

# NIVI TRADING LIMITED

CIN: L99999MH1985PLC036391

## CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

### 1. Compliance Officer

- 1.1 Nivi Trading Limited (hereinafter referred to as “the Company”) has appointed Ms. Nikitha Nair, Company Secretary as the Compliance Officer for this purpose.
- 1.2 The Compliance Officer will report to the Managing Director/Chief Executive Officer of the Company with respect to the matters covered under the Company’s Code of Conduct for prevention of insider trading.
- 1.3 The Compliance officer shall be responsible, under the overall supervision of the Board of Directors of the Company, for the following:
  - 1.3.1 Setting forth policies, procedures, monitoring adherence to the rules for the prevention of misuse of “Unpublished Price Sensitive Information”;
  - 1.3.2 Preclearing trades of the employees and their dependants in respect of the securities of the company;
  - 1.3.3 Monitoring of trades;
  - 1.3.4 Implementation of the code of conduct for prevention of insider trading;
  - 1.3.5 Provide reports in this regard, at weekly frequency as may be stipulated by the Board of Directors;
  - 1.3.6 Formulate a code for fair disclosure and conduct of unpublished price sensitive information.
- 1.4 The Compliance officer shall maintain the records of the employees and any changes made in the list of employees.
- 1.5 The Compliance officer shall assist all the employees in addressing any clarification in this regard.

### 2. Persons covered under the Company’s Code of Conduct (“Insiders”)

- 2.1 Designated Persons:

- 2.1.1 All promoters of the Company and promoters who are individuals or investment companies for intermediaries or fiduciaries;
  - 2.1.2 Chief Executive Officer and employees upto two levels below Chief Executive Officer of the Company, intermediary, fiduciary and the material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
  - 2.1.3 Employees at the level of Deputy General manager and above and all the employees in the important departments including accounts and finance department, legal department, internal audit department, IT department, Mergers & Acquisition Department (hereinafter referred as “Designated employees”);
- 2.2 Immediate Relative of 2.1 above where “immediate relative” shall mean 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;
- 2.3 Any person in receipt of Unpublished Price Sensitive information pursuant to a “legitimate purpose”
- 2.4 Any other person having possession of Unpublished Price Sensitive Information.

### **3. Unpublished Price Sensitive Information or UPSI**

- 3.1 Insiders shall maintain confidentiality of all Unpublished Price Sensitive Information. Insiders shall not pass on such information to any person directly or indirectly by way of making a recommendation for purchase or sale of securities.

*Definition of “Unpublished Price Sensitive Information” as per SEBI (Prohibition of Insider Trading) Regulations, 2015 alongwith SEBI ( Prohibition of Insider Trading) (Amendment) Regulations, 2018 is reproduced below:*

**“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 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, delistings, disposals and expansion of business and such other transactions;**
- (v) changes in key managerial personnel; and**

- 3.2 Unpublished Price Sensitive Information” is to be handled on a “need to know” basis i.e., Unpublished price sensitive information should be disclosed only to those within the company who need the information to discharge their duty.

3.3 All the files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

#### 4. Prevention of misuse of “Unpublished Price Sensitive Information”

All insiders shall be subject to trading restrictions as enumerated below:

##### 4.1 Trading Window

4.1.1 The trading window shall be closed for a period starting from the end of every quarter till 48 hours after the declaration of financial results or of other price sensitive information as stated in clause 4.1.3 below.

4.1.2 When the trading window is closed, the insiders shall not trade in the Company's securities in such period.

4.1.3 The trading window shall be, inter alia, closed at the time of:

- (a) Declaration of Financial results (quarterly, half yearly and annually)
- (b) Declaration of dividends (interim and final)
- (c) Issue of securities by way of public / rights / bonus etc.
- (d) Any major expansion plans or execution of new projects.
- (e) Amalgamation, mergers, takeovers and buyback.
- (f) Disposal of whole or substantially whole of the undertaking.
- (g) Any changes in policies, plans or operations of the Company.

4.1.4 All insiders shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transactions involving the purchase or sale of the Company's securities during the periods when trading window is closed, as referred to in para 4.1.3 or during any other period as may be specified by the Company from time to time.

##### 4.2 Preclearance of trades

4.2.1 Except when “Trading Window” is closed as referred to in 4.1.2, all insiders who intend to deal in the securities of the Company in excess of **1000 shares** or **market value of Rs. 5,00,000/-** whichever is less should preclear the transaction as per the pre-dealing procedure as described hereunder.

4.2.2 An application in **FORM B** shall be made to the Compliance Officer indicating the estimated number of securities that the insider intends to deal in, the details of the depository with which he or she has a security account, the details of the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.

4.2.3 The Statement of shareholding at the time of preclearance in **FORM C**.

- 4.2.4 An undertaking in **FORM D** shall be executed in favour of the Company by such insider.
- 4.2.5 All insiders shall execute their order in respect of securities of the Company within one week from the date of approval of preclearance by the Compliance Officer. If the order is not executed within one week from such date of approval, the insider must preclear the transaction again after giving sufficient reason in writing, to the Compliance Officer, for such non-execution.

#### 4.3 Contra Trade

- 4.3.1 Insiders who trade in the securities of the Company shall not enter into a contra trade transaction during the next six months following the previous transaction (i.e. if you BUY, you cannot SELL shares for the next six months and vice versa).
- 4.3.2 In case of any Contra Trade being executed, inadvertently or otherwise, in violation of such restriction, the profits from such trade shall be liable to be discharged for remittance to the SEBI for credit to the Investor Protection and Education Fund administration by SEBI.
- 4.3.3 In the event, the sale of securities is necessitated by personal emergency within the 6 months period, the above requirement may be waived by the Compliance officer after recording in writing his/her reasons.
- 4.3.4 Contra-trade shall not be applicable to trades pursuant to exercise of stock options.

#### 4.4 Trading Plan

- 4.4.1 Any insider shall be entitled to formulate a Trading Plan for a period not less than 12 months that complies with the SEBI (Prohibition of Insider Trading) Regulations, 2015 including the provisions contained in SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and other such amendments issued from time to time.
- 4.4.2 The trading plan shall 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;
- 4.4.3 Insiders shall ensure that the trading plan does not include trading for the period between the 20<sup>th</sup> trading day prior to last day of any financial period for which the results are required to be announced by the Company and the second trading day after the disclosure of such financial results.
- 4.4.4 This Trading Plan shall be presented to the Compliance officer for approval and public disclosure pursuant to which the trades may be carried out in his behalf in accordance with such plan.

- 4.4.5 The Compliance officer shall review and approve the Trading Plan if it complies with the said SEBI Regulations and shall disclose the Trading Plan to the Stock Exchanges.
- 4.4.6 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.
- 4.4.7 The implementation of the said trading plan shall not be commenced, if at the time of formulation of the plan, the insider is in possession of Unpublished Price Sensitive Information and the said information has not become generally available at the time of commencement of implementation. It shall be deferred until the same becomes generally available information.
- 4.4.8 Trades executed as per an approved trading plan shall not require pre-clearance of trades and compliance with trading window and/or contra trade norms.

## **5. Reporting Requirements**

### 5.1 Designated persons:

- 5.1.1 Designated persons shall be required to disclose names and PAN or any other identifier authorised 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
- 5.1.2 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 12 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.
- 5.1.3 The Designated persons shall also disclose the names of the educational institutions from which they have graduated and names of their past employers on a one-time basis.

- 5.2 All insiders shall be required to forward following details of their Securities transactions including the statement of dependent family members i.e., dependent parents, spouse, sons and daughters, to the Compliance officer.

- 5.2.1 All holdings in securities of the Company at the time of joining the Company, in **FORM A**.
  - 5.2.2 Confirmation of sale/purchase of shares (for which approval was granted) in **FORM E** immediately after completion of sale/purchase as the case may be.
  - 5.2.3 Disclosure of change in holding after sale/purchase of shares in **FORM F** immediately after completion of sale/purchase as the case may be.
  - 5.2.4 Disclosure to the Company, if the value of securities acquired or disposed of, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of **Rs. 10,00,000/-** (Rupees Ten Lakhs) in **FORM G & FORM C under SEBI (PIT) regulations, 2015** within 2 trading days of such trade.
  - 5.2.5 Annual Statement as on 31<sup>st</sup> March every year of all holdings in securities in **FORM H**.
- 5.3 The Compliance officer shall maintain records of all the declarations in the appropriate form given by the insiders for a minimum period of three years.
- 5.4 The Compliance officer shall place before the Managing Director/Chief Executive Officer or a committee specified by the Company, on a quarterly basis all the details of the dealing in securities by insiders and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

## **6. Penalty for contravention of code of conduct**

In case of any contravention of the Company's Code of Conduct, the insider shall be subjected to the following penalties.

- 6.1 Any insider who trades in securities or communicates any information for trading in securities in contravention of the code of conduct will be penalized by way of penalty of **Rs. 50/- per share** for the number of shares traded in or **Rs. 5000/-** whichever is higher.
- 6.2 The Company shall take appropriate action against such insider as may be recommended by the Compliance Officer.
- 6.3 Any Director/officer/designated employee of the Company who violates the code of conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, recovery, clawback etc.
- 6.4 Apart from the above action taken by the Company, SEBI may take any appropriate action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015 including any amendments made from time to time.

## **7. Code of fair disclosure and conduct**

The Company shall diligently observe the following principles of fair disclosure of unpublished price sensitive information (UPSI):

### **7.1 Disclosure of UPSI**

7.1.1 Disclosure/dissemination of any UPSI shall be done promptly, by the Compliance Officer or the Chief Investor Relations Officer or such other person as authorised by the Board of Directors from time to time, by intimating such UPSI to the Stock Exchanges and uploading the same on the website of the Company in accordance with the SEBI (Prohibition of Insider Trading) regulations, 2015 including any amendments made from time to time.

7.1.2 The Board of Directors of the Company shall ensure prompt public disclosure of UPSI pursuant to this policy and the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (including any amendments made from time to time) with an objective of making such unpublished information generally available.

7.1.3 The Board of Directors, when making the unpublished information public, shall ensure uniform and universal dissemination to avoid selective disclosure.

7.1.4 There shall be Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available.

7.1.5 No UPSI shall be shared with any person unless the information is made generally available i.e. it becomes public information.

### **7.2 Dealing with market rumours**

7.2.1 The Directors and Employees of the Company shall promptly direct any queries or requests of market rumours received from the stock exchanges or from the press of media or from any other source to the Compliance Officer.

7.2.2 The Compliance officer or such other person as authorised by the Board of Directors shall give an appropriate, fair and prompt response to the queries or requests for verification of market rumours by regulatory authorities.

### **7.3 Dealing with Analysts/ Institutional Investors / Media**

7.3.1 Any meeting or interaction with analysts / institutional investors / media shall be conducted in such a way that only information which is generally available is provided and shared at such events.

7.3.2 Information shared at such events shall be recorded and made available in the form of transcripts on the website of the Company.

#### 7.4 Communication or procurement of UPSI

7.4.1 No insider shall communicate, provide or allow access to any UPSI, 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 obligations.

7.4.2 No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

7.4.3 The term “Legitimate purposes” shall include the following:

(i) sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations;

(ii) other such purposes the Board may determine from time to time.

7.4.4 Any person in receipt of UPSI pursuant to such “legitimate purpose” shall be given due notice regarding maintaining confidentiality of such UPSI in compliance with this policy and also regarding the liability attached with misuse or unwarranted use of such UPSI.

#### **8. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations**

8.1 In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendments made from time to time, SEBI shall be informed by the Company/Compliance officer.

#### **9. Authority to amend the Company’s Code of Conduct**

9.1 The Company/Compliance Officer is authorised to amend / alter/ delete any of the above-mentioned clauses of the Company’s Code of Conduct or add any new clause to the Company’s Code of Conduct.

**(The above policy was reviewed and approved by the Board of Directors at its meeting held on 17<sup>th</sup> May, 2019)**

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**FORM A**

**FORM FOR INITIAL DISCLOSURE OF DETAILS OF SHARES HELD BY PROMOTER/SUBSTANTIAL SHAREHOLDERS/DIRECTORS/DESIGNATED EMPLOYEES**

To,  
The Compliance Officer

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

**I. DETAILS OF SHAREHOLDING OF PROMOTER / SUBSTANTIAL DIRECTOR / OFFICER / DESIGNATED EMPLOYEE HELD IN THEIR OWN NAME**

Name	Designation	Department/ Date of Joining	Date of becoming Substantial Shareholder / Director / Officer / Designated Employee	No. of shares held	Date of acquisition	Folio No./DP ID / Client ID

**II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS (SPOUSE, PARENTS, SIBLINGS, CHILDREN WHO ARE FINANCIALLY DEPENDENT)**

Name of Relative	Relationship	No. of Shares held	Folio No./DP ID / Client ID

**I/We further declare that the above disclosures is true and correct.**

Signature\_\_\_\_\_

**FORM B**  
**APPLICATION FOR PRE-CLEARANCE**

To,  
The Compliance Officer

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

From,

Name :  
Designation :  
Department :

With reference to the Code for prohibition of Insider Trading, I seek your approval to subscribe to/agree to subscribe to/ purchase/sell/deal as an agent/ principal in \_\_\_\_\_ (nos.) equity shares of the Company in the next seven days.

The statement of shareholding in **FORM C** as on \_\_\_\_\_ and Undertaking in **FORM D** in the prescribed format are enclosed for your perusal in this connection.

I have gone through the Code of Conduct in respect of prevention of Insider Trading and I will abide by all the rules made there under.

I have understood that I will be dealing in the securities in the course of next seven days after receiving the permission from you.

I agree that if after getting your approval I do not trade in the securities within 7 trading days. I will treat the permission given as cancelled.

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

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

**FORM C**  
**STATEMENT OF SHAREHOLDING AT THE TIME OF PRE-CLEARANCE**

To,  
 The Compliance Officer

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

**II. DETAILS OF SHAREHOLDING OF PROMOTER / DIRECTOR / OFFICER / DESIGNATED EMPLOYEE HELD IN THEIR OWN NAME**

Name	Designation	Department	No. of Shares held (with Folio/DP ID/Client ID)	Nature of Transaction for which Approval is sought	No. of Shares to be dealt

**III. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS (SPOUSE, PARENTS, SIBLINGS, CHILDREN WHO ARE FINANCIALLY DEPENDENT)**

Name	Relationship	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/We further declare that the above disclosures is true and correct and is in accordance with the previous disclosures given to the Company.

Signature\_\_\_\_\_

**FORM D**

**UNDERTAKING TO BE SUBMITTED ALONGWITH THE APPLICATION FOR PRE-CLEARANCE**

I, \_\_\_\_\_ (Name, Designation and Department) residing at \_\_\_\_\_ (Address) am desirous of dealing in \_\_\_\_\_ no. of shares of the Company as mentioned in my application dated \_\_\_\_\_ for per-clearance of the transaction.

As required by the Code of Prohibition of Insider Trading. I hereby state that –

- (a) I neither possess nor have any access to information that could be construed as “Unpublished Price Sensitive Information” as defined in the code up to the time of signing this undertaking;
- (b) In the event that I have access to or received any information that could be construed as “Unpublished 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;
- (c) I have not contravened the provisions of the code of conduct for prohibition of Insider Trading as notified by the Company from time to time.
- (d) I have made full and true disclosure in the matter.

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

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

**FORM E**  
**CONFIRMATION OF DEAL**

To,  
The Compliance Officer,

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

Dear Sir,

I confirm that the share dealing for which approval was granted on \_\_\_\_\_ was completed on \_\_\_\_\_ by purchasing / selling \_\_\_\_\_ (nos.) equity shares of the Company.

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

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

**FORM F**  
**FORM FOR DISCLOSURE OF CHANGE IN HOLDING**

To,  
The Compliance Officer

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

**I. DETAILS OF SHAREHOLDING OF PROMOTER / SUBSTANTIAL SHAREHOLDER(S) / DIRECTOR / OFFICER / DESIGNATED EMPLOYEES HLD IN THEIR OWN NAME**

Name	Designation	Department	No. of Shares held before the transaction	Name of Transaction			Date of Transaction	No. of Shares Transacted	Whether Approval Obtained	Date of Approval	Approval No.	Balance Holding as on _____	Folio No./DP ID / Client ID
				Purchase	Sale	Others (Specify)							

**II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS (SPOUSE, PARENTS, SIBLINGS, CHILDREN WHO ARE FINANCIALLY DEPENDENT)**

Name	Relationship	No. of Shares held before the transaction	Name of Transaction			Date of Transaction	No. of Shares Transacted	Whether Approval Obtained	Date of Approval	Approval No.	Balance Holding as on _____	Folio No./DP ID / Client ID
			Purchase	Sale	Others (Specify)							

I/We further declare that the above disclosures is true and correct and is in accordance with the previous disclosures given to the Company.

Signature \_\_\_\_\_

## FORM G

### FORM FOR QUARTERLY DISCLOSURE (IF VALUE OF TRANSACTION EXCEEDS TEN LAKHS IN A QUARTER)

To,  
The Compliance Officer

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

#### III. STATEMENT OF SHAREHOLDING OF PROMOTER / DIRECTOR / OFFICER / DESIGNATED EMPLOYEE

Name	Designation	Department	No. of Shares held on _____ / at the beginning of the Quarter	No. of shares <b>bought</b> during the Quarter	No. of Shares <b>sold</b> during the Quarter	No. of Shares held on _____ / at the end of the Quarter	Folio No./DP ID / Client ID

#### IV. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS (SPOUSE, PARENTS, SIBLINGS, CHILDREN WHO ARE FINANCIALLY DEPENDENT)

Name	Relationship	No. of Shares held on _____ / at the beginning of the Quarter	No. of shares <b>bought</b> during the Quarter	No. of Shares <b>sold</b> during the Quarter	No. of Shares held on _____ / at the end of the Quarter	Folio No./DP ID / Client ID

I/We further declare that the above disclosures is true and correct and is in accordance with the previous disclosures given to the Company.

Signature \_\_\_\_\_

**FORM H**  
**FORM FOR ANNUAL DISCLOSURE**

To,  
The Compliance Officer

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

**I. STATEMENT OF SHAREHOLDING OF PROMOTER / DIRECTOR / OFFICER / DESIGNATED EMPLOYEE**

Name	Designation	Department	No. of Shares held on <b>1st April, 20__</b>	No. of shares <b>Bought</b> during the year 20__-__	No. of Shares <b>sold</b> during the year 20__-__	No. of Shares held on <b>31st March, 20__</b> at the end of the year	Folio No./DP ID / Client ID

**II. DETAILS OF SHARES HELD BY DEPENDENT FAMILY MEMBERS (SPOUSE, PARENTS, SIBLINGS, CHILDREN WHO ARE FINANCIALLY DEPENDENT)**

Name	Relationship	No. of Shares held on <b>1st April, 20__</b>	No. of shares <b>Bought</b> during the year 20__-__	No. of Shares <b>sold</b> during the year 20__-__	No. of Shares held on <b>31st March, 20__</b> at the end of the year	Folio No./DP ID / Client ID

I/We further declare that the above disclosures is true and correct and is in accordance with the previous disclosures given to the Company.

Signature \_\_\_\_\_

## PRE-CLEARANCE ORDER

To,

Name :  
Designation :  
Department :

This is to inform you that your request for dealing in \_\_\_\_\_ (nos.) 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.

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

**For NIVI TRADING LIMITED**

**Compliance Officer**