

NITCO LIMITED

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS (Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015)

On January 15, 2015, the Securities and Exchange Board of India (SEBI) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("2015 Regulations") to be effective from May 15, 2015, i.e. 120th day from the notification of the Regulations, replacing the SEBI (Prohibition of Insider Trading) Regulations, 1992.

Regulation 9(1) of the aforesaid Regulations casts a duty upon the Board of Directors of every listed company to formulate a code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these regulations, adopting the minimum standards set out in the Schedule B to the Regulations.

Accordingly the Company Policy on Prohibition of Insider Trading framed under the SEBI (Prohibition of Insider Trading) Regulations, 1992 stands replaced with this Code of Conduct to Regulate, Monitor and Report Trading by Insiders, with effect from 15th May, 2015.

Compliance Officer

The Company Secretary & Compliance Officer of the Company is responsible to comply with the provisions of this regulation. The Compliance officer under the overall supervision of the Board of Directors shall report to Mr. Vivek Talwar, Chairman & Managing Director of the Company.

Further, the Compliance officer shall also provide Reports to the Chairman of the Audit Committee of the Board of Directors, on an annual basis.

Who is an Insider?

Under the 2015 Regulations, an Insider means –

- A Connected Person

- Any Person who is in possession of or is having access to Unpublished Price Sensitive Information.

The definition of Connected Person is given under Regulation 2(d) of the 2015 Regulations pursuant to which a person is a connected person, if he has a connection with the Company that is expected to put him in possession of Unpublished Price Sensitive Information.

Applicability

The Code applies to the following categories of persons including their 'immediate relatives'

- Promoters
- Directors
- KMPs (Key Managerial Persons as defined under the Companies Act, 2013)
- Designated Persons/ Employees

Immediate Relatives

Immediate relative means spouse of a person and includes parent, sibling and child of such person/ or the spouse, if any of them is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

In addition to the above stated categories, all the connected persons in possession of or having access to Unpublished Price Sensitive Information shall also be covered under the Code and accordingly the Company may ask such persons or class of connected persons to make disclosures of their holdings and trading in securities of the Company.

Designated Persons/ Employees

- All employees in the cadre of General Manager and above
- All the Accounts and Finance Personnel of the Company at Head Office as well as the Finance/Commercial Heads of all the Units/ Branches
- Any other person as may be determined by the Compliance officer, based on their functional role in the organization, for the purpose of monitoring adherence to the Code for preservation of Unpublished Price Sensitive Information (UPSI)

Unpublished Price Sensitive Information (UPSI)

Any information, relating to the Company or its securities, that is not generally available would be Unpublished Price Sensitive Information if it is likely to materially affect the price of the securities upon coming into public domain.

Ordinarily, the types of matters that would give rise to Unpublished Price Sensitive Information are:

- Financial Results
- Dividends
- Change in Capital Structure
- Mergers, De-mergers, acquisitions, delisting, disposals and material expansion of business and such other transactions
- Changes in Key Managerial Personnel
- Material Events in accordance with the listing agreement

The above is only an illustrative list and there might be other instances in relation to which certain unpublished information, upon becoming public, might materially affect the price of securities of the Company.

Preservation of Unpublished Price Sensitive Information

- All information shall be handled within the organization on a need-to-know basis.
- No Connected person or anyone who is in possession of or has access to unpublished price sensitive information relating to the Company shall communicate it to any other person except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations.
- The Designated Employees and Connected persons shall maintain the confidentiality of all Unpublished Price Sensitive Information and shall not disclose or communicate or counsel or procure directly or indirectly the Unpublished Price Sensitive Information to any person (except in furtherance of legitimate purposes, performance of his duties or discharge of his legal obligations) until the same is made available to the general public.

Restriction on Trading while in Possession of UPSI

The Promoters, Directors, KMPs, Designated Employees and Connected persons, when in possession of UPSI shall not trade in securities of the Company either on their own behalf or on behalf of any other person.

Trading Window - Trading Period and Trading Limit

The Promoters, Directors, KMPs, Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed. The trading window shall be closed when the Compliance Officer determines that designated persons / connected persons can reasonably be expected to have possession of UPSI.

The Trading Window shall be closed from the end of every quarter till 48 hours after the declaration of financial results.

The timing for re-opening of the Trading Window shall be determined by the compliance officer after taking into account various factors including UPSI in question becoming generally available and being capable of assimilation by the market. Trading window shall open 48 hours after the UPSI is made generally available.

Trading window restrictions mentioned above shall not apply in respect of the following:

1. 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 the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Regulations') and both parties had made a conscious and informed trade decision.
2. 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 the Regulations 3 of the Regulations and both parties had made a conscious and informed trade decision;

Provided the transaction mentioned in sub-clauses (1) and (2) above, should not pertain to such unpublished price sensitive information which was obtained in a manner provided under Regulation 3(3) of the Regulations.

3. The transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
4. 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
5. The trades were pursuant to a trading plan set up in accordance with the Regulations.

6. Pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer and compliance with the respective regulations.
7. Transactions undertaken in accordance to respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

When the Trading Window is open, there is no restriction for trading of securities if the value of securities traded, whether in 1 transaction or a series of transactions, in any calendar quarter, aggregates to a traded value upto Rs. 10,00,000/- (Rupees Ten Lakhs).

Beyond these stipulated thresholds, trading by these persons shall be subject to pre-clearance by Compliance Officer, if the value of proposed trades is above the aforesaid thresholds.

However, no person shall be entitled to apply for pre-clearance of any proposed trade if such person is in possession of UPSI even if trading window is open.

Procedure for pre-clearance

1. An Application may be made to the Compliance Officer or in case the applicant is Compliance Officer himself, to the Chairman in the prescribed format (refer **Annexure 1**).
2. **An Undertaking** (refer **Annexure 2**) shall be executed by these Person(s) stating that:
 - he/ she does not have access to or received UPSI upto the time of signing the undertaking
 - that in case he/ she has access to or receives UPSI after signing the undertaking but before execution of transaction, he/ she shall inform the Compliance Officer forthwith and refrain from trading in securities till the PSI becomes generally available
 - he/ she has not contravened the provisions of the Code
 - he/ she has made full disclosure in the matter
3. The applicant may execute the order within one week i.e. 7 days of the permission; else fresh clearance will be required.

Restriction on Contra-Trade for 6 months

In all cases, these Persons who are permitted to trade in securities of the Company, shall not execute a contra-trade i.e. he/ she shall not enter into an opposite transaction within 6 months following a prior transaction.

However contra trade restrictions shall not be applicable for trades pursuant to exercise of stock options.

Should a contra-trade be executed inadvertently or otherwise, in violation of the aforesaid restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the IEPF administered by it.

The Compliance Officer of the Company shall disclose the information regarding the closure and open of Trading Window to the concerns from time to time.

DISCLOSURES

INITIAL DISCLOSURES OF SHAREHOLDING TO THE COMPANY

- (1)** Every Promoter, KMP and Director of the Company, shall, disclose his/ her holding of securities of the Company as on the date of these Regulations take effect i.e. as on 15th May, 2015, to the Company. (refer **Annexure 3**)

Timeline for disclosure – 30 days

- (2)** Upon becoming a Promoter or appointment as a KMP or Director of the Company, such person, shall, disclose his/ her holding of securities of the Company as on the date of becoming a promoter or appointment as a KMP or Director, to the Company. (refer **Annexure 4**)

Timeline for disclosure – 7 days

CONTINUAL DISCLOSURES OF TRADING IN SHARES TO THE COMPANY

- (1)** Every Promoter, Employee and Director of the Company, shall, disclose the no. of securities acquired or disposed, if the value of securities traded, whether in 1 transaction or a series of transactions, over any calendar quarter, aggregates to a traded value exceeding Rs. 10 lakhs. (refer **Annexure 5**)

Timeline for disclosure – 2 trading days

- (2) Disclosure of incremental transactions further to the above, shall be made as and when the transaction is effected. (refer **Annexure 5**)

Timeline for disclosure – 2 trading days

NOTIFICATION OF CONTINUAL DISCLOSURES BY THE COMPANY TO STOCK EXCHANGES

The Company shall notify the Stock Exchanges on receipt of continual disclosure (as above) or becoming aware of such information.

Timeline for disclosure – 2 trading days

ANNUAL DISCLOSURE OF SHAREHOLDING

Every Promoter, Director, KMP and Designated Employee of the Company, shall, disclose his/her holding of securities of the Company as on date of every financial year ending 31st March, to the Company. (refer **Annexure 6**)

Timeline for disclosure – 30 days

For the purpose of all the above prescribed disclosures, whether initial, continual or annual, the disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account accordingly.

DISCLOSURE BY DESIGNATED PERSONS

a) One time disclosure (Refer Annexure – 7)

All designated persons are required to disclose the following information on a one time basis:

- The names of the educational institutions from where such designated person has graduated.
- The names of the past employers of such designated persons.

b) Continual Disclosure (Refer Annexure-8)

All designated persons shall disclose the names, Permanent Account Number (PAN) and mobile number of the following persons on an annual basis and as and when the information changes:

- Immediate relatives

- Person(s) with whom such designated person shares a material financial relationship.

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 from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

PENALTY FOR CONTRAVENTION

Every person, to whom the Code is applicable, shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/ her immediate relatives).

Any person who violates the Code, shall, in addition to any other penal action that may be taken against him under any law, also be subject to disciplinary action, including wage freeze, suspension, recovery, clawback etc.

The company shall inform the stock exchanges, where its securities are listed, about the violation of the code of conduct in such form and manner as prescribed by SEBI.

PROTECTION AGAINST RETALIATION AND VICTIMISATION

Any employee of the company may report any alleged violation of this code or the insider trading laws in accordance with the informant mechanism provided under the SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019.

Retaliation or Victimization of employees who have reported suspected violations is strictly prohibited under this code. Employees who have reported suspected violations of insider trading laws shall be protected against any discharge, termination, demotion, suspension, threats, harassment directly or indirectly or sort of discrimination against such employee.

APPLICATION FOR PRE-CLEARANCE OF TRADES

To
The Compliance Officer
NITCO Limited

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct to Regulate, Monitor and Report Trading by Insiders, I seek approval for purchase/ sale/ subscription of the securities of the Company as detailed below:

Name	Designation	No. of shares held (with Folio/ DP ID/ Client ID)	Nature of transaction for which approval is sought	No. of shares to be dealt

I hereby enclose the form of undertaking signed by me.

Signature

Date

Footnotes:

1. No application for pre-clearance can be made during closure of trading window; neither any pre-cleared transaction can be carried out during closure of trading window.
2. Pre-clearance required whenever Director(s)/ KMP/ Promoter or Person who is part of Promoter Group/ Designated Employee(s) intend dealing in its securities of the of value Rs. 10,00,000.
3. Pre-cleared order must necessarily be executed within 7 days of approval.
4. A statement of holdings to be furnished in **Annexure 5** after dealing in pre-cleared transaction.

UNDERTAKING TO BE EXECUTED AT THE TIME OF APPLYING FOR PRE-CLEARANCE

To
The Compliance Officer
Nitco Limited

I, s/o _____, r/o _____, hereby declare that I am a Promoter / Director/ KMP / Designated Employee (state designation) of NITCO Limited.

I further declare that I am not in possession of or otherwise privy to any unpublished price sensitive information upto the time of signing this undertaking.

In case I have access to or I receive any price sensitive information after signing this undertaking but before execution of the transaction, I shall inform the Compliance Officer of the change in my position and I would completely refrain from trading in the securities of the Company till the time such price sensitive information becomes public / generally available.

I declare that I have not contravened the Company's Code of Conduct to Regulate, Monitor and Report Trading by Insiders. I declare that I have made full disclosure in the matter.

Signature

Date

INITIAL DISCLOSURE

(As on 15th May 2015, date of commencement of
SEBI (Prohibition of Insider Trading) Regulations, 2015)

**STATEMENT OF HOLDINGS OF SECURITIES / DERIVATIVES OF PROMOTERS, KMPS AND
DIRECTORS AND THEIR IMMEDIATE RELATIVES**

To
The Compliance Officer
Nitco Limited

I. Statement of Holdings of Promoters, KMPS and Directors

Name	Designation	No. of shares/ derivatives held as on 15 th May, 2015	Folio No./ DP ID/ Client ID

II. Statement of Holdings of Immediate Relatives of Promoters, KMPS and Directors

Name	Relationship	No. of shares/ derivatives held as on 18 th May, 2015	Folio No./ DP ID/ Client ID

Signature

Date

Annexure-4

DETAILS OF SHARES OR VOTING RIGHTS HELD OR POSITIONS TAKEN IN DERIVATIVES BY PROMOTER, DIRECTOR OR KMP AND HIS IMMEDIATE RELATIVES, AS ON THE DATE OF BECOMING PROMOTER / DIRECTOR / KMP

To
The Compliance Officer
Nitco Limited

I. Statement of Holdings of Promoters, KMPs and Directors

Name	Designation	Date of assuming office of Director/ KMP or Date of becoming Promoter	No. of shares/ derivatives held	Date of Last Trade in the Securities of the Company (including trade in derivatives)	Folio No./ DP ID/ Client ID

II. Statement of Holdings of Immediate Relatives of Promoters, KMPs and Directors

Name	Relationship	No. of shares/ derivatives held	Date of Last Trade in the Securities of the Company (including trade in derivatives)	Folio No./ DP ID/ Client ID

Signature

Date

Details of trading by Promoter / Director / KMP/ Employee and his Immediate Relatives i.e. acquisition / disposal of securities, if the value of securities traded, whether in 1 transaction or a series of transactions, over any calendar quarter, aggregates to a traded value exceeding Rs. 10 lakhs

Details of trading subsequent to pre-clearance

Name, PAN No. & Address of Promoter / KMP/ Director/ Employee	No. & % of shares/ voting rights held by the Promoter/ Director/ KMP/ Employee	Date of receipt of allotment advice/ acquisition/ sale of shares/ voting rights	Date of intimation to company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)/sale	No. & % of shares/ voting rights post acquisition/ sale	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

Signature

Date

ANNUAL DISCLOSURE

STATEMENT OF HOLDINGS OF SECURITIES / DERIVATIVES OF PROMOTER, DIRECTOR, KMP AND DESIGNATED EMPLOYEE AND HIS/ HER IMMEDIATE RELATIVES

To
The Compliance Officer
Nitco Limited

I. Statement of Holdings of Promoters, KMPs and Directors

Name	Designation	Department	No. of shares/ derivatives held as on 1 st April, 20....	No. of shares bought / (sold) during the financial year	Date Of purchase / (sale) during the financial year	No. of shares/ derivatives held as on 31 st March, 20....	Folio No./ DP ID/ Client ID

II. Statement of Holdings of Immediate Relatives of Promoters, KMPs and Directors

Name	Relationship	No. of shares /derivatives st held as on 1 st April, 20....	No. of shares bought / (sold) during the financial year	Date of purchase / (sale) during the financial year	No. of shares/ derivatives held st as on 31 st March, 20....	Folio No./ DP ID/ Client ID

Signature

Date

ONE-TIME DISCLOSURE BY DESIGNATED PERSON

Particulars	Details
Name of educational institutions from which I have graduated	1. 2. 3. 4.
Name(s) of the past employer(s), if any	1. 2. 3. 4.

ANNUAL DISCLOSURE

To
The Compliance Officer,
Nitco Limited
 Nitco House, Plot No. 3, Kanjur Village Road,
 Kanjur Marg (E), Mumbai – 400042

Sub: Annual Disclosure in terms SEBI (Prohibition of Insider Trading) Regulations, 2015.

Name	Relationship	PAN	Mobile/Phone Number
	Self		
Immediate relatives*:			
1.			
2.			
3.			
4.			
Person(s) with whom you share a material financial relationship# if any.			
1.			

 Signature
 Name: _____
 Designation: _____

Date: _____
 Place: _____

** "Immediate Relative" of a person 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.*

#. "material financial relationship" means a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

