

INSIDER TRADING POLICY

INTRODUCTION

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as the “Regulations”), the Company is required, inter alia, to frame a Code of Conduct for prohibition of insider trading (hereinafter called as the Code) in relation to the Company and its securities.

In line with the said Regulations, the following “**Code of Conduct for Prohibition of Insider Trading**” (hereinafter referred to as the “**Code**”) has been prepared:

APPLICABILITY

The code shall be applicable to the employees and connected persons dealing in securities hereinafter called as the designated persons specified by the Board of Directors of the Company.

The designated persons shall include the following:

- (a) Employees in Finance, Accounting, Taxation and Secretarial functions;
- (b) Heads of all divisions by whatever designation they may be called
- (c) Managers above M3 level
- (d) Such other employees as may be determined by the code from time to time

DEFINITIONS

- (a) “**Compliance Officer**” means the Company Secretary of the Company shall act as a Compliance Officer for these Regulations and administer the code and other requirements under the regulations. The Compliance Officer shall half yearly report to the Board of Directors and Chairman of the Audit Committee.

- (b) “**Insider**” means any person who is:

- (i) a connected person; or
- (ii) in possession of or having access to Unpublished Price Sensitive Information.

- (c) “**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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 an intermediary as specified in section 12 of the Act or an employee or director thereof; 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 a Company or his immediate relative or banker of the Company, has more than 10% of the holding or interest;

(d) **“Unpublished Price Sensitive Information (UPSI)”** means any information: -

- i relating to the Company and its securities, directly or indirectly, that is not generally available to the public which becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to financial results, dividends, changes in the capital structure, mergers, de- mergers, acquisitions, delistings, disposals, expansion of business and such other transactions, changes in Key Managerial Personnel and material events in accordance with the listing agreement.
- ii However, the code is not restricted to the information of events mentioned above, and it shall include any, direct or indirect information relating to the Company or its securities.

(e) **“Generally Available Information”** means information relating to the Company and its securities, which is accessible to the public on a non-discriminatory basis.

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

Words and expressions used and not defined in this code but defined in the Regulations, 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 Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

This Code is intended to govern the “Regulating”, “Monitoring” and “Reporting” of trading by insiders in shares of the Company by the Company.

RESTRICTIONS ON COMMUNICATION AND PRESERVATION OF UPSI

- a) The insider shall not communicate any UPSI regarding Company and its securities to any person including other insiders.
- b) Any communication in the furtherance of legitimate purposes, performance of duties or discharge of legal obligations and in the situations as provided in the Regulations shall not be violation of this code.
- c) Any communication in the organization by and/or among the insiders shall be strictly on need to know basis.
- d) No insider shall trade in securities of the Company when in possession of UPSI.

TRADING PLANS

- a) An Insider willing to deal in the securities of the Company shall be entitled to formulate a Trading Plan (“the Plan”) and present it to the Compliance Officer for approval, pursuant to which trades may be carried out on his behalf.
- b) Such Plan shall be formulated in accordance with and governed by the Regulations.
- c) The Compliance Officer shall review the 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. Upon approval of the Plan, the Compliance Officer shall notify the same to the Exchanges.

- d) The Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the same, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Plan.
- e) The implementation of the Plan shall not be commenced if any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of the Plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes generally available information so as to avoid a violation of the Regulations.

TRADING WINDOW

- a) The Designated persons may execute trades subject to compliance with these regulations and a notional trading window shall be used as an instrument of monitoring trading by the designated persons.
- b) The Designated persons and their immediate relatives shall not trade in securities when the trading window is closed and 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 UPSI.
- c) Designated person shall not execute a contra trade within not be less than six months subject to the grant of relaxation by the Compliance Officer in accordance with the regulations.
- d) The Compliance Officer, wherever required, shall close the trading window and shall not re-open earlier than 48 hours after UPSI becomes generally available.
- e) Where the volume of shares to be traded\ dealt are 5000 or above shares, then such trade shall be subject to pre-clearance by the Compliance Officer.
- f) The pre-cleared trades need to be executed within seven trading days failing which fresh pre-clearance would be needed for the trades to be executed.
- g) Trading window shall be closed by the Compliance Officer when notice to the Board is issued for quarterly meetings till second day when the price sensitive information, if any, is made generally available by the Company.

DISCLOSURES AND REPORTING

- (i) Every Promoter, Key Managerial Personnel and Directors of the Company shall disclose their holding of securities of the Company annually as per Form A.
- (ii) Any person appointed as Key Managerial Personnel or a director of the Company or upon becoming a promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter in Form B.
- (iii) If the value of the securities traded by promoters, employees and directors, during any calendar quarter, aggregates in excess of Rs. 10 Lakhs (Rupees Ten Lakhs) then a disclosure shall be made to the Company within two trading days of the transaction, about the number of securities acquired or disposed and the Company shall further notify the particulars of such trading to the stock exchange within two trading days of receipt of the disclosure or from becoming aware of such information in Form C.
- (iv) The disclosures by any person under this code shall also include trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.
- (v) The disclosures of trading in securities shall also include trading in derivatives of securities in value.
- (vi) The Company may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with these

regulations. The Internal Auditors shall disclose the holdings before commencement of the Audit and thereafter at the beginning of every quarter within 7 working days. The Statutory Auditors and Auditors for Secretarial Audit shall disclose the holdings before commencement of the Audit and thereafter after completion of the Audit within 7 working days. The Auditors shall provide the disclosures in Form A.

PENALTY

- a) The designated persons who violate the code of conduct may be penalized and appropriate action or disciplinary action may be taken by Compliance Officer or Board of Directors after giving reasonable opportunity to explain him/her stand in the matter. The disciplinary action may include wage/salary freeze, suspension, ineligibility for future participation in employee stock option plans etc.
- b) The Board of Directors of the Company shall inform the Stock Exchange promptly in case of violation of the code and the regulations.
- c) The action taken by the Company shall not preclude Stock Exchange from taking action in case of violation of these Regulations.

GENERAL

The formats for making applications for pre-clearance, reporting of trades executed, reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations shall be specified by the Board of Directors as deems necessary.

By order of the Board
For NRI Investments Limited

Sd/-
Bal Bahadur Karki
Director
DIN: 00189212