



**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT  
TRADING IN THE SECURITIES OF THE STATE BANK OF INDIA  
FOR PROHIBITION OF INSIDER TRADING**

**(as per SEBI (Prohibition of Insider Trading) (Amendment)  
Regulations, 2018)**

**FY 2019-20**

## **1. NECESSITY OF THE CODE**

1.1. In exercise of the powers conferred by section 30 read with clause (g) of sub-section (2) of section 11 and clause (d) and clause (e) of section 12A of the Securities and Exchange Board of India Act, 1992 (15 of 1992) (SEBI Act), the Securities and Exchange Board of India (SEBI) has framed the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) that aims at governing the pathway for monitoring trading activities by the Designated Persons and immediate relatives of Designated Persons and requires the Board of Directors of every listed entity to formulate a Code of Conduct to regulate, monitor and report trading by its Designated persons towards achieving compliance with the Regulations, adopting minimum standards set out in the Regulations, without diluting the provisions of the Regulations in any manner.

## **2. OBJECTIVE**

2.1 It is the policy of the Bank to strive for preservation of confidentiality of ‘UNPUBLISHED PRICE SENSITIVE INFORMATION’ (UPSI) and to prevent misuse of such information as trading on insider information is not only illegal, but also tarnishes the credibility of the Organization.

2.2 The Bank is further committed to ensure transparency and fairness in dealing with all the stakeholders, ensure integrity of UPSI and build compliant culture. Any appearance of impropriety, however inadvertent, on the part of anyone connected or deemed to be connected with the Bank could seriously harm the Bank’s reputation, besides invoking penalties and disciplinary actions from the Regulatory Authorities.

2.3 The purpose of this document is to elucidate and inform to all Designated Persons of the Bank that they have a responsibility and duty to preserve the confidentiality of all unpublished price sensitive information obtained in the course of his or her day to day operations and association with the Bank. No Designated Person may use his or her position to gain personal benefit or to provide benefit to any third party. To achieve these objectives, the Bank hereby notifies that this Code be followed by all Designated Persons of the Bank.

### 3. EFFECTIVE DATE OF THE CODE

3.1 Pursuant to the provisions of Regulation 9 of the Regulations, the Bank has framed a comprehensive set of guidelines – ‘**THE CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN THE SECURITIES OF THE STATE BANK OF INDIA**’ (‘the Code’ or ‘Code of Conduct for Prevention of Insider Trading’), which lays down in a concise manner the ethical values to be followed by the Designated Persons, to whom the Code is applicable, so as to promote ethical behavior on a day-to-day basis and create a corporate culture of trust, honesty, integrity, transparency, accountability by prohibiting directors/employees from using inside information to their own investment advantage and from disclosing such information for use by outsiders.

3.2 The Central Board of SBI shall be empowered to approve, adopt and amend this Policy.

3.3 The Code shall continue to be in force until any statutory provision contrary to this Code is made applicable to the Bank or the Regulations under which the said Code has been framed, be repealed by the SEBI or as may be decided by the Central Board and is subject to change pursuant to any amendments thereof in the said Regulations.

3.4 The Central Board, may from time to time review and amend the provisions of the Code in terms of the global practices being followed and amendments, if any under the Regulations.

3.5 The amended Code shall become effective from April 1, 2019.

### 4. DEFINITIONS

4.1 In this Code the following expressions including their grammatical variations and cognate expressions shall unless repugnant to the context or meaning thereof, have the meaning assigned to them respectively hereunder:-

4.1.1 “**Bank**” or “**SBI**” means the State Bank of India **constituted** under the State Bank of India Act, 1955;

4.1.2 **“Central Board”** means the Central Board mentioned under Section 19 of the State Bank of India Act, 1955 and also includes the Executive Committee of the Central Board constituted as per Section 30 of the State Bank of India Act, 1955.

4.1.3 **"Connected Person"** for the Bank as a listed entity, means and includes-

(i) Any person who is or has during the period 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 temporary/permanent, 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, or falling under any of the categories of persons mentioned below that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories and fulfill the above stipulations shall deemed to be Connected Persons unless the contrary is established -

- a. an immediate relative of Connected Persons specified in clause (i); or
- b. the associate company or subsidiary company, if any, of the Bank; or
- c. an intermediary as specified in Section 12 of the SEBI Act or an employee or director thereof; or
- d. an investment company, trustee company, asset management company or an employee or director thereof; or
- e. an official of a stock exchange or of clearing house or corporation; or
- f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- g. a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- h. an official or an employee of a self-regulatory organization recognized or authorized by SEBI; or

- i. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest; or
- j. Any other Person as the Compliance Officer with the approval of the Central Board specify in this behalf.

4.1.4 **“Compliance Officer”** means Chief General Manager and Group Compliance Officer or any senior officer duly authorized and designated so by the Chairman of the Bank in this regard and reporting to the Central Board, who is financially literate<sup>1</sup> and is capable of appreciating requirements for legal and regulatory compliance under these regulations and 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, monitoring of trades and the implementation of the codes specified in the Regulations under the overall supervision of the Central Board of the Bank.

4.1.5 **“Department”** means the division of the Bank which is handling specific area of services being offered within the Bank”.

4.1.6 **“Designated Person”** means:

- All the Directors of the Bank;
- All the Deputy Managing Directors of the Bank;
- All the Chief General Managers of the Bank;
- All the Employees of the Bank in the following Departments:
  - Central Board Secretariat
  - Secretariat of Chairman, and Managing Directors
  - Global Markets Department
  - Risk Management Departments
  - Financial Reporting and Taxation Department
  - Compliance Department
  - Central Accounts Office, Kolkata (Balance Sheet Section)
  - IFRS Department

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<sup>1</sup> 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.

- Performance, Planning and Review Department
- IT-ALM Department
- Shares and Bonds Department
- Associates & Subsidiaries Department
- IBG Department
- Payments and Special Projects Department

- Employees upto two level below the CEO of Material Subsidiaries of the Bank;
- Employees of material subsidiaries of the bank having access to UPSI of the Bank;
- Promoters of the Bank;
- Such other persons/Department/ support staff of the Bank who may have access to unpublished price sensitive information, as may be notified by the Compliance Officer depending upon their vulnerability to the matter.

4.1.7 **“Employee” or “Officer”** includes any person being in the bona fide employment (permanent or temporary) of the Bank including apprentices, trainees etc.

4.1.8 **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;

4.1.9 **“Immediate relative” or “Dependent”** means a 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;

4.1.10 **"Insider"** means any person who is: i) a Connected Person; or ii) in possession of or having access to unpublished price sensitive information;

4.1.11 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

4.1.12 “**Trading days**” means the days on which the recognized stock exchanges are open for trading;

4.1.13 “**Trading Plan**” means a plan for dealing in securities of the Bank for a period not less than 12 months by the persons who may be perpetually in possession of unpublished price sensitive information.

4.1.14 “**Trading Window**” means the period during which trading may be carried out in Bank’s Securities by Designated Person;

4.1.15 “**Unpublished Price Sensitive Information**” means any information, relating to the 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 including but not restricted to, information relating to the following:

- financial results;
- dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- changes in key managerial personnel;
- any such other information which may affect the price of securities.

## 5. **INTERPRETATION:**

5.1 In this document, unless the contrary intention appears:

- a) The singular includes the plural and vice versa;
- b) Any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders;
- c) Any other term and/or expression used in this Code which is not defined herein above shall have the same meaning as assigned to them under the Regulations and the amendments made there in.

## 6. **ROLE AND FUNCTIONS OF COMPLIANCE OFFICER AND LINK OFFICER**

### 6.1 **ROLE OF COMPLIANCE OFFICER:**

6.1.1. The Bank has designated Chief General Manager and Group Compliance Officer as the Compliance Officer of the Bank who shall report to the Central Board and in particular shall provide reports to the Chairman of the Audit Committee of the Central Board at quarterly intervals. Under this Code, the Compliance Officer shall be the reporting officer to the Audit Committee and the Chairman through Managing Director (SARC).

## **6.2 FUNCTIONS OF COMPLIANCE OFFICER:**

6.2.1 Maintenance of following records:

- 6.2.1.1 Database of Designated Persons and immediate relatives, along with other details as prescribed in the Regulations, in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code.
- 6.2.1.2 Structured digital database containing the names of such persons or entities as the case may be with whom information is shared under the Regulations in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code;
- 6.2.1.3 Trading plans approved;
- 6.2.1.4 Trades pre-cleared;
- 6.2.1.5 Details of Trades executed pursuant to pre-clearance;
- 6.2.1.6 Details of instances where the requirement of holding the listed securities of the Bank during the holding period was waived for emergency reasons.
- 6.2.1.7 Holdings of Designated Persons in the securities of the Bank;
- 6.2.1.8 Initial and Continual Disclosures received under the Regulations;
- 6.2.1.9 Disclosure in relation to off-market trades by Insiders received under the Regulations;
- 6.2.1.10 Disclosure of trades received from other connected person under the Regulations;
- 6.2.1.11 Details of programs undertaken by the Bank for sensitizing the Designated Persons about their responsibilities under the Regulations;
- 6.2.1.12 Details of violations under the Code and Regulations by Designated Persons.



- 6.2.2 Grant of pre-trading clearance to the Designated Persons for dealings in the Bank's Securities and monitoring such trade;
- 6.2.3 Approving Trading Plan as may be formulated by any Insider in terms of the Regulations;
- 6.2.4 Determination of the period for closure of Trading Window for all/ selected Designated Persons and intimating to the Designated Persons and others;
- 6.2.5 Placing status reports before the Chairman or the Audit Committee, detailing any trading in the listed securities by the Designated Persons, violations of the Code of Conduct, if any at regular intervals but not less than once in a year;
- 6.2.6 Monitoring adherence to the Regulations and the Insider Trading Code by the Designated Persons;
- 6.2.7 Implementation of this Code of Conduct under the general supervision of the Central Board;
- 6.2.8 Assisting all the Employees in addressing any clarifications regarding the Regulations and the Code;

In the absence of the Compliance Officer due to leave etc., the Officer designated by him/her from time-to-time shall discharge the functions referred above.

### **6.3 ROLE OF LINK OFFICER**

- 6.3.1 The Vice President – Compliance is the Link Officer for the purpose of assisting the Compliance Officer in enforcing the Code.

### **6.4 FUNCTIONS OF LINK OFFICER**

- 6.4.1 The Link Officer shall assist the Compliance Officer in maintaining a record of the Designated Persons and changes, if any, from time to time.
- 6.4.2 The Link Officer to the Compliance Officer will formulate a suitable working linkage with the Chief General Manager (Human Resources) with regard to obtention of suitable letters/statements/applications/ information pertaining to disclosure/ trading of shares as per the Code from the Designated Persons concerned.
- 6.4.3 The Link Officer shall assist all the Designated Persons in addressing any clarifications regarding the Regulations and the Code.

## **7. COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

- 7.1 All Connected Persons including Designated Persons of the Bank shall not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as explained in the Bank's 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.
- 7.2 All information should be handled on a need to know basis i.e., Price Sensitive Information should be disclosed only to those who need such information to discharge their duties and no Unpublished Price Sensitive Information shall be communicated to any person by any insider except in furtherance of legitimate purposes, performance of duties or discharged of legal obligations.
- 7.3 No officer of a department, which is in possession of Unpublished Price Sensitive Information, shall communicate the same to any officer of other department or an officer of the same department unless prior permission of such department head is obtained. The department head, after examining the need to know criteria may or may not permit the communication of such information.

## **8. PRESERVATION OF "PRICE SENSITIVE INFORMATION"**

- 8.1 Unpublished Price Sensitive Information should be disclosed only to those within the Bank who need such 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.
- 8.2 In order to prevent leakage of Unpublished Price Sensitive Information, the Designated Persons, while in possession of Unpublished Price Sensitive Information , shall strictly ensure following:
- 8.2.1 Not discuss such information in public places where it may be overheard;

8.2.2 Refrain from participating in, hosting or linking to internet chat rooms, online social networking sites, newsgroups, discussions or bulletin boards which discuss matters pertaining to Bank's activities or its securities;

8.2.3 Not carry, read or discard such price sensitive information in an exposed manner in public places;

8.2.4 Not discuss such price sensitive information with any other persons, except as required in furtherance of legitimate purposes or performance of duties or legal obligations and after informing the recipient about his/her obligations and responsibility under the Code and the Regulations;

8.2.5 Ensure that the sharing of such price sensitive information, wherever required is done by way of Bank's email system on a secured file-sharing platform within Bank's internal network. The passwords of protected files may be sent via a separate official email or SMS to safeguard the confidentiality of information;

8.3 The gap between clearance of accounts (Working Financial Results of the Bank) by Audit Committee and Central Board meeting should be as narrow as possible and preferably on the same day to avoid leakage of unpublished price sensitive information.

8.4 In order to avoid unauthorized access to Unpublished Price Sensitive Information:

8.4.1 All physical files containing confidential information shall be kept secure under lock and key in custody of an authorized official designated for the said purpose.

8.4.2 All Computer files shall have adequate security of login and password protection.

## **8.5 Process and obligations relating to sharing of Unpublished Price Sensitive Information for legitimate purposes**

### **8.5.1 Circumstances to bring people inside shall be as under**

8.5.1.1 Availing of consultancy from professionals for confidential matters;

8.5.1.2 Availing of assistance within the organization from another team/ department for a corporate action viz. fund raising, merger, demerger, restructuring etc, information whereof is not a generally available information;

- 8.5.1.3 In the course of conduct of due diligence under any provision of law;
- 8.5.1.4 Other situations arising in the ordinary course of business which shall be documented by the Compliance Officer based on the inputs received from head of the Department or Managing Directors and other Designated Persons handling UPSI from time to time.

## **8.5.2 Procedure to bring people inside**

- 8.5.2.1 An employee of the Bank can be brought 'inside' only if he/she is conversant with their obligation to preserve confidentiality and after obtaining approval of the Head of the Department handling the said Unpublished Price Sensitive Information. The need for the person to know the Unpublished Price Sensitive Information shall also be stated while seeking approval;
- 8.5.2.2 A person other than an employee of the Bank can be brought 'inside' only after ensuring that the organization represented by such person has an appropriate code in place covering the compliance to be ensured by the fiduciary/ intermediary under the Regulations.
- 8.5.2.3 Confidentiality agreements, in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code shall be entered into with the person other than employees of the Bank, before sharing of Unpublished Price Sensitive Information.
- 8.5.2.4 The information about sharing of Unpublished Price Sensitive Information shall be promptly informed to the Compliance Officer for updating in the digital database;
- 8.5.2.5 Once a person is brought 'inside', Permanent Account Number or any other identifier authorized by law, where Permanent Account Number is not available, shall be promptly shared to the Compliance Officer for updating the digital database.
- 8.5.2.6 Once a person is brought inside, they shall not deal in Bank's securities during the term of their engagement with the Bank or till such time the information disclosed to them becomes generally available information.

- 8.5.2.7 The Compliance Officer may require the person brought inside to make disclosure of holdings and trading in securities of the Bank in the format as may be prescribed in the Operating Guidelines, in order to monitor compliance with the Regulations.
- 8.5.2.8 All Unpublished Price Sensitive Information directly received by any Designated Person should be first reported to his/her departmental head who after accessing the sensitivity of the issue will report to the Compliance Officer.

## **9. CHINESE WALL PROCEDURE**

9.1 The Bank shall adopt a Chinese wall policy to prevent the misuse of confidential information, which separates those areas of the Bank which routinely have access to confidential information ('inside area').

9.1.1. The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area i.e. area other than inside area;

9.1.2. The employees in inside area may be physically segregated from employees in public area.

9.1.3. Demarcation of various departments as inside area may be implemented by the Bank.

9.1.4. In exceptional circumstances employees from the public areas may be brought "crossing the wall" and given confidential information on the basis of "need to know" criteria for legitimate purpose, under intimation to the Compliance Officer, in the manner provided in Para 8.4.2 above.

## **10. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

### **10.1 Trading Window:**

10.1.1 All Designated Persons along with their Dependents as furnished in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code and any other employee as the Compliance Officer may specify in this regard shall be subject to certain trading restrictions as enumerated below:

10.1.2 The Bank has designated a 'Trading Window' as the period during which the transactions in the securities of the Bank can be effected by the Designated Persons and/or their Dependents, subject to their satisfying the conditions laid down by the Code.

10.1.3 The Trading Window shall remain closed from the end of every quarter till 48 hours after the declaration of financial results (quarterly, half-yearly and annual).

10.1.4 The Trading Window shall remain closed from the date of notice given to the Stock Exchanges for convening the Meetings of the Board of Directors of the Bank to consider:

- Dividends;
- Change in capital structure;
- Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- Changes in key managerial personnel; and

The Designated Persons and/or their Dependents and any other employee as the Compliance Officer may deem fit shall not trade in the Bank's securities during the period when the Trading Window is closed.

The Trading Window shall be opened forty eight hours after the information referred to in Clause (10.1.3/ 10.1.4) is made public.

10.1.5 All Designated Persons and/or their Dependents shall conduct all their dealings in the securities of the Bank only in a valid Trading Window and shall not deal in any transaction involving the purchase or sale of the Bank's securities during the periods when the Trading Window is closed or during any other period as may be specified by the Bank from time to time.

## 11. **PRE-CLEARANCE OF TRADES**

11.1 All Designated Persons and/or their Dependents who intend to deal in the securities of the Bank for and above 10,000 shares shall get their proposed transaction pre-cleared in the manner enumerated below:-

11.2 An application in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code shall be made to the Compliance Officer through the Link Officer (viz. the GM (Shares & Bonds)) by the Designated Person indicating the estimated number of securities that such person intends to deal in, the details of depository and such other information in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code.

11.3 Before executing any transaction, the Designated Person shall execute an undertaking in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code in favour of the Compliance Officer of the Bank incorporating inter-alia, the following clauses, as may be applicable that:

11.3.1. The Designated Person is not in possession of Unpublished Price Sensitive Information upto the date of signing the undertaking;

(In case the Designated Person has access to or has received Unpublished Price Sensitive Information after the signing of this undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the change in his/her position and that he/she shall completely refrain from dealing in the securities of the Bank till such time information becomes public;)

11.3.2 He/she has not contravened the Code of Conduct to Regulate, Monitor and Report Trading in the Securities of the State Bank of India for Prohibition of Insider Trading as notified by the Bank from time to time; and,

11.3.3 He/she has made required full and true disclosure in the matter.

11.3.4 All Designated Persons must report to the Compliance Officer through the Link Officer all dealings in SBI securities which were pre-cleared at the end of the month in which the dealing took place in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code.

11.4 In case of trading by the Compliance Officer, pre-clearance shall be obtained from Managing Director (SARC).

## **12. TRADING PLAN:**

- 12.1 All Designated Persons and any other persons as the Central Board may deem fit in terms of the Regulations, that may perpetually be in possession of unpublished price sensitive information, may formulate a Trading Plan ('TP') and the same is required to be approved by the Compliance Officer after reviewing the said plan in terms of the Regulations;
- 12.2 Requirement of pre-clearance of trade, trading window restriction and restrictions on contra trade shall not apply in case of an approved trading plan.

## **13. OTHER RESTRICTIONS**

### **13.1 Validity of Pre-clearance period**

The pre-clearance issued by the Compliance Officer in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code shall be valid only for 7 trading days. All Designated Persons and their Dependents (as furnished by them in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code ) shall execute their order in respect of the securities of the Bank within 7 trading days of receipt of the pre-clearance. If the order is not executed within 7 days, from the receipt of the pre-clearance, the Designated Persons shall apply afresh for pre-clearance granted earlier.

### **13.2 Holding Period of the securities**

- 13.2.1 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**. However, the Compliance Officer may grant relaxation from strict application of the above said restriction for reasons to be recorded in writing in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code provided that such relaxation does not violate the Regulations.
- 13.2.2 If any contra trade be executed within six months, inadvertently or otherwise, the profit derived from such trade shall be liable to be disgorged for remittance to the



SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the SEBI Act.

13.2.3 Contra trade restrictions shall not be applicable for trades pursuant to exercise of stock options.

#### **14. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:**

14.1 Officers/ Designated Persons are required to make the following disclosures:

14.1.1. All Designated Persons shall, within seven (7) days from the date of his/her joining or appointment as Designated Person, forward to the Link Officer in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code , the number of shares or voting rights held and positions taken in derivatives by such person and his/her Dependents in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code at the time of his/her becoming a Designated Person.

14.1.2 Within thirty days from the closure of the half year i.e. 30<sup>th</sup> September and 31<sup>st</sup> March, all Designated Persons shall report to the Link Officer in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code **the** number of shares or voting rights held by such person and his/her Dependents, at the end of each half Year.

14.1.3 All Designated Persons shall disclose within two trading days, in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code, , to the Link Officer, the number of shares (including derivatives, if any) acquired or disposed of by him/her including immediate relatives and by any other person for whom he/she takes trading decision if the value of the securities traded, whether in one transaction or a series of transaction over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees.

14.1.4 All information/declarations submitted to the Link Officer by the Designated Persons shall be routed through their Controllers. For reckoning the prescribed time frame, the date of submission of the information to the Controller will be treated as the material date.

14.1.5 The particulars of trading received by the Bank in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code, shall be notified to stock exchanges on which the securities are listed within two trading days of receipt of such disclosure or from becoming aware of such information.

14.1.6 All the Designated Persons shall be required to submit following personal information to the Compliance Officer on an annual basis and as and when the information changes:

Permanent Account Number or any other identifier authorized by law of the following persons to the Bank:

(a) Immediate relatives;

(b) persons with whom such designated person(s) shares a material financial relationship;

**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.”

(c) Phone, mobile and cell numbers which are used by them;

(d) names of educational institutions from which designated persons have graduated ( *to be granted on one-time basis*);

(e) Names of their past employers (*to be granted on one-time basis*)

#### 14.1.7 **Off-market trades by Insider**

a. Every Insider shall disclose to the Bank, in the format as may be prescribed in the Operating Guidelines with respect to implementing the Code or as prescribed by SEBI, details of off-market trades done by him/her within 2 (two) working days of such transaction.

b. The Compliance Officer shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days from receipt of disclosure or from becoming aware of such information.

14.1.8 The Link Officer to the Compliance Officer shall maintain records of all declarations in the appropriate forms given by the Designated Persons for a minimum period of five years.

14.1.9 The Link Officer shall furnish to the Chairman/Managing Director & Chief Financial Officer or a Committee specified by the Central Board, through the Compliance Officer, on a monthly basis, all the details of the dealings in the securities of the Bank by Designated Persons of the Bank and/or their Dependents and the accompanying documents such persons had executed under the pre-clearance procedure as laid down in clause 3 of Section 6 of this code.

**15. PENALTY AND PUNISHMENT FOR CONTRAVENTION OF CODE OF CONDUCT:**

15.1 Any Employee of the Bank who trades in securities or communicates any information for trading any securities in violation/contravention of this Code may be penalized by the Bank. The Bank may also take appropriate action against such person. Such action may include disciplinary action as per the procedures contained in the SBI Officers' Service Rules and the Bipartite Settlements, for Officers and Award Staff respectively, and any other action as the Bank may deem fit.

15.2 Any breach suspected by any Designated Person, employees or persons other than the Designated Persons/ employees of the Bank shall be promptly brought to the notice of Compliance Officer in the manner provided in Whistle Blower Policy of the Bank and in case of an instance of leak/ suspected leak of unpublished price sensitive, an inquiry to be initiated in the manner stipulated in Operating Guidelines with respect to implementing the Code

15.3 The action by the Bank shall not preclude SEBI from taking any action in case of violation of SEBI (Prevention of Insider Trading) Regulations, 2015.

15.4 Under Section 15G of the Securities and Exchange Board of India Act, 1992 ("the SEBI Act") any Insider who indulges in insider trading in contravention of the Regulations is liable to a penalty which shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of

insider trading, whichever is higher. Under Section 24 of the SEBI Act, anyone who contravenes or abets the contraventions of the provisions of the Act or of any Rules or Regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years, or with fine, which may extend to twenty five crore rupees or both. If any person fails to pay the penalty imposed he shall be punishable with imprisonment for a term which shall not be less than one month, but which may extend to ten years or with fine, which may extend to twenty-five crore rupees or with both.

15.5 Any contravention of the provisions of Regulation 10 of SEBI (Prevention of Insider Trading) Regulations, 2015, shall be dealt with by the Central Board in accordance with the SEBI Act.

**16. INFORMATION TO SEBI IN CASE OF VIOLATION:**

16.1 The Bank or Compliance Officer shall inform SEBI of all violations of Regulations observed.

16.2. All Designated Persons shall be provided with a copy of this Code and a copy of SEBI (Prevention of Insider Trading) Regulations, 2015. They shall give an undertaking that they have read and understood the provisions thereof and would abide by them. The undertaking shall be kept on record with the Compliance Officer and a copy thereof kept in the Service File of the concerned Employees.

**17. REVIEW OF THE CODE:**

17.1. This Code is subject to updation/review, on account of any change in regulatory requirements or as may be required to do so from time to time. The Central Board shall review the Policy annually or as and when required.

17.2. The Shares and Bonds Department of the Bank or any other department as may be directed by the Central Board shall be empowered to submit the review/ updation of this Code.