

# **NATIONAL STEEL AND AGRO INDUSTRIES LIMITED**

## **CODE OF CONDUCT**

**SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

## 1. INTRODUCTION

This code may be called as code of conduct of National Steel and Agro Industries Limited to regulate, monitor and report trading of Company's Securities by its Designated Persons and their immediate relatives. This Code can be modified / amended / altered by the Board.

Insider Trading means dealing in securities of a listed company traded on any Stock Exchange in India by Insiders based on or when in possession of unpublished price - sensitive information (UPSI). The Securities and Exchange Board of India (SEBI), as part of its efforts to protect the interest of investors in general, had issued the SEBI (Prohibition of Insider Trading) Regulations, 2015, under the powers conferred on it by the SEBI Act, 1992, which is made applicable to all the listed companies. The Regulations prohibits insider trading.

## 2. APPLICABILITY

This code shall be applicable to Designated Persons and their immediate relatives.

## 3. DEFINITIONS

- (a) **“Act”** means the Securities and Exchange Board of India Act, 1992
- (b) **“Board of Directors”** means the Board of Directors of NATIONAL STEEL AND AGRO INDUSTRIES LIMITED
- (c) **“Company”** or **“the Company”** means National Steel and Agro Industries Limited.
- (d) **“Compliance Officer”** means any Officer appointed by the Board of Directors of the Company for the purpose of these regulations from time to time.
- (e) **“Code”** or **“Code of Conduct”** means this code of Conduct to regulate, monitor and report trading of Company's Securities by Designated Persons and their immediate relatives, including modifications made thereto from time-to-time.
- (f) **“Designated Persons”** means:-
  - (i) All directors whether executive, non- executive or independent
  - (ii) Chief Financial Officer (CFO)

- (iii) General Manager and above of all the departments of the Company
  - (iv) All Employees of Finance & Accounts Department and Secretarial Department.
- (g) **“Director”** means Directors on the Board of the Company whether executive, non- executive or independent.
- (h) **“immediate relative”** means a spouse of a person, and includes parent, sibling, and children of such person.
- (i) **“Insider”** means any person who is:
- (i) a connected person; or
  - (ii) in possession of or having access to unpublished price sensitive information
- (j) **“Promoter”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- (k) **“Regulation”** means Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015 as amended from time to time.
- (l) **“Trading”** means and includes subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities and “trade” shall be construed accordingly.
- (m) **“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, de-listings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and

- (vi) material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Note: Words not defined herein shall have the meaning as per the SEBI (Prohibition of Insider Trading) Regulations, 2015

#### **4. CODE**

##### **1. Compliance Officer**

- 1.1 The Company has appointed the Company Secretary as the Compliance Officer who shall report to the Board of Directors.
- 1.2 The Compliance Officer shall be responsible for setting policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing trades of Designated Persons and their immediate relatives, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board.
- 1.3 The Compliance Officer shall maintain a record of the Designated Persons and any changes made in the list of Designated Persons.
- 1.4 The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the Company's code of conduct.

##### **2. Preservation of Unpublished Price -Sensitive Information.**

- 2.1 Designated Persons shall maintain the confidentiality of all Price Sensitive Information. Designated Persons shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- 2.2 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.

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

### **3. Trading Window.**

Designated Persons of the Company shall be subject to trading restrictions as enumerated below.

- (i) When the trading window is closed Designated Persons shall not trade in the Company's securities in such period.
- (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 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 buy-back.
  - f. Disposal of whole or substantially whole of the undertaking.
  - g. Any changes in policies, plans or operations of the Company.
  - h. And any other matter which is likely to be price sensitive.
- (iii) Closure of trading window shall commence 7 days before the date of meetings of Board of Directors of the Company are held to consider any of the items referred hereinabove, unless decided otherwise by the board.
- (iv) The trading window shall be re-opened 48 hours after the information referred hereinabove, is made public.

- (v) Designated Persons of the Company shall conduct all their dealings in the securities of the Company only during trading window is open.

Designated Persons shall not engage in dealing in securities, whether on their own account or on behalf of the immediate relatives and shall ensure that their immediate relatives also not engage in Dealing in Securities on their own account, if such Designated Persons is in possession of any unpublished price sensitive information.

#### **4. Trading Plan**

4.1 An insider, pursuant to the provisions of Regulation 4 and 5 of SEBI (Prohibition of Insider Trading) Regulations 2015, shall be entitled to formulate a trading plan 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.

4.2 Such 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
- (vi) not entail trading in securities for market abuse.

- 4.3 Compliance officer shall review the trading plan, approve and monitor the implementation of the plan.
- 4.4 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.
- 4.5 The Insider shall not execute the aforesaid trading plan 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 Insider shall execute trading plan when such information shall become public.
- 4.6 After approval the trading plan Compliance Officer shall inform Stock Exchanges on which the securities of the Company are listed about the approved trading plan.
- 4.7 Insider shall submit trading plan in "Annexure - 1" or any other format specified by SEBI or Stock Exchanges on which the securities of the Company are listed.

## **5. Pre-clearance of trades**

Designated Persons of the Company who intend to deal in the securities of the Company, when trading window is open, where the value of proposed transaction is above a minimum threshold limit of Rs. 10,00,000/- (Rupees Ten Lacs only), should pre-clear the transaction as per the pre-dealing procedure as described here-under:

- 5.1 An application may be made in prescribed format ("*Annexure 2*") to the Compliance Officer indicating the estimated number of shares and amount that the Designated Person intends to deal in, the depository with which he/she has an account and the details as to his/her shareholding before and after the intended transaction.
- 5.2 An undertaking in prescribed format ("*Annexure 3*") shall be executed in favour of the Company by such Designated Persons incorporating, inter alia, the following clauses, as may be applicable:

- a) That the Designated Persons does not have any access or has not received “Price Sensitive Information” upto the time of signing the undertaking.
- b) That in case the Designated Persons 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.
- c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- d) That he/she has made a full and true disclosure in the matter.

## **6. Other restrictions**

- 6.1 Designated Persons shall execute their order in respect of securities of the Company within seven trading days 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 Persons must pre-clear the transaction again.
- 6.2 Designated Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. Designated Persons shall also not take positions in derivative transactions in the Securities of the Company at any time.
- 6.3 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/ her reasons in this regard.



## 7. Disclosures of Trading by Insiders

### Initial Disclosures

- 7.1 Every promoter, key managerial personnel and director of every company whose securities are listed on any recognized stock exchange shall disclose his holding of Securities of the Company as on the date of REGULATION taking effect, to the Company *within thirty days* REGULATION taking effect;
- 7.2 Every person on appointment as a 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 to the Company / Compliance Officer.

### Continual Disclosures

- 7.3 Every promoter, employee and director of every company shall disclose to the Company the number of such securities acquired or disposed of 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. 10,00,000/- (Ten Lakh Rupees)* or such other value as may be specified by SEBI time to time;
- 7.4 Compliance Officer of the Company shall notify the particulars of such trading to the stock exchange on which the securities are listed **within two trading days** of receipt of the disclosure or from becoming aware of such information.

### Disclosures by Designated Persons

- 7.5 Disclosures shall be made as per the SEBI (Insider Trading) Regulation, 2015.
- 7.6 Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Designated Persons for a minimum period of three years.

- 7.7 The Compliance Officer shall place before the Managing Director or Chief Executive Officer or Chief Financial Officer or a committee specified by the Company, on a monthly basis all the details of the dealing in the securities by Designated Persons and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

The compliance officer shall report to the Board of Directors 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 as may be stipulated by the Board of Directors.

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

- 8.1 Any Designated Persons who trades in securities or communicates any Information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the Company.
- 8.2 Any Designated Person of the Company who violate the code of conduct shall also be subject to disciplinary action by the Company, which may include wage/salary freeze, suspension, ineligible for future participation in employee stock option plans, etc.
- 8.3 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.

## **9. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015**

In case it is observed by the Company / Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company shall inform SEBI about the same.

**TRADING PLAN**

[Under Code of Conduct of the Company read with SEBI (Prohibition of Insider Trading) Regulations, 2015]

To,  
The Compliance Officer  
National Steel and Agro Industries Limited  
621, Tulsiani Chambers, Nariman Point  
Mumbai, Maharashtra, 400021

Dear Sir /Madam

Ref: DP's name:

DP ID:

CLIENT ID:

Name of insider:

Address:

Your approval is solicited for proposed Trading Plan for purchase & sale of securities of the Company in physical/demat form. I am furnishing details of trade to be made in six month after approval of the proposed trading plan:-

<b>S. No.</b>	<b>Nature of Trade</b>	<b>Number of Securities to be trade</b>	<b>Amount (in Rs.)</b>	<b>Time intervals between two trades</b>	<b>Date of propose trade</b>

1. that I have not contravened the code of conduct for prevention of insider trading as notified by the Company.

2. that whatever is stated above is true and correct to the best of knowledge and nothing has been concealed.

Yours truly,

Signature

Name

Designation

Employee Code no.

## APPROVAL OF TRADING PLAN

1. I, \_\_\_\_\_ Compliance Officer of the Company, have reviewed the Trading Plan submitted by the [Name of Person] of the Company and [Name of Person] has furnished all the information/undertaking which I have demanded.
2. The aforesaid plan is not violating any provision of code of conduct and SEBI (Prohibition of Insider Trading) Regulations, 2015.
3. I shall monitor the implement of the Plan as per the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**For National Steel and Agro Industries Limited**

**Compliance Officer**

**APPLICATION FOR PRE-CLEARANCE OF TRADE**

[Under Code of Conduct of the Company read with SEBI (Prohibition of Insider Trading) Regulations, 2015]

To,  
The Compliance Officer  
National Steel and Agro Industries Limited  
621, Tulsiani Chambers, Nariman Point  
Mumbai, Maharashtra, 400021

Dear Sir /Madam

Ref: DP's name:  
DP ID:  
CLIENT ID:

Name of insider:  
Address:

Your approval is solicited for purchase/sale of \_\_\_\_ securities of the Company in physical / demats form. I state on solemn affirmation:

1. that I am Designated Person of the Company who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company;
2. that I intend to purchase/sale\_\_\_\_\_ (state No. of securities or Amount) securities of the Company in physical/demat form immediately on receipt of clearance for trade;
3. that I am aware of the code of conduct and that the provisions are applicable to me.
4. that I do not have access to the unpublished price sensitive information and also have not received unpublished price sensitive information till today;

- 5. that in case I have access to the price sensitive information or receives it after signing this undertaking, I shall inform the change and refrain from dealing in securities till the information becomes public;
- 6. I will hold/not repurchase such equity shares/listed securities for a minimum period of six months from the date of purchase/sale.
- 7. In case of non-execution of transaction by me within 7 trading days from the date of permission for purchase/sale, I will again take the clearance for the same.
- 8. that whatever is stated above is true and correct to the best of knowledge and nothing has been concealed.

Yours truly,

Signature

Name

Designation

Employee Code no.

## TRADING APPROVAL

I, \_\_\_\_\_ Compliance Officer of the Company, have reviewed the application for pre-clearance of trade submitted by the [Name of Person] of the Company and [Name of Person] has furnished all the information/undertaking which I have demanded.

The aforesaid application is not violating any provision of code of conduct and SEBI (Prohibition of Insider Trading) Regulations, 2015.

I give permission for trading. I request you to complete the trading within 7 days from the date of this approval and give intimation post trading about the trading details.

**For National Steel and Agro Industries Limited**

**Compliance Officer**



**UNDERTAKING**

I \_\_\_\_\_ aged about \_\_\_\_ years, Son of \_\_\_\_\_ working in the capacity of \_\_\_\_\_ in National Steel and Agro Industries Limited (hereinafter referred to as 'Company') do hereby solemnly declare and undertake as under:

1. that I am working with the Company with effect from \_\_\_\_\_.
2. that as on date I do not possess/own any shares of the Company or I have purchased \_\_\_\_\_ nos. of shares of the Company from open market. (strike out which is not applicable).
3. that I do not possess/own any shares of the Company with the name of Immediate Relatives or I have purchased \_\_\_\_\_ nos. of shares of the Company from open market with the name of Immediate Relatives.
4. that I have received and read the Company's code of conduct and agree to comply with the Company's code of conduct from time to time.
5. that I do not have any access or has not received "Price Sensitive Information" upto the time of signing the undertaking.
6. in the event that I have access to or receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction for which approval is sought, I shall inform the compliance officer of the Company of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
7. that I shall not communicate, counsel or procure directly and indirectly any unpublished Price Sensitive Information (PSI) as mentioned in the Company's code of conduct to any person who while in possession of such unpublished PSI & shall keep the confidential information which is in my possession secured.

8. that I shall provide Initial disclosure about shareholding in the requisite form to the compliance officer of the Company.
9. that I shall undertake to seek pre-clearance of the compliance officer for any securities transaction and shall make an application, submit required forms duly filled and signed.
10. that I shall give annual statement of shareholding in Company's securities by 30<sup>th</sup> April of every year along with my dependent.
11. that I have not contravened the provisions of code of conduct as notified by the Company and shall be fully liable in any event of contravention/noncompliance of the same
12. That I have made a full and true disclosure in the matter.

Signature:

Date:

Name:

Place: