised to ensure compliance by their Immediate Relatives.

For any assistance or clarifications, kindly contact the Compliance Officer of the Company at secretarial@ashokleyland.com or at the address Ashok Leyland Limited, Secretarial Department, No.1, Sardar Patel Road, Guindy, Chennai - 600032.

ANNEXURE I

**FORM - I
APPLICATION FOR PRE-CLEARANCE**

Date:

To

**The Compliance Officer
Ashok Leyland Limited
No. 1 Sardar Patel Road, Guindy
Chennai – 600 032**

Dear Sir/Madam,

Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct to Regulate, Monitor and Report Trading by Insiders of Ashok Leyland Limited ("**Code**"), I seek approval to purchase / sale / subscription of _____ equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
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 securities (c) Sale of securities	
6.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired/subscribed/sold	
8.	Price at which the transaction is proposed	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature)

ANNEXURE I.I

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

To,

**The Compliance Officer
Ashok Leyland Limited
No. 1 Sardar Patel Road, Guindy
Chennai - 600032**

I, _____, _____ of the Company residing at _____, _____, am desirous of dealing in _____ shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I and my immediate relative(s) are not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("**Code**"), up to the time of signing this Undertaking.

In the event that I and my immediate relative(s) have access to or received any information that could be construed as "Unpublished Price Sensitive Information" as defined in the Code, 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 dealing in the securities of the Company until such information becomes public.

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

In the event of this transaction being in violation of the Code or the applicable Laws and Regulations,

- 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, defense, crisis management or public relations activity in relation to this transaction and
- c) I authorise 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.

If approval is granted, I shall execute the deal within 7 (seven) days of the receipt of approval failing which I shall seek pre-clearance.

I undertake to submit the necessary report within 4 (four) days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

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

Signature :

Name :

Date :

ANNEXURE II

DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,

**The Compliance Officer
Ashok Leyland Limited
No. 1 Sardar Patel Road, Guindy
Chennai - 600032**

I hereby inform that I,

- (a) have not bought / sold/ subscribed the securities of the Company
- (b) have bought/sold/subscribed to _____ securities as mentioned below on ____ (date) (strike out whichever is not applicable)

Name of holder	No. of securities traded	Bought / sold / subscribed	DP ID/Client ID/Folio No.	Price (Rs.)

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature:

Name:

Date:

ANNEXURE III**FORM A****Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (a) read with Regulation 6 (2)]****NAME OF THE COMPANY: ASHOK LEYLAND LIMITED****ISIN OF THE COMPANY: INE208A01029****Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person Promoters/ KMP / Directors/immediate relatives/others, etc.)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9

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

Signature:**Designation:****Date:****Place:**

FORM B
Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (b) read with Regulation 6(2)]

NAME OF THE COMPANY: ASHOK LEYLAND LIMITED
ISIN OF THE COMPANY: INE208A01029

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

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person Promoters/ KMP / Directors/immediate relatives/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP	
			Type of security (For e.g. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9	10

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

Signature:
Designation:
Date:
Place:

FORM C
Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (2) read with Regulation 6(2)]

Name of the company: _____

ISIN of the company: INE208A01029

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

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

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

Signature:
Designation:
Date:
Place:

Form D
Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
Regulation 7(3) – Transactions by Other connected persons as identified by the company

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

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

Signature:
Designation:
Date:
Place:

ANNEXURE IV

PENALTY FOR CONTRAVENTION OF CODE OF INTERNAL PROCEDURES AND CONDUCT FOR PREVENTION OF INSIDER TRADING OF THE COMPANY

The Code requires Designated Persons and their Immediate Relatives to seek prior approval for any transaction in the Securities of the Company, report such transaction(s) and submit certain periodic reports and documentation. The Code also prohibits any transaction in Securities during Non-Trading Period. It is strongly recommended that the employees go through and strictly adhere to the Code and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code inter-alia requires:

1. Obtaining pre-clearance for certain transactions;
2. Reporting / declaring transactions in Securities of the Company within a stipulated time period;
3. Prohibition on trading in securities during Non-Trading Period.

Penal provisions

In terms of the Code, the Company will take appropriate disciplinary action against the defaulters for not complying with the Code. Please note that the following action shall be taken for any non-compliance with the Code, in addition to the actions that may be taken by SEBI or other authorities.

1.	Not obtaining pre-clearance for trading (buying/selling) in the Securities* First instance: Warning Second instance: A fine of upto 5% of the gross value of the transaction Third instance: A fine of upto 10% of the gross value of the transaction Fourth instance: Action as may be decided by the Board of Directors <i>(* this includes trading in Securities above the approved limits)</i>
2.	Delay in reporting / declaring transactions (buy/sell) in the Securities within the stipulated time (including a 'NIL' report): First instance: Warning Second instance: A fine of Rs. 1,000/- per day of default upto the first 10 days of default Third instance: A fine of Rs. 2,000/- per day of default upto the first 10 days of default Fourth instance: Action as may be decided by the Board of Directors <i>Note: The amount of fine payable for any delay under this category beyond the first 10 days of default would be decided by the Board of Directors.</i>
3.	Trading during non-trading period (when the trading window is closed) First instance: Warning Second instance: A fine of 10% of the gross value of transaction Third instance: A fine of 20% of the gross value of transaction Fourth instance: Action as may be decided by the Board of Directors
4.	Any other non-compliance with the Code: Appropriate action as may be decided by Board of Directors.

The fine stated hereinabove is payable to the Company and the modalities for paying the fine would be separately communicated by the Compliance Officer to the concerned person.

In case of any doubt or dispute with regard to the interpretation or applicability or otherwise of the provisions of the Code or related provisions, the decision of the Board of Directors shall be final.

In case the Board of Directors is required to review any transaction or impose penalties on one of its own members, the concerned member would excuse himself from the Board on that matter and not participate.

ANNEXURE V

POLICY ON INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. INTRODUCTION

The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (“UPSI”) and initiate appropriate inquiries on becoming aware of leak of UPSI and inform SEBI promptly of such leaks, inquiries and results of such inquiries. In this regard, the Board of Directors of Ashok Leyland Limited (“Company”) has laid down this policy for procedure of inquiry in case of leak of UPSI (‘the policy’), for adoption.

2. APPLICABILITY

The Policy shall be applicable to all the Insiders, Employees and Designated Persons of the Company as defined under the Code of Conduct to regulate, monitor and report trading by insiders of the Company as amended from time-to-time.

3. OBJECTIVE

The objective of this Policy is to formulate procedures to initiate inquiry in the event of leak of UPSI or suspected leak of UPSI, strengthen the internal control systems and prevent leak of UPSI and report leaks, inquiries and results of such inquiries to SEBI.

4. DEFINITIONS

- (a) **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Companies in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).
- (b) **“Code”** means the Code of Conduct to regulate, monitor and report trading by insiders of the Company.
- (c) **“Inquiry Committee”** means a sub-committee constituted by the Audit Committee/Board to inquire the leakage of UPSI.
- (d) **“Leak of UPSI”** means communication of information which is/are deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly or covertly or in any manner whatsoever, except for legitimate purposes, performance of duties or discharge of legal obligations.
- (e) **“Suspect”** means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.
- (f) **“Unpublished Price Sensitive Information” or “UPSI”** 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 not restricted to, information relating to the following: -
 - (vii) Financial results;

- (viii) Dividends;
- (ix) Change in capital structure;
- (x) Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- (xi) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- (xii) Changes in Key Managerial Personnel;

5. REPORTING OF LEAK OR SUSPECTED LEAK OF UPSI

Instances of leak of UPSI can be reported to the Chairman of the Audit Committee/ Compliance Officer in writing at the address provided below:

Mr. Sanjay K Asher

Chairman, Audit Committee, Ashok Leyland Limited

C/o M/s. Crawford Bayley & Co. Advocates, Solicitors and Notaries

State Bank Buildings, N.G. N. Vaidya Marg, Fort, Mumbai 400 023

Tel: +91 22 2266 3353 Fax: + 91 22 2266 3978

e-mail: vigil@ashokleyland.com

The Company suo moto reserves the right of initiating an inquiry under this Policy against any Insider, if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.

6. PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UPSI

The Chairman of Audit Committee may on becoming aware, *suo moto* or on receipt of a written intimation of leak or suspected leak of UPSI from a Suspect/a whistle blower/any other person, including employees of the Company/from any of the regulators should follow the below mentioned procedure in order to inquire and/or investigate the matter. The complaint may be addressed to the key managerial personnel of the Company, who shall forward it to the Chairman of the Audit Committee.

- (a) The Chairman of Audit Committee shall forthwith forward such intimation to the MD/CEO/CFO to conduct a preliminary inquiry. The said inquiry shall be completed within -- working days from the date of receipt of such intimation and report thereof shall be circulated to the Chairman of the Audit Committee and the Compliance Officer.
- (b) If in the opinion of Chairman of the Audit Committee and Compliance Officer, the preliminary inquiry report warrants further investigation, the same shall be submitted to the Board of Directors or to an Inquiry Committee for detailed investigation. The Compliance Officer shall simultaneously intimate SEBI and stock exchanges about such leak or suspected leak of UPSI.
- (c) If preliminary enquiries indicate that the concern has no basis, or it is not a matter to be investigated under this Policy, it may be dismissed and the decision and the reason for dismissing the complaint shall be documented and reported to the Audit Committee, and the Chairman of the Audit Committee, and where possible be communicated to the person who had lodged the complaint.

- (d) Upon receipt of the report of the preliminary inquiry and all other supporting documents, the Inquiry Committee is required to initiate the investigation. The said investigation shall be completed within -- working days from the date of receipt of report of the preliminary inquiry. The Inquiry Committee's investigation report shall be submitted to the Audit Committee and summary report shall be submitted to the Board of Directors immediately, and such report shall also be submitted to SEBI and the stock exchanges simultaneously.
- (e) The Inquiry Committee may:
- (i) call upon all such employees/individuals any market intermediaries, fiduciaries and other person/ entities who have access to UPSI to seek clarification or information pertaining to the leak.
 - (ii) at its discretion engage external investigators/experts.
 - (iii) take necessary actions including sending the Suspect on leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, file compliant etc., during the pendency of the investigations for fair conduct of the proceedings.
 - (iv) keep the identity of the Suspect confidential till the completion of inquiry unless it is essentially required for the purpose of investigation.
 - (v) notify the Suspect the allegations arising out the investigation and provide him/her an opportunity to represent their case and submit evidence.
 - (vi) do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.
- (f) This Policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted, or which are available under the Whistle Blower Policy of the Company (as approved by the Board of Directors from time to time).

7. RIGHTS AND OBLIGATIONS OF THE SUSPECT(S)

- (i) The Suspect shall co-operate with the Inquiry Committee during the investigation process.
- (ii) The Suspect has a right to consult such person having expertise.
- (iii) The Suspect has the right on the outcome of the investigation.
- (iv) The Suspect(s) shall not interfere with the investigation and shall not try to withhold, destroy or tamper evidences and shall not influence, coerce, threaten or intimidate the witnesses or the Inquiry Committee.
- (v) Unless there are compelling reasons not to do so, Suspect will be given an opportunity to respond to material findings of the investigations in accordance with the principles of the natural justice.

8. CONSEQUENCES OF NON-COMPLIANCE

- (i) The disciplinary action against Suspect may be taken within 7 working days from receipt of investigation report by the Audit Committee in consultation with the Board of Directors or any other person authorised by the Board.

- (ii) The disciplinary action may include wage freeze, suspension, recovery, ineligibility for future participation in the Company's any benefit plans or termination, which will be in addition to the penal provisions stated under the Regulations and any other statutory enactments, as applicable as may be decided by the Audit Committee or the Board of Directors or any other person authorised by the Audit Committee.
- (iii) SEBI or any other appropriate regulatory authority would also be informed of such violation who may take appropriate action against the Suspect.

9. AMENDMENT

This policy may be reviewed and amended by the Audit Committee as and when required and any amendment thereto shall be presented before the Board for approval/ratification. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and the Audit Committee shall amend this Policy accordingly.