

PRISM FINANCE LIMITED

CODE OF CONDUCT

FOR

PREVENTION OF INSIDER TRADING

THE POLICY AND OBLIGATIONS:

SEBI has promulgated Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to protect the interest of the investors in general. In order to have a healthy stock market it is essential that all those who play in stock market are aware of the all price sensitive information of a Company. Otherwise every Director and Employee of the Company who has access to such information will be unduly benefited at the cost of the society. So it is their duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company and they should not be allowed to gain personal benefit or to provide benefit to any third party at the cost of the society.

So to protect the interest of investors, to preserve the confidentiality of unpublished price sensitive information, to prevent misuse of such information, to maintain the transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations, Prism Finance Limited (herein after referred to as "the Company") hereby notifies that this Code of conduct is to be followed by all Directors and Employees and connected persons.

PART A – DEFINITIONS:

‘Company’ means Prism Finance Limited.

‘Board’ means the Board of Directors of the Company.

‘Director’ means a member of the Board.

‘Code of Conduct’ means this code of conduct, as may be amended or modified from time to time.

‘Compliance Officer’ means the Compliance Officer appointed by the Board.

‘Connected Person’ means any person who -

1. is a Director; or
2. an Officer or Employee of the Company; or
3. has a professional or business relationship with the Company (whether temporary or permanent), and who may reasonably be expected to have access to unpublished price sensitive information in relation to the Company, and shall include a Deemed Connected Person.

‘Deemed Connected Persons’ means and includes:

1. Any group Company, Company under the same management or subsidiary of the Company;
2. Dependent Family Members of Connected Persons;
3. Bankers of the Company;
4. Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker, investment Company or any employee thereof or is a member of the Board of Trustees of a Mutual Fund or a member of the Board of Directors on an Asset Management Company of a Mutual Fund or is an employee thereof, having a fiduciary relationship with the Company;
5. Trustees of any trust the beneficiaries of which include any of the Connected Persons;
6. Trustees of any trust who are conferred with the Power of Attorney to act on behalf of beneficiaries in respect of securities of the Company;
7. Any person who was a connected person, whether temporary or permanent six months prior to an act of insider training;
8. Persons having professional or business relationship between themselves and the Company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
9. Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 1992.

‘Dealing in Securities’ means buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent and includes exercising of options.

‘Designated Employee’ shall mean -

1. Members of the Board of Directors of the Company;
2. All General Managers and HODs;
3. All employees in the grade of Executive and above working for Secretarial, Legal, Accounts, Finance & Commercial Department
4. Any other employee designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.

‘Dependent Family Members’ shall mean the employee's spouse, dependent parents and dependent children.

‘SEBI’ means the Securities and Exchange Board of India.

‘Officer’ means and includes any Director, Manager, Secretary or any person in accordance with whose directions of instructions the Board is accustomed to act, and shall include an auditor of the Company.

‘Insider’ means any person who is or was a ‘Connected Person’ or a ‘Deemed Connected Person’ and who is reasonably expected to have access to Unpublished Price Sensitive Information in respect of securities of the Company or who has received or has had access to such Unpublished Price Sensitive Information.

‘Price Sensitive Information’ any information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of securities of Company.

Explanation: The following shall be deemed to be price sensitive information:

1. periodical financial results of the Company;
2. intended declaration of dividends (both interim and final);
3. issue of securities or buy-back of securities;
4. any major expansion plans or execution of new projects;
5. amalgamation, mergers or takeovers;
6. disposal of the whole or substantial part of the undertaking;
7. any significant changes in policies, plans or operations of the Company.
8. disruption of operations due to natural calamities;
9. commencement of any new commercial production or commercial operations where the contribution there from is likely to exceed 10% of the total turnover of the Company during that financial year;
10. developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
11. Litigation/dispute with a material impact;
12. Assignment of or Revision in credit ratings assigned to any debt or equity instrument of the Company;
13. 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.

‘Free Period’ means a period other than a Prohibited Period.

‘Prohibited Period’ means -

1. Period beginning with the date from the issuance of the notice of the meeting of the Board of Directors to consider any price sensitive information and ending after 24 hours from the time the Price Sensitive information is made public; or
2. any period during which any of the following actions are taken –
 - a) declaration of financial results of the Company (quarterly, half yearly and annual),
 - b) declaration of dividends (interim and final),
 - c) issue of securities by way of public issue/rights issue, bonus, etc
 - d) any major expansion plans or execution of new projects,
 - e) amalgamation, mergers, takeovers and buy-backs,
 - f) disposal of whole or substantially the whole of the undertaking,
 - g) any changes in policies, plans or operations of the Company; or

3. Such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman &/or Board of Directors of the Company.

Illustrations of Prohibited Period

Date of Board Meeting	August 18, 2013
Date of issuance of notice calling the meeting	August 8, 2013
Date of commencement of Prohibited Period	August 8, 2013
Date of conclusion of Prohibited Period	August 19, 2013 (24 hours after the conclusion of the Board Meeting)

‘Unpublished’ means information which is not published by the Company or its agents and is not specific in nature. Explanation: For the purpose of this definition, speculative reports in print or electronic media shall not be considered as published information.

Words and expressions not defined in this Code of Conduct shall have the same meaning as ascribed to them in the SEBI Insider Trading Regulations or the Securities and Exchange Board of India Act, 1992.

PART B

1. Compliance Officer

The listed company has appointed a Compliance Officer senior level employee who shall report to the Chairman/Chief Executive Officer and/or Board of Directors.

1.1. Duties of Compliance Officer

- a. He shall maintain a record of Designated Employees and Connected Persons and any changes made to the list of Designated Employees and Connected Persons.
- b. He may in consultation with the Chairman as directed by the Board, specify the Prohibited Period from time to time and immediately make an announcement thereof.
- c. He shall maintain a record of Prohibited Period specified from time to time.

- d. 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 Dependent Family Members' trades, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board.
- e. 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.
- f. He shall place before the Chairman, on a monthly basis, all the details of dealings in securities by Designated Employees/Directors/Officers and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this Code of Conduct.
- g. He shall from time to time inform the Stock Exchanges on which the securities of the Company are listed of any Price Sensitive Information on an immediate basis.
- h. He shall be responsible for overseeing and co-ordinating the disclosure of Price Sensitive Information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure and shall report to the Board of Directors.
- i. He shall ensure that the Prohibited Period is intimated to all Designated Employees and Connected Persons at least 48 hours before the commencement of the Prohibited Period.
- j. He shall inform SEBI of any violation of the SEBI Insider Trading Regulations within 7 days of knowledge of such violation.
- k. He shall assist all employees in addressing any clarifications regarding the SEBI Insider Trading Regulations and this Code of Conduct.

2. Preservation of "Price Sensitive Information"

All Designated Employees, Directors and Officers shall maintain the confidentiality of all Price Sensitive Information. The Designated Employees/Directors/Officers shall not pass on such information to any person or entity directly / indirectly by way of making a recommendation for the purchase or sale of securities.

The following practices should be followed in this regard:

2.1. Need to Know

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.

2.2. Limited access to confidential information

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

3. Prohibition On Dealing, Communicating Or Counseling On Matters Relating To Insider Trading.

No Insider shall-

- a. either on his own behalf , or on behalf of any other person, deal in securities of the Company when in the possession of any Unpublished Price Sensitive Information;
- b. communicate, counsel or procure, 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.

4. Trading Restrictions

All Directors/ Officers and Designated Employees shall be subject to the trading restrictions as enumerated below:-

4.1. Prohibited Period

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. The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company during the Prohibited Period.

4.2. The Prohibited Period in case of declaration of financial results shall be as under:

<i>Nature of financial Results</i>	<i>Date of declaration</i>	<i>Commenceent of Prohibited Period</i>
Unaudited Results for the first quarter	On or before July 31	July 1
Unaudited Results for the second quarter/ Half year	On or before October 31	October 1
Unaudited Results for the third quarter	On or before January 31	January 1
Audited Results for the financial year	On or before May 31	May1

4.3. The trading window shall be opened 24 hours after the information referred to above is made public.

4.4. All Directors, Officers and Designated Employees 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.

5. Pre-clearance of trades

All Directors, Officers and Designated Employees who intend to deal in the securities of the Company in excess of 500 number of shares shall pre-clear the transactions as per the pre-dealing procedure described hereunder.

5.1. Pre-dealing Procedure

An application for pre-clearance of trade may be made in prescribed 'Form I' annexed hereto to the Compliance Officer.

An undertaking shall be executed in favour of the Company by such Designated Employee, Director, Officer in the prescribed 'Form II' annexed hereto.

The Compliance Officer shall on receiving the application for pre-clearance, provide the Director, Officer or Designated Employee, as the case may be, with an acknowledgement on the duplicate of the application.

The Compliance Officer shall, subject to the provisions of this Code of Conduct, grant approval within 2 days from the date of acknowledgement.

The Compliance Officer shall retain copies of all applications and acknowledgements.

In exceptional circumstances, consent may not be given if the Compliance Officer is of the opinion that the proposed deal is on the basis of possession of any Unpublished Price Sensitive Information. There shall be no obligation to give reasons for any withholding of consent.

If so requested by the Compliance Officer, the Director, Officer or Designated Employee, as the case may be, must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

5.2. Other restrictions

All Directors, Officers and Designated Employees must execute the transaction in respect of which pre-clearance has been sought within one week after the approval of pre-clearance is given. If the transaction is not executed within one week after the approval is given, the Director, Officer or Designated Employee, as the case may be, must pre clear the transaction again.

All Directors, Officers and Designated Employees shall hold their investments in securities for a minimum period of 30 days irrespective of mode of acquisition in order to be considered as being held for investment purposes.

In case a sale of securities is necessitated by personal emergency, the Compliance Officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in prescribed 'Form III' annexed hereto.

6. Reporting Requirements for transactions in securities

6.1. Initial Disclosures

Every Director, Officer and Designated Employee of the Company on being appointed as such, shall disclose to the Company, in Form 'B' annexed hereto the number of shares or voting rights in the Company held by them and their Dependent Family Members within 2 working days of becoming a Director or Officer or Designated Employee of the Company. Any person who holds more than 5% of the shares or voting rights in the Company shall disclose to the Company in Form 'A' annexed hereto the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of:

- a. the receipt of allotment of the shares, or
- b. the acquisition of shares or voting rights, as the case may be.

6.2 Continual Disclosures

1. Every Director, Officer and Designated Employee shall disclose to the Company, in Form 'D' annexed hereto, the number of shares or voting rights in the Company held by him and change in his shareholding or voting rights from the last disclosure made under this Clause or under Clause 6.1, if such change exceeds Rs.5 lakh in value or 25,000 shares or 1% of the total shareholding or voting rights, whichever is lower or any revised limits notified by SEBI from time to time. Any person who holds more than 5% of the shares or voting rights in the Company shall disclose to the Company in Form 'C' annexed hereto the number of shares or voting rights held and change in shareholding or voting rights, even if the change results in the change falling below 5%, if there has been a change in the shareholding from the last disclosure made and such change exceeds 2% of the total shareholding or voting rights in the Company.

“Change” means a net change arrived at after taking netting off purchases and sale of securities.

2. The aforesaid disclosures must be made within 2 working days of:-
 - a. the receipt of intimation of allotment of shares; or
 - b. the acquisition or sale of shares or voting rights as the case may be
3. The disclosures under this Clause shall be sent to the Compliance Officer.

6.3. Quarterly / Annual Disclosures

All Directors, Officers, Designated Employees and their Dependent Family Members dealing in the securities of the Company shall be required to forward the following details of their securities transactions including the holdings of Dependent Family Members to the Compliance officer.

1. All holdings in securities of the Company by Directors/Officers/ Designated Employees at the time of joining the Company.
2. In respect of existing Directors/ Officers/Designated Employees, all holdings in securities of the Company as on 13th February, 2014.
3. Statement of any transactions in securities of the Company, regardless of whether or not pre-clearance of was obtained in respect of such transaction, in prescribed 'Form IV' on a quarterly basis within 15 days from the end of each quarter; and
4. Annual statement of all holdings in securities of the Company in prescribed 'Form V' as on March 31 of each year, before April 30 of that year.

6.4. Disclosure by the Company to Stock Exchanges

Within 2 days of the receipt of the information under Clause 6.1 and 6.2, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.

6.5. Records of disclosures received by the Company

The Compliance officer shall maintain records of all the declarations given by the Directors, Officers and Designated Employees for a minimum period of three years.

The Compliance officer shall place before the Chairman/Managing Director of the Company, on a monthly basis, all the details of the dealings in the securities by the Designated Employees/Directors/Officers and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this Code of Conduct.

7. Penalty for contravention of Code of Conduct

Any Director/Officer/Designated Employee who trades in securities or communicates any information for trading in securities, in contravention of the Code of Conduct may be penalized and appropriate action may be taken by the Company.

Directors/ Officers/Designated Employees who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage - salary freeze, suspension, withholding of promotions, etc.

Any action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

8. Information to SEBI in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992

In case it is observed by the Company and / or Compliance Officer that there has been a violation of the SEBI Insider Trading Regulations, the Company shall inform SEBI accordingly.

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FORM I

APPLICATION FOR PRE CLEARANCE

Name of the Designated Employee/Director/Officer:

Personal Identification Number :

Date :

To,
The Compliance Officer,
Prism Finance Limited,
Ahmedabad

I _____ / my Dependant Family Member(s)
_____ wish to deal in securities of the
Company and in accordance with the Prism Finance Limited Code of Conduct
for the prevention of insider trading (hereinafter referred to as the “Code of
Conduct”) seek your permission to deal in the below mentioned securities:

Name of the security

Estimated Qty. (Nos.)

Nature of Trade:

Buy/Sell/Derivatives/Subscribe

DP Name

DP Id

Client's Id

Already Holding (Nos.)

Place :

Date :

Signature :

Name :

FORM II

UNDERTAKING

Name of the Designated Employee/Director/Officer:

Personal Identification Number :

Date :

To,
The Compliance Officer,
Prism Finance Limited,
Ahmedabad

I _____, the undersigned hereby declare that:

1. I or my Dependant Family Member(s) do not have access nor have received any Price Sensitive Information in relation to the securities of the Company.
2. In case I or my Dependant Family Member(s) have access or receive Price Sensitive Information after signing of this Undertaking but before execution of any deal in respect thereof, I shall inform the Compliance Officer of such change in my position and that I or my Dependant Family Members(s) will completely refrain from dealing in the securities of the Company until such time as information ceases to be Price Sensitive Information.
3. I or my Dependant Family Members(s) hereby declare that the said securities were/will be held by me/us for a minimum period of 30 days unless I/we have personal need.
4. I or my Dependant Family Member(s) will execute the above transaction within one week of the receipt of approval for pre-clearance.
5. I or my Dependant Family Member(s) have not contravened the provisions of the Code of Conduct.
6. I or my Dependant Family Member(s) are aware that I/we shall be liable to face penal consequences as set forth in the Code of Conduct including disciplinary action under the Code of Conduct, in case the above declarations are found to be misleading or incorrect at any time.
7. I or my Dependant Family Member(s) hereby agree to indemnify and keep the Company indemnified from and against all or any penalties/fines/charges/costs that may be imposed or incurred by Securities and Exchange Board of India and/or other statutory authorities as a result of violation by me or my Dependant Family Member(s) of the SEBI (Prohibition of Insider Trading) Regulations 1992 ("Insider Trading Regulations") and the Code of Conduct.

I _____, the undersigned further hereby declare that I have made a full and true disclosure with respect to the above.

All capitalized terms used herein but not defined shall have the same meaning ascribed to them in the Code of Conduct and/or the Insider Trading Regulations.

Place :
Date :

Signature :
Name :

FORM III

APPLICATION FOR WAIVER OF HOLDING PERIOD

To,
The Compliance Officer,
Prism Finance Limited,
Ahmedabad

Dear Sir,

Re : Approval for Pre-Clearance Application (Ref. No. _____)

I refer to my aforesaid application dated _____ for pre-clearance of approximately _____ nos. of _____ (“the security”).

The said security cannot be held by me/my Dependant Family Member(s) for 30 days as I am in personal need of funds urgently, and, therefore, I/ my Dependant Family Member(s) request you to hereby give me/us approval to sell the same.

Thanking you,

Place :
Date :

Signature :
Name :

FORM B**Initial Disclosure by Directors/Officers/Designated Employees****Details of shares or voting rights held by Director, Officer and Designated Employee or Person who is part thereof**

Name of the Company:

<i>Name, PAN No. & Address of Director, Officer and Designated Employee or Person who is part thereof</i>	<i>Date of becoming Director/ Officer/ Designated Employee</i>	<i>No. & % of shares/ voting rights held at the time of becoming Director/ Officer/ Designated Employee</i>	<i>Date of intimation to Company</i>	<i>Mode of acquisition on (market purchase/ public/ rights/ preferential offer etc.)</i>	<i>Trading member through whom the trade was executed with SEBI Registration No. of the TM</i>	<i>Exchange on which the trade was executed</i>	<i>Buy quantity</i>	<i>Buy value</i>
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Thanking you,

Place :

Date :

Signature :

Name :

FORM A**Initial Disclosure by Person acquiring 5% or more shares in the Company**

Name of the Company:

<i>Name, PAN No. & Address of shareholders with Telephone No.</i>	<i>Share-holding prior to acquisition</i>	<i>No. & % of shares/voting rights acquired</i>	<i>Date of receipt of allotment / advice.</i>	<i>Date of intimation to company</i>	<i>Mode of acquisition on (market purchase/public/rights/preferential offer etc.)</i>	<i>Share-holding subsequent to acquisition</i>	<i>Trading member through whom the trade was executed with SEBI Registration No. of the TM</i>	<i>Exchange on which the trade was executed</i>	<i>Buy quantity</i>	<i>Buy value</i>

Thanking you,

Place :

Date :

Signature :

Name :

FORM D**Details of change in shareholding or voting rights held by Director/Officer/
Designated Employee of the company**

Name of the Company:

<i>Name, PAN No. & Address of Director, Officer and Designated Employee or Person who is part thereof</i>	<i>No. & % of shares / voting rights held by Director/ Officer / Designated Employee</i>	<i>Date of receipt of allotment advice / acquisition of shares / voting rights</i>	<i>Date of intimation to Company</i>	<i>Mode of acquisition (market purchase/ public/ rights/ preferential offer, etc.)</i>	<i>No. & % of shares/ voting rights post acquisition</i>	<i>Trading member through whom the trade was executed with SEBI Registration No. of the TM</i>	<i>Exchange on which the trade was executed</i>	<i>Buy quantity</i>	<i>Buy value</i>	<i>Sell quantity</i>	<i>Sell value</i>

Thanking you,

Place :

Date :

Signature :

Name :

FORM C**Details of change in shareholding in respect of persons holding more than 5% shares in the Company**

Name of the Company:

Name, PAN No. & Address of shareholders	Shareholding prior to acquisition	No. & % of shares / voting rights acquired	Receipt of allotment advice/ acquisition of shares	Date of intimation to company	Mode of acquisition (market purchase/ public rights/ preferential offer etc.)	No. & % of shares / voting rights post-acquisition	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value	Sell quantity	Sell value

Thanking you,

Place :

Date :

Signature :

Name :

FORM IV**QUARTERLY DISCLOSURE DECLARATION**

Name of the Designated Person/Director/Officer :

Personal Identification Number :

Date :

To,
The Compliance Officer,
Prism Finance Limited,
Ahmedabad

Re : QUARTERLY DISCLOSURE DECLARATION

As per the Denis Chem Lab Limited Code of Conduct for the prevention of insider trading (hereinafter referred to as the "Code of Conduct"), I _____ the undersigned hereby declare the securities holding as on _____ for myself and all my Dependant Family Member(s) as under :

Name of the security:

Name of Holder	Opening Balance as on _____	Bought during the year	Transferred during the year	Closing Balance	DP Name DP Id Client's Id Folio No. (if physical)

(If required a separate Schedule can be annexed)

I _____ the undersigned hereby further solemnly declare that I have made full and true disclosures with respect of securities held by me and my Dependant Family Member(s) as on the above date and that this disclosure is in accordance with the previous disclosures made by me to the Company.

All capitalized terms used herein but not defined shall have the same meaning ascribed to it in the Code of Conduct.

Thanking you,

Place :

Date :

Signature :

Name :

FORM V

ANNUAL DISCLOSURE DECLARATION

Name of the Designated Person/Director/Officer :
Personal Identification Number :

Date :

To,
The Compliance Officer,
Prism Finance Limited,
Ahmedabad

Re : ANNUAL DISCLOSURE DECLARATION

As per the Denis Chem Lab Limited Code of Conduct for the prevention of insider trading (hereinafter referred to as the "Code of Conduct"), I _____ the undersigned hereby declare the securities holding as on _____ for myself and all my Dependant Family Member(s) as under :

Name of the security:

Name of Holder	Opening Balance as on _____	Bought during the year	Transferred during the year	Closing Balance	DP Name DP Id Client's Id Folio No. (if physical)

(If required a separate Schedule can be annexed)

Thanking you,

Place :
Date :

Signature :
Name :