

# **NANAVATI VENTURES LIMITED**

## **CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

**Constituted Date:** 26<sup>th</sup> October, 2020

**Last Amendment Date:** 26<sup>th</sup> October, 2020

**APPROVED BY:** Board of Directors

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*Code of Conduct for Prohibition of Insider Trading*

**CODE OF CONDUCT FOR REGULATING, MONITORING AND  
REPORTING OF TRADING BY INSIDERS**

**INTRODUCTION:**

This Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives and for Fair Disclosure of **NANAVATI VENTURES LIMITED**, is framed pursuant to Regulation 8(1) & 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. This Code is being framed with an aim that the Designated Persons and their immediate relatives, as defined in the Code, do not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information (UPSI) about the Company which is not in the public domain and thus constitutes Insider information.

**OBJECTIVE OF THE CODE:**

The objective of the Code is to regulate, monitor and report trading by Designated Employees and other Connected Persons, Designated persons and immediate relative of designated persons towards achieving compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board of Directors has also approved and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 in its meeting held on 26<sup>th</sup> October, 2020, the same is being published on the website of the company.

**Applicability**

This Code shall apply to all Designated Employees and other Connected Persons mentioned in this Code.

**1. DEFINITIONS:**

**1.1 “Act”** means the Securities and Exchange Board of India Act, 1992 as amended.

**1.2 “Board”** means the Board of Directors of the Company.

**1.3 “Code”** or **“Code of Conduct”** shall mean this Code of Conduct for Regulating,

Monitoring and Reporting of trading by insiders of “Nanavati Ventures Limited” as amended from time to time.

**1.4 “Company”** means “Nanavati Ventures Limited”.

**1.5 "Compliance Officer"** means Company Secretary or any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate 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 these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be.

Explanation – For the purpose of this regulation, “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.”

**1.6 “Connected Person”** means:

(i) any person who is or has during the six months prior to the concerned act been associated with a company, 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 Company or holds any position including a professional or business relationship between himself and the Company 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.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:

- (a) An immediate relative of connected persons specified in clause (i); or
- (b) A holding company or associate company or subsidiary company; or
- (c) An intermediary as specified in Section 12 of the Act or an employee or director thereof; or
- (d) An investment company, trustee company, asset management company or an employee or director thereof; or
- (e) An official of a stock exchange or of clearing house or corporation; or
- (f) A member of board of trustees of a mutual fund or a member of the board of directors

- of the asset management company of a mutual fund or is an employee thereof; or
- (g) A member of the Board 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 the Board; or
  - (i) A banker of the Company; or
  - (j) A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

*NOTE: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.*

**1.7 “Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

**1.8 “Designated Persons” means:**

- (i) Members of the Board of Directors;
- (ii) CEO, Company Secretary, CFO;
- (iii) Auditors;
- (iv) All employees working in Corporate Accounts, Taxation, Company Secretary Division, Corporate Planning, Corporate Communication, Loans, Disbursement and Recovery Division, offices of Chairman & Managing Director and Whole-time Directors of the Company;
- (v) All Departmental Heads of the Company (For eg. Finance Head, Purchase Head, Sales Head etc);
- (vi) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Chairman/Managing Director/Whole-Time Director/ Compliance Officer/Chief Financial Officer, on a case-to-case basis; and
- (vii) Employees of material subsidiaries of the Company designated on the basis of their functional role or access to unpublished price sensitive information in the organization

by their board of directors.

- (viii) All promoters of the Company
- (ix) Employees upto two levels below Chief Executive Officer of the Company and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information
- (x) Any support staff of the Company, such as IT staff or secretarial staff who have access to unpublished price sensitive information;
- (xi) Such other persons as may be identified by the Compliance Officer

**1.9 “Director”** means a member of the Board of Directors of the Company.

**1.10 “Employee”** means every employee of the Company including the Directors in the employment of the Company.

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

**1.12 “Immediate Relative”** 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.

**1.13 “Insider”** means any person who,

- (i) A connected person; or
- (ii) In possession of or having access to unpublished price sensitive information.

**1.14 “Key Managerial Personnel” or “KMP”**, in relation to a company means:-

- (a) Chief Executive Officer or the Managing Director or the Manager;
- (b) Whole-time Director;
- (c) Company Secretary;
- (d) Chief Financial Officer; and
- (e) Such other officer as may be prescribed

**1.15 “Promoter”** 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.

**1.15A “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.

**1.16 "Regulation"** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation 2015 and any amendments thereto.

**1.17 "Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.

**1.18 "Stock Exchange"** means exchange where the company's shares are listed and traded.

**1.19 "Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

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

**1.21 "Trading Day"** means a day on which the recognized stock exchanges are open for trading;

**1.22 "Trading Window"** means trading period for trading in the Company's Securities. All days shall be the trading periods except when trading window is closed;

**1.23 "Unpublished Price Sensitive Information"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) Changes in key managerial personnel; and

Compliance Officer may decide any other matter also as Price Sensitive Information;

All other words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies

(Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under shall have the meanings respectively assigned to them in those legislation.

## **2. ROLE OF COMPLIANCE OFFICER:**

The Compliance Officer, subject to the supervision of the Board of Directors shall be responsible for –

- (i) Setting forth policies, procedures, monitoring adherence to the Code and Regulations for the preservation of unpublished price sensitive information, approval of trading plan, pre- clearance of trades and monitoring of trades and implementation of this Code.
- (ii) Maintaining the record of the Promoters, Directors, Key Managerial Personnel, Designated Persons and other connected persons and incorporate changes from time to time.
- (iii) Assisting all employees in addressing any clarifications in the Regulations or this Code.
- (iv) Advising all Designated Persons not to trade in securities of the Company when the Trading Window is closed.
- (v) Advising all Directors, Promoters, Key managerial personnel and Designated Persons to furnish the details of transactions in the securities of the Company as stated in clauses 7-9 in the prescribed form and to maintain a record of all the intimations received for a period of at least five years.
- (vi) Obtaining disclosures from Promoters, Directors, Key Managerial Personnel, Designated Persons and other connected persons and to give information, in respect of the disclosures received, to all the Stock Exchanges where the securities are listed, as applicable.
- (vii) Maintaining records of all disclosures as stated in clauses 7-10 of this Code and to report the same to the Chairman of the Audit Committee, on a half yearly basis.
- (viii) Reporting to the Board and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency and as may be stipulated by the Board but not less than once in a year. (reg. 9 (1) read with Schedule B)
- (ix) The trading window shall be closed when the compliance officer determines that a

designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed. Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information. (reg. 9 (1) read with Schedule B)

- (x) 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. (reg. 9 (1) read with Schedule B)
- (xi) 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. (reg. 9 (1) read with Schedule B)

### **3. PRESERVATION OF “PRICE SENSITIVE INFORMATION”:**

3.1. All Designated Employees and Connected Persons shall maintain the confidentiality of price sensitive information. All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

3.2. No insider 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.

3.3. 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.

3.4. Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:

- (i) Entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company; or
- (ii) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company 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.

However, 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 limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

### **3.5. NEED TO KNOW:**

(i) “need to know” basis means that Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

(ii)

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

### **3.6. LIMITED ACCESS TO CONFIDENTIAL INFORMATION:**

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

### **3.7. CHINESE WALL:**

To prevent the misuse of UPSI, the Company has adopted a “Chinese Wall” which separates those departments which routinely have access to UPSI, considered “inside areas” from those departments which deal with investment advice or other departments providing support services, considered “public areas”. Further as per said Chinese wall:

- ❖ The Employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas.
- ❖ The Employees in inside area may be physically separated from the Employees in public area.
- ❖ The demarcation of various departments as inside area shall be determined by the Compliance Officers in consultation with the Board.
- ❖ Only in exceptional circumstances, Employees from the public areas are brought over the wall,, and given UPSI on the basis of “need to know” criteria, under intimation to the Compliance Officer

### **4. DETERMINATION OF LEGITIMATE PURPOSES**

The term legitimate purposes shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisor, auditors, insolvency professionals or other advisors and consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

The board of directors shall guide the compliance officer to communicate any UPSI for legitimate purpose. The board of directors shall have adequate process and mode of sharing such information. Such person in receipt of UPSI pursuant to a ‘legitimate purpose’ shall be consider an “insider” for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with these regulations.

A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom it is required to share information for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for said legitimate purposes.

Sharing of UPSI shall be considered for a legitimate purpose whenever the Board of Directors considers deems fit in compliance with the provisions.

The policy will stand amended whenever there is an amendment in provisions of SEBI (PIT) Regulations, 2015 time to time.

## **5. TRADING PLAN:**

An insider shall be entitle to formulate a trading plan for dealing in securities of the Company 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.

### **5.1 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 issuer of the securities 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
- (vii) Not entail trading in securities for market abuse.

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

Provided that preclearance 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.

5.3 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.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

5.4 Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **6. TRADING WINDOW AND WINDOW CLOSURE:**

6.1 (i) The trading periods of the stock exchanges, called “trading window”, is available for trading in the Company’s securities.

(ii) The trading window shall be, inter alia, closed at the time:-

- a. Declaration of financial results (Quarterly, half yearly and annually)
- b. Declaration of Dividend (interim/final)
- c. Issue of securities by way of Public/Right/Bonus etc.
- d. Any major expansion plans or execution of new projects
- e. Amalgamation, merger, takeovers and Buy-Back
- f. Disposal of whole or substantially whole of the undertaking
- g. Any other matter which is likely to be price sensitive.

(iii) The Trading window shall be closed from end of each quarter to till 48 (Forty Eight) hours after the declaration of financial results, unless decided otherwise by the Board.

(iv) The Trading Window shall be re-opened 48 (Forty Eight) hours after the information referred hereinabove is made public.

(v) The Compliance Officer shall also close the trading window when he/she determines

that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates

(vi) All Designated persons and their immediate relatives shall conduct all their trading in the securities of the Company only in a valid trading window and shall not trade in any transaction involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred above or during any other period as may be specified by the Company from time to time.

(vii) 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 is closed.

6.2 The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when she/he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.

6.3 The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than 48 (Forty Eight) hours after the information becomes generally available.

## **7 PRE-CLEARANCE OF TRADES:**

7.1 All Designated Persons and their immediate relatives, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is above 1% of the total shareholding or above Rs. 10 Lakh (market value), whichever is less, should pre-clear the transaction. However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed and hence he shall not be allowed to trade. The compliance officer is authorized to change the aforesaid limit from time to time. The pre-dealing procedure shall be hereunder:

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*Code of Conduct for Prohibition of Insider Trading*

(i) An application may be made in the prescribed **Form A** to the Compliance officer along with an undertaking in **Annexure I** in favor of company by such Designated Persons or their immediate relatives who intends to deal in, incorporating, *inter alia*, the following clauses, as may be applicable:

- ❖ That He/she does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking.
- ❖ That in case He/she has access to or receives “Price Sensitive Information” after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- ❖ That he/she has not contravened the code of conduct for trading by insider as notified by the Company from time to time.
- ❖ That he/she has made a full and true disclosure in the matter.

(ii) The Compliance officer shall on receiving an application provide the Designated Persons or their immediate relatives with an acknowledgment on the duplication of the application. Further the Compliance officer shall grant approval (**Annexure II**) within 2 trading days from date of acknowledgement.

(iii) All Designated Persons or their immediate relatives shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within seven trading days after the approval is given, the designated person must pre-clear the transaction again. The designated person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form **Annexure III**. In case the transaction is not undertaken, the Designated Person or his/ her immediate relative shall inform the Compliance Officer of such decision along with reasons thereof immediately.

(iv) No Designated Person or his/ her immediate relative shall apply for pre-clearance of any proposed trade when the trading window is closed or if he/she is in possession of unpublished

price sensitive information. 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.

(v) It shall be the responsibility of Designated Person to ensure compliance of aforesaid clauses above in case of their immediate relatives also.

(vi) All Designated Person and their immediate relative who buy or sell any number of shares of the Company shall not enter into an opposite transaction or contra trade during the next six months following the prior transaction. 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. In case of any 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 the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

## 8 REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:

### 8.1 (a). Initial Disclosures:

By Whom	What to be disclosed	When to be disclosed	Form
Promoter/ Director/ KMP to the Compliance Officer	Holding of securities of the Company as on the date of this Code taking effect i.e. 18.11.2016	Within thirty days of this Code taking effect	Form A

Promoter/ Director/ KMP to the Compliance Officer	Holding of securities of the Company as on date of appointment or becoming Promoter	Within seven days of such appointment or of becoming Promoter	Form B
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### 8.1 (b). Continual Disclosure:

By Whom	What to be disclosed	When to be disclosed	Form
Promoter/ Director/ Employee to the Compliance Officer	Number of such securities acquired or Disposed off	Within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lakh or such other value as may be specified.  <i>*disclosure of incremental transactions shall be made when transactions effected After the prior disclosure cross the threshold specified above.</i>	Form C
Company	Details of above disclosure	Within two trading days of receipt of disclosure or becoming aware of such Information	Form D

Updated form with regard to Code shall be available with Compliance officer /website of the Company.

The disclosures to be made by any person under clause 8.1 shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purpose of clause 8.1.

**8.2. Disclosure by other connected person:**

Disclosures by other connected persons shall be as per SEBI (Prohibition of Insider Trading) Regulations, 2015 in prescribed form.

**8.3 Other Disclosures to the Company:**

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

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.

#### **9 DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGE(S):**

9.1 Within 2 days of the receipt of intimation under Clause 8.1, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.

9.2 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / designated person for a minimum period of five years.

#### **10 MECHANISM FOR PREVENTION OF INSIDER TRADING\***

The Managing Director of the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements to prevent insider trading. The internal Control shall include all the provisions which are mentioned in the Regulations. A list of all employees and other persons with whom UPSI is shared shall be maintained and if necessary agreements shall be signed and due Notice shall be served to such persons.

The Board shall review and evaluate the effectiveness and internal controls.

#### **11 DISSEMINATION OF PRICE SENSITIVE INFORMATION:**

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

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

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

- ❖ Only public information to be provided.
- ❖ At least two Company representatives are present at meetings with analysts, media persons and institutional investors.
- ❖ Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- ❖ Simultaneous release of information after every such meet.

## **12 PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT:**

- (i) Every Designated Person or their immediate relatives shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- (ii) Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code shall be penalized and appropriate action shall be taken against them by the Company after giving reasonable opportunity to them to show.
- (iii) Designated employee or their immediate relatives who violates the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, ineligibility for future participation in employee stock option plans, etc.
- (iv) The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **13 AMENDMENTS/REVISIONS:**

The Board shall have the power to amend/replace the code as and when applicable and revised from Regulators. The Company Secretary & Compliance officer is being authorized to make necessary changes in the disclosure required, format & other information to make a fair and transparent disclosure in aforesaid Code of Conduct.

### **INTERNAL CODE OF CONDUCT FOR DEALING IN SECURITIES BY DESIGNATED PERSONS AND THEIR**

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*Code of Conduct for Prohibition of Insider Trading*

**IMMEDIATE RELATIVES**

**(Reg. 9 (1))**

1. In addition to the prohibitions on insider described above, this Code imposes certain additional responsibilities and restrictions on certain categories of persons, who are defined below as Designated Persons.

A “Designated Person” would include the following categories of employees, for the purpose of this Code: (reg. 9 (4))

- (i) Directors of the Company including Independent Directors and Managing Director;
- (ii) Chief Financial officer/Company Secretary
- (iii) Permanent invitees/invitees to the board meeting and committee meetings
- (iv) All attendees of IMC/ DPM of the Company not being directors
- (v) Employees in the cadre of Assistant /Associate Vice President and above;
- (vi) Personal assistant/ secretary to all the above persons;
- (vii) All other employees of the Company and its material subsidiaries and associate companies, irrespective of their cadre working in accounts, finance, information technology, treasury, taxation departments, secretarial, legal and compliance departments, internal audit department, business/ investor’s relations and corporate communications department, and chief executive officer/ managing director’s office and chairman’s office.
- (viii) Persons employed on contract basis and performing similar roles or having similar responsibilities as persons mentioned in (ii), (iii) and (vi) above;
- (ix) And such other persons as may be notified by the Compliance Officer.

Designated persons shall disclose names and PAN or other identifier authorized by law, of the following persons in the format (as prescribed by the agency) on annual basis and as and when the information changes; (Schedule B – p. 14)

- a) Designated person him/ herself.
- b) Immediate relatives of designated person.
- c) Persons with whom such designated person(s) has a material financial relationship.
- d) Phone/cell numbers which are used by them.

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.

### **Special Responsibilities and Restrictions on Designated Persons**

The special responsibilities and restrictions imposed on Designated Persons are:

- a) Furnish Initial Disclosure about the number of securities of the Company held by him/ her and his / her immediate relatives, within 2 working days of implementation of this code or within 2 working days of joining the Company or becoming designated person.
- b) Obtain prior clearances of the Compliance Officer before dealing in securities exceeding such threshold limit as may be notified from time to time
- c) Not to deal in securities, during certain closed periods as may be notified generally or from time to time.
- d) Preserve Unpublished Price Sensitive Information.
- e) Designated persons shall not communicate, provide or allow access to any unpublished price sensitive information, relating to the 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 obligation.
- f) Not to pass on any Price Sensitive Information to any person (including but not limited to his or her family members, friends, business associates etc.) directly or indirectly by way of making recommendation for trading in Company's securities.
- g) Not to communicate Price Sensitive Information in situation in which there would be an uncertainty as regards conflict of interest or the possibility of misuse of the information.
- h) Not to discuss or disclose Price Sensitive Information in public places.
- i) Not to disclose Price Sensitive Information to any Employee who does not need to know the information for discharging his or her duties or responsibilities.
- j) Not to apply for pre-clearance and trade plan when in possession of Unpublished Price Sensitive Information even though the closed period is not notified till such time the Unpublished Price Sensitive Information becomes generally available.
- k) Not to execute contra trade within a period of 6 months from the date of last transaction either by self or through immediate relatives. Provided that

this restriction shall not be applicable for trades pursuant to exercise of stock options.

If the opposite transactions are executed in violation of this provision, 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. Such persons may however apply to the Compliance Officer in for waiver of the restriction on contra trade, if there is a need to sell the said securities due to personal emergency.

Every Designated Person is required to maintain strict confidentiality of all Unpublished Price Sensitive Information and prohibited from passing on such information to any person directly or indirectly. Attention is specifically drawn to Regulation 3(i) of the PIT Regulations, which prohibits an insider to communicate, provide, or allow access to any Unpublished Price Sensitive Information relating to the Company or its securities listed or proposed to be listed. All data, documents, information, forms, records, files (physical as well as soft files) are required to be kept secure and confidential by all the designated persons. All information within the organization shall be handled on need to know basis. When a person who has traded in securities has been in possession of unpublished price sensitive information, his/her trade would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

**MAINTENANCE OF STRUCTURED DIGITAL DATABASE (Reg. 9A)**

The Company shall maintain a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under this code read with PIT Regulations, along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

The said digital database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

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**APPLICATION FOR PRE-CLEARANCE OF TRADE UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATION, 2015**

(To be given in duplicate)

To,  
The Compliance Officer,  
**NANAVATI VENTURES LIMITED,**

Date:

Dear Sir/Madam,

**Sub: Application for Pre –Dealing approval in Securities of the Company**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulation 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase/sale/subscription of ..... equity shares of the Company as per details below:

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

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

\_\_\_\_\_  
(Signature)

**ANNEXURE I**

**FORMAT OF UNDERTAKING**

To,  
**NANAVATI VENTURES LIMITED,**

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

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

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

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

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

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

.....  
Signature

Date:

\* Indicate number of shares

**ANNEXURE II**

**FORMAT OF PRE-CLEARANCE ORDER**

To,

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (no) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within 7 trading days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a “Nil” report shall be necessary.

Yours faithfully,

For **NANAVATI VENTURES LIMITED**

**COMPLIANCE OFFICER**

Date: \_\_\_\_\_

Encl: Format for submission of details of transaction



**ANNEXURE III**

**FORMAT OF DISCLOSURE OF TRANSACTIONS**

To,  
The Compliance Officer,  
**NANAVATI VENTURES LIMITED**

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_\_ (date)

<b>Name of holder</b>	<b>No. of securities dealt with</b>	<b>Bought/ Sold/ Subscribed</b>	<b>DP ID/ Client ID/ Folio no.</b>	<b>Price (Rs.)</b>

In connection with aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the compliance officer/ SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery Instruction Slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (*Applicable in case of purchase / subscription*).

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name:

Designation:

\*\*\*\*\*