



**Finance Division, Share Department,,
Head Office: New Delhi**

POLICY FOR PREVENTION OF INSIDER TRADING DETAILING CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SHARES OF PUNJAB NATIONAL BANK (“PNB”) BY ITS DIRECTORS AND EMPLOYEES

1. INTRODUCTION

SEBI (Prohibition of Insider Trading) Regulations

Securities and Exchange Board of India (SEBI) framed SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations) which prohibit persons connected with a listed Company from dealing in Company's securities when in possession of unpublished price sensitive information related to the company in any manner whether to buy or sell the securities of the company and make undue gain which is not available to the holders of the securities of the company not in possession of such information.

The Regulations has been amended by two recent amendments namely Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2019. The amendments made by the 2018 Regulations are effective from 01.04.2019 and the amendments made by the 2019 Regulations are effective from 21.01.2019.

Punjab National Bank constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act 1970 being a listed entity, has to comply with the SEBI Regulations. Accordingly, a Code of conduct & Policy for Prevention of Insider Trading 2015 came into effect from 15.5.2015, which is now being amended in line with the recent amendments made in the SEBI Regulations.

Code of conduct and Policy for prevention of Insider Trading 2015

This document embodies (i) PNB Code of Conduct for Prevention of Insider Trading and (ii) PNB Code of Corporate Disclosure Practices (collectively referred to as the Code) to be adopted by Punjab National Bank (PNB or the Bank), whose shares are listed on recognized stock exchanges in India and followed by its directors, Designated persons, and connected persons. These codes are framed in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015.



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Necessity for the Code:-**

Insider trading is the buying or selling or dealing in the securities of a listed Company by a Director, member of management, an employee of the firm or by any other person such as internal and statutory auditor, agent, advisor, analyst, consultant etc., who has knowledge of material, inside information not available to the general public. The dealing in securities by an insider is illegal when it is predicated upon the utilization of inside information to profit at the expense of other investors who do not have access to the same information. The prices of most securities generally reflect the available public information about these companies. Hence, any investor who acts on non-public information does so at the cost of public confidence in the securities market and in the process he distorts the level playing field.

The Regulations require all **listed companies** and other specified entities to set up appropriate mechanism and to frame and enforce a Code of Conduct for Prohibition of Insider Trading and internal procedures prescribing various disclosures of interest or holding to be made by its `Directors` and `Designated Persons` with **substantial share holding**.

The Code is based on the principle that Directors, Officers, and Employees of the Bank owe a fiduciary duty to, among others, the shareholders of the Bank to place the interest of the shareholders above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Code is also intended to serve as a guiding charter for all concerned persons associated with the functioning of the Bank and their dealings in securities of PNB.

Applicability

The Code will be applicable to connected persons and their Immediate Relatives as defined in this Regulation.

2. Definitions:

As used in this Code:

- a) **“Act”** means Securities and Exchange Board of India Act, 1992
- b) **“Bank”** means Punjab National Bank
- c) **“Board”** means Board of Directors of the Bank+
- d) **“Code”** means **PNB Code of Conduct for Prohibition of Insider Trading+**, including modifications made there to from time-to-time.

“Compliance Officer” means the Chief Finance Officer/General Manager (Finance Division) of the Bank who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who shall be responsible for compliance of policies,

- e) procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades



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and the implementation of this Code under the overall supervision of the Board of Directors of the Bank.

Here, %financially literate+shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows

f) “Designated Persons” means-

- all officers in Scale V and above in Corporate Office/Head Office, Circle Heads and Officers in Top Management Grade in Scale VI & VII irrespective of their place of posting, Chairman, MD & CEO, Executive Directors of the Bank.
- All Employees in the Board & Coordination Division, Finance Division, Strategic Management and Advisory Services Division (SMEAD), Treasury Division, Corporate Communication Division (excluding hockey players, their team managers, support staff etc. who are not involved in the day to day working of the Bank) or any other Divisions whatever name called due to changes in nomenclature of these mentioned Divisions, Employees attached with the Secretariat of Chairman/Managing Director & CEO, Executive Directors, and Personal assistants attached to the General Managers.
- Any other Employee as may be designated by the Compliance Officer in consultation with the Chairman/ Managing Director & Chief Executive Officer of the Bank considering the objectives of the Regulations and the Code.

g) “Director” means a member of the Board of Directors of the Bank.

h) “Connected Person” means -

- a) Designated persons including Directors of the Bank.
- b) any person who is or has during the six months prior to the concerned act been associated with the Bank, 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 Bank or holds any position including a professional or business relationship between himself and the Bank 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 ; or
- ii) the holding, associate or subsidiary Company; or
- iii) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or



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- iv) an investment Company, trustee Company; asset management Company or employee or director thereof; or
 - v) an official of a stock exchange or a 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 recognized or authorized by the Board; or
 - ix) a banker of the Bank; or
 - x) a concern, firm, trust, Hindu undivided Family, Company or association of persons wherein a director of the Bank or his immediate relative or banker of the Bank, has more than ten percent of the holding or interest.
- i) **“Trading in securities”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- j) **“Immediate relative”** means - spouse of a person, 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.
- k) **“Insider”** means any person who is
- a. a connected person; or
 - b. in possession of or having access to unpublished price sensitive information
- l) **%Generally available information+** means - information that is accessible to the public on a non-discriminatory basis;
- m) **%Key managerial persons or personnel+** means key managerial persons as defined in Section 2 (51) of the Companies Act, 2013.
- n) **%promoter+** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issued of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- o) **"promoter group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- p) **%SEBI+** means the Securities and Exchange Board of India;
- q) **%Securities+** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund and includes derivative transactions in the shares of the Bank;
- r) **%Specified+** means specified by SEBI in writing
- s) **%Takeover regulations+** means the Securities and Exchange of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;



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- t) **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- u) **%Trading day+** means a day on which the recognized stock exchanges are open for trading;
- v) **%Trading plan+** means the term ~~trading~~ plan as described in Regulation 5 of the Regulations;
- w) **"Officer"** means any Director, Secretary or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act including an auditor of the Bank. Officers comprising the top tiers of the Bank management and all employees in the Accounts / Board / Secretarial departments.
- x) **%Unpublished price sensitive information+** means any information, relating to a Bank 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:--
 - (i) Financial Results;
 - (ii) Dividends
 - (iii) Change in capital structure
 - (iv) Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
 - (v) Changes in key managerial personnel.
- y) the term **"legitimate purpose"** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

Words and phrases not specifically defined herein but defined in Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or Companies Act, 2013 shall have the meanings respectively assigned to them in those legislation.

2.1 COMPLIANCE OFFICER

- 2.1.1 The Board has appointed Chief Finance Officer/General Manager (Finance) as Compliance Officer, to ensure compliance and for effective implementation of the Regulations and also this Code.
- 2.1.2 The Compliance Officer shall report to the Managing Director & Chief Executive Officer of the Bank.



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- 2.1.3 The Compliance Officer shall hold the position so long as he/she is in the employment of the Bank. The Managing Director & CEO / Board of the Bank may, at their discretion change the Compliance Officer of the Bank.
- 2.1.4 In the performance of his/her duties, the Compliance Officer shall have access to all information and documents relating to the Securities of the Bank.
- 2.1.5 The Compliance Officer shall act as the focal point for dealings with SEBI in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.

2.2 DUTIES OF THE COMPLIANCE OFFICER

- 2.2.1 The Compliance Officer shall be responsible for:
- (i) prescribing procedures including designing of format for getting undertaking/ information for various activities referred to in the Code.
 - (ii) monitoring adherence to the rules for the preservation of Price Sensitive Information.
 - (iii) grant of pre-dealing approvals to the Designated Persons for Dealings in Securities and monitoring of such Dealings in Securities.
 - (iv) implementation of this Code under the general supervision of the Managing Director & Chief Executive Officer.
- 2.2.2 The Compliance Officer shall maintain a record (either manual or in electronic form) of the Designated Persons and their Dependents and changes thereto from time-to- time.
- 2.2.3 The Compliance Officer shall assist all the Employees in addressing any clarifications regarding the Regulations and this Code.
- 2.2.4 The Compliance Officer shall place status reports before the Managing Director & Chief Executive Officer on a yearly basis, detailing Dealing in the Securities by the Designated Persons along with the documents that such persons had executed in accordance with the pre-dealing procedure prescribed under the Code.



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3. Maintenance of secrecy and prevention of misuse of unpublished sensitive information

3.1 The designated persons shall maintain confidentiality of all Unpublished Price Sensitive Information. No designated person shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. Further no person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

3.2 ‘Unpublished Price Sensitive Information’ shall be handled on a ‘need to know’ basis. Such information should be disclosed only to those within the Bank 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.

3.2A The board of directors of the Bank shall make a policy for determination of legitimate purposes+ as a part of Codes of Practices and Procedures for Fair Disclosures+ formulated under regulation 8 of SEBI (Prohibition of Insider Trading) Regulations.

3.2B Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose+ shall be considered an insider+ and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with the SEBI (Prohibition of Insider Trading) Regulations.

3.2C The Bank shall have a process for how and when people are brought inside on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information

3.3 All non-public information directly received by any Designated Person should be reported to the head of his / her department / Compliance Officer immediately.

3.4 All files containing confidential information shall be kept secure under lock and key. Computer files shall have adequate security of login and Passwords. Files containing confidential information should be deleted / destroyed after its use. Shredders should be used wherever necessary for the destruction of physical files.



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- 3.5 An Insider will not on his own accord reveal any information to any person unless authorized to do so by the Compliance Officer to further his / her legitimate purposes, performance of duties or discharge of legal obligations.
- 3.6 If an Insider commits a breach or accidentally crosses the Wall, it shall be reported to the Compliance Officer and immediate action shall be initiated to stop the information from being further misused.
- 3.7 Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
- a) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Bank is of informed opinion that sharing of such information is in the best interests of the Bank;
 - b) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Bank is of informed opinion that sharing of such information is in the best interests of the Bank and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.
- 3.8 For purposes of sub-regulation (3.7), the board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of sub-regulation (3.7), and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.
- 3.9 The board of directors 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 authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
- 3.10 Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
- a) immediate relatives
 - b) persons with whom such designated person(s) shares a material financial relationship
 - c) Phone, mobile and cell numbers which are used by them



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In addition, the names of educational institutions from which designated persons have graduated and names of their past employers, shall also be disclosed on a one time basis.

Explanation . The term %material financial relationship+shall mean a 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.

4. Restrictions on trading in securities

4.1 No designated person shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Explanation . When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

Provided that the insider may prove his innocence by demonstrating the circumstances including the following: .

(i) the transaction is an off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3.7 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under regulation 3.7 of this policy.

Provided further that such off-market trades shall be reported by the insiders to the Bank within two working days. The Bank shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

(ii) the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under regulation 3.7 of this policy.

(iii) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.



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- (iv) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- (v) in the case of non-individual insiders: .
 - (a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
 - (b) appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information 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;
- (vi) the trades were pursuant to a trading plan set up in accordance with regulation.

4.2 In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

4.3 No Director/ Key Managerial Personnel/ Designated person of the Bank shall buy in the Bank or in its subsidiary or associate company-

- (a) a right to call for delivery or a right to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures; or
- (b) a right, as he/ she may elect, to call for delivery or to make delivery at a specified price and within a specified time, of a specified number of relevant shares or a specified amount of relevant debentures.

Explanation- For the purposes of this clause, ~~the~~relevant shares~~q~~ and ~~the~~relevant debentures~~q~~ mean shares and debentures of the Bank in which the concerned person is a Whole-time Director or other Key Managerial Personnel or shares and debentures of the subsidiary companies.

3. Trading Window

5.1 The trading window shall be closed during the time the information referred to in clause 9.2 becomes generally available.

5.2 The Trading Window shall be *inter-alia* closed:

- (a) At least 7 days prior to Board meeting or from the date of communication of the information to the exchanges about Board meeting for approval of quarterly and half-yearly/annual results, whichever is earlier;
- (b) At least 7 days prior to the date of Board meeting for declaration of interim dividend and final dividends.
- (c) At least 7 days prior to the date of Board meeting for change in capital structure like issue of securities by way of public/right/bonus, buy-back etc.



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(d) At least 7 days prior to the Board Meeting to approve any mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions

However if the circumstances so warrants the time for closing the window may be increased or decreased with the approval of Compliance Officer and Managing Director and Chief Executive Officer.

5.3 The trading window shall be opened 48 hours after information referred to in clause 9.2 becomes generally available.

5.4 All Designated Persons and their immediate relatives shall conduct all their trading in the securities of the Bank only in a valid trading window and shall not trade in Bank's securities during the periods when trading window is closed, as referred to in Regulation 5.2 or during any other period as may be specified by the Company from time to time.

5.5 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.

6. Pre-clearance of Trades

6.1 All Designated Persons and their immediate relatives who intend to or trade in the securities of the Bank above a minimum of 5000 shares of the Bank per transaction should pre-clear the transactions as per procedure described hereunder:

6.2 An application shall be made to the Compliance Officer indicating the estimated number of securities that the Designated Persons or their immediate relatives intends to or trade in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Bank in this behalf on **Form A (Annexure 1)** along with a statement of shares held at the time of pre clearance on **Form B (Annexure II)** and undertaking on **Form D (Annexure IV)**.

6.3 The Compliance Officer shall make a record of the permission given and shall give permission on **Form C (Annexure III)**.

6.4 All Designated Persons and their immediate relatives shall execute their order in respect of securities of the Bank within seven trading days after the approval of pre-clearance is given. If the order is not executed within the aforementioned specified period, the Designated Person must pre-clear the transaction again.

6.5 In case the Designated Person or his/ her immediate relative decides not to execute the trade after securing pre-clearance, he/ she shall inform the Compliance Officer of such decision along with reasons thereof immediately.



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- 6.6 Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 6.7 It shall be the responsibility of Designated Persons to ensure compliance of clauses 6.1 to 6.6 above in case of their immediate relatives also.
- 6.8 All Designated Persons who buy or sell any number of shares of the Bank shall not execute a contra trade i.e. sell or buy any number of shares during the next six months following the prior transaction.
- 6.9 The Compliance Officer may grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the regulations.
- 6.10 Should a contra trade be 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.
Provided that above regulation 6.8 to 6.10 shall not be applicable for trades pursuant to exercise of stock options.

7. Trading Plans

7.1 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.

7.2 Such trading plan shall:.

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the bank and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail trading in securities for market abuse.

7.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the Regulations and shall be entitled to



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seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

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

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

7.4 The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information 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 and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

7.5 Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

8. Disclosures

8.1 Initial Disclosures

- a) Form E (Annexure V): Initial declarations from promoters, member of the promoter group, key managerial personnel, director and Designated Person of the Bank and their immediate relatives were submitted for their holding of securities (including derivatives) of the Bank as on 15th May 2015 to the Compliance Officer in Form E. Since this was a onetime exercise, Form E is frozen with the information already provided.
- b) Form F (Annexure VI): - Every person on appointment as a key managerial personnel or as a director of the Bank or upon becoming a promoter or member of the promoter group or a Designated Person, shall (including his immediate relatives) disclose holding of securities (including derivatives) of the Bank as on the date of appointment or becoming a promoter or a Designated Person within seven days of such appointment or becoming a promoter or a Designated Person to the Compliance Officer.

8.2 Continuous Disclosures

- a) Form G (Annexure VII):- All Designated Persons shall disclose to the Compliance Officer the number of such securities (including derivatives) acquired or disposed of within two trading days of such transaction, if the value of the securities (including derivatives) traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.10 Lakhs



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- b) The Compliance Officer shall notify the particulars of such trading to the stock exchange on which the securities (including derivatives) are listed within two trading days of receipt of the disclosure or from becoming aware of such information.
(It is clarified for avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub regulation shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause above).
- c) Form H (Annexure VIII): - All Designated Persons shall disclose to the compliance Officer the number of such securities (including derivatives) acquired or disposed off during the financial year beginning from the April and ending with March or from the date when they became designated person till 31st March, irrespective of the number of securities traded in, within 30 days of the end of the financial year.

9. UNPUBLISHED PRICE-SENSITIVE INFORMATION:

- 9.1 Promoters, Insiders or Designated Person including Directors or class of Designated Persons who can reasonably be expected to have possession of unpublished price sensitive information and their immediate relatives of the aforesaid persons shall not trade when Trading Window is closed.
- 9.2 Compliance Officer or Company Secretary may announce closure of Trading Window for securities of the Bank when any of the following events occur:-
- i. Financial Results;
 - ii. Dividends
 - iii. Change in capital structure
 - iv. Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - v. Changes in key managerial personnel.
- 9.3 The timing for re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

Institutional Mechanism for Prevention of Insider trading.

- 9A. (1)** The Chief Executive Officer, Managing Director or such other analogous person of the Bank, any of its intermediary or fiduciary shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.



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(2) The internal controls shall include the following:

(a) all employees who have access to unpublished price sensitive information are identified as designated employee;

(b) all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;

(c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;

(d) lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;

(e) all other relevant requirements specified under these regulations shall be complied with;

(f) periodic process review to evaluate effectiveness of such internal controls .

(3) The board of directors of the Bank and the board of directors or head(s) of the organisation of intermediaries and fiduciaries shall ensure that the Chief Executive Officer or the Managing Director or such other analogous person ensures compliance with regulation 9 of SEBI (Prohibition of Insider Trading) Regulations and sub-regulations (1) and (2) above.

(4) The Audit Committee of Bank or other analogous body for intermediary or fiduciary shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

(5) The Bank shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the Bank and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

(6) The Bank has a whistle-blower policy and has made employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information. The policy is also available on the website of the Bank.

(7) If an inquiry has been initiated by the Bank in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Bank in connection with such inquiry conducted by the Bank.



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MISCELLANEOUS

10. Penalty for Contravention of the Code

10.1 All Designated Persons or Connected persons who trade in securities or communicate any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the Bank.

10.2 All Designated Persons or connected persons who violate this Code of Conduct shall also be subject to disciplinary action by the Bank in terms of existing disciplinary mechanism given under the regulations of the Bank governing the officer/workmen staff members, which may include wage, salary freeze, suspension, recovery, claw back, withholding of promotions etc.

10.3 The action by the Bank shall not preclude SEBI from taking any action in case of violation of the Regulations.

10.4 In case it is observed by the Bank and/or Compliance Officer that there has been violation of the Regulations, SEBI shall be informed by the Bank.

11. Uploading of Code on Bank's Website

This Code and any amendments thereto shall be available on the website of the Bank.

ANNEXURE I

FORM A

APPLICATION FORM FOR PRE-CLEARANCE OF TRADES IN BANK'S SECURITIES

TO

THE COMPLIANCE OFFICER,

PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION
OF INSIDER TRADING

Dear Sir,

With reference to PNB Code of Conduct for Prohibition of Insider Trading, I seek your approval to subscribe to/agree to subscribe to/purchase /sell, deal as an agent/principal in _____ equity shares of the Bank.

The statement of share holding in _____ Form B as on _____ and undertaking in the prescribed format is enclosed for your perusal.

Details of transaction to be entered into

Name of the person for whom the transaction is to be executed	
Relationship with the applicant	
No. of shares covered by the transaction	
Allotment / Purchase / Sale	
Depository I.D. No.	
Client I.D. No.	
Particulars of the broker through whom the transaction is to be executed	Name:

I request you to kindly pre-clear the above transaction at the earliest.

Thanking you,

Yours faithfully,

Signature of the Applicant

Encl.: 1. Form-B.

Form B

**PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION OF INSIDER
TRADING**

Statement of shares held in the Bank at the time of pre-
clearance

Name of Designated Person			
PF No.			
Division/Department			
For the period ended			
PARTICULARS		PARTICULARS OF SHARE HOLDING	
Name	Relationship	Folio/Client ID. No.	No. of shares held

*Add more rows if required

I / we declare that I/ we have complied with the requirement of the minimum holding period of 30 days with respect of the shares sold.

Place:

Date

Signature

Form ‘C’

(Letter of approval from Compliance Officer)

To:

Dear Sir,

Sub: Pre-clearance of trade in Bank's Securities

With reference to your above application dated _____ pursuant to Regulation 6.2 of PNB Code of Conduct for Prohibition of Insider Trading, seeking pre-clearance of your transaction in shares of the Bank, we here by accord our approval to the proposed transaction.

You may kindly note that pursuant to provisions of Clause 6.2 of the said Code of Conduct, the aforesaid transaction shall be executed within one week from the date of receipt of this approval letter, failing which, an application seeking pre-clearance to the proposed transaction together with undertaking in the prescribed format, shall be made afresh within four days from the conclusion of the week stated here in above. As stipulated in Clause 8(ii) of the Code of Conduct, the shares so purchased shall be held for a minimum period of thirty days from the date of acquisition thereof in order to be considered as being held for investment purposes.

You may also note that a statement as per Annexure -VII(enclosed), in respect of the transactions in the securities of the Bank executed by you is to be submitted to the Compliance Officer, within two days from the date of such transactions. Non-submission of this statement will be in violation /contravention of the above code of conduct.

Thanking

you,

Yours faithfully

For Punjab National Bank

Compliance Officer



**Finance Division, Share Department,,
Head Office: New Delhi**

ANNEXURE IV

Form 'D'

(Undertaking to be accompanied with every pre-clearance application)

THE COMPLIANCE OFFICER

PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION OF INSIDER
TRADING

Dear Sir,

I _____ a Designated Person of
the Bank here by confirm:

- a. to maintain confidentiality of all ~~U~~npublished Price Sensitive Information that may come into my possession in the discharge of my duties with the Bank;
- b. not to pass on such information to any person directly or indirectly by way of making recommendation for the purchase or sale of securities of the Bank based on the same;
- c. to report to the Compliance Officer, any non-public information that may be directly received by me;
- d. that I did not have any access or received ~~U~~npublished Price Sensitive Information up to the date of signing this undertaking;
- e. that in case I have access to or receive ~~U~~npublished Price Sensitive Information after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I shall completely refrain from dealing in the securities of the Bank till such time such information becomes public ;
- f. that I have not contravened the Code of Conduct for Prohibition of Insider Trading as notified by the Bank from time to time ; and
- g. that I have made full and true disclosure in the matter.

Name of Designated Person:

PF No:

Division/Department:

Place:

Date:

FORM ‘E’

PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

STATEMENT OF INITIAL DISCLOSURE OF SHARES HELD IN THE BANK AS ON 15 MAY-2015 - REGULATION 7(1)(A)

S.NO.	Name of Designated Person	Category of the person	Relationship	PAN No.	CIN/DIN	DPID / Client ID or Folio No.	Address with contact no.	Units(contracts* lot size/no. of shares(warrants or CD)	% of Shareholding	Last updated Date		Remarks if any

Note: %Securities+ shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulation, 2015. In case of Options, notional value shall be calculated based on premium plus strike price of options.

I* declare that I, my dependent(s), and other person related to me do not hold Shares/Warrants/Convertible Debenture of Punjab National Bank

Enter Details (I declare that I have entered details of all my dependent(s) & other persons related to me.)

***NO LONGER IN USE**



**पंजाब नैशनल बैंक
punjab national bank**

**Finance Division, Share Department,,
Head Office: New Delhi**

ANNEXUR

FORM ‘F’

Disclosure ON BECOMING a Designated Person/KMP/Promoter-Regulation 7(1)(b) read with para 8.1(b) of the policy for preven of insider Trading

Details of securities Held/open interest of the company held by Promoter, Key Managerial Personnel (KMP), Designated and o such person as mentioned in Regulation 7(1)(a)

1	2	3	4	5	6	7	8	9	10	11	12	13	14
SNo	Name of Share holder	Category of Person	Relatio nship	Dt of appoint. of Director/K MP OR date of becoming Promoter	PAN No.	CIN/DI N	Clie nt ID/DP ID/Fo lio No.	Addres s with Contac t nos.	Contract/S ecurity Type	Units(c ontract s*lot size) / no.of shares (warra nts or CD)	% of Shareholding	Notional Value (In Rupee terms)	Last updated date

Note: %Securities+ shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulation, 2015. In case of Options, notional value shall be calculated based on premium plus strike price of options.

I* declare that I mv dependent(s), and other person related to me do not hold Shares/Warrants/Convertible Debenture of Punjab National Bank

Enter Details (I declare that I have entered details of all my dependent(s) & other persons related to me.)



पंजाब नैशनल बैंक
punjab national bank

**Finance Division, Share Department,,
Head Office: New Delhi**

ANNEXURE VII

Form ‘G’

**PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING
STATEMENT OF PERIODICAL DISCLOSURE OF SHARES HELD IN THE BANK**

CONTINUAL DISCLOSURE -Regulation 7(2) read with para 8(2)(a) of the policy of prevention of insider trading

Details of securities Held/open interest of the company held by Promoter, Key Managerial Personnel (KMP), designated and o such person as mentioned in Regulation 7(1)(a)

1	2	3	4	5	6	7	8	9	10	11	12	13	14
SNo	Name of Share holder	Category of Person	Relationship	PAN No.	CIN/DIN	Client ID/DP ID/Folio No	Address with Contact nos	Contract /Security Type	No.(of Securities) prior acquired/ disposed	% Shareholding (prior acquisition /disposal)	% of Shareholding (prior acquisition /disposal)	No.(of Securities) acquired/ disposed	Value (of securities acquired/ disposed)

15	16	17	18	19	20	21	22	23	24	25
Transaction Type	No. of Securities) post acquired/ disposed	% of Shareholding (post acquisition /disposal)	Date of allot. Advice/a cquisition /sale of shares(T O)	Date of intimation to company	Mode of acquisition/disposal	Contract specifications	Notional Value (BUY)	Number of units (contracts*lot size (sell))	Exchange on which the trade was executed	Last Update

ANNEXURE VIII

Form ‘H’

PUNJAB NATIONAL BANK CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

(To be submitted with in-30-days from the closure of the financial year)

STATEMENT OF ANNUAL DISCLOSURE OF SHARES HELD IN THE BANK

S.No.	Name of Shareholder	Category of Person	Relationship	PAN No.	Folio/Client ID No./DP ID No.	No. of shares held on beginning***	No. of shares acquired during the year	No. of shares sold during the year	No. of shares held on year ended 31st March	Last Updated date
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Add more rows if required

I* declare that I, my dependent(s), and other person related to me do not hold Shares/Warrants/Convertible Debenture of Punjab National Bank

I/ we declare that I / we have complied with the requirement of the minimum holding period of 30days/not entering into an opposite transaction i.e., sell or buy any number of shares during the next six months following the prior transaction.`

Place:

Date:

Signature