

CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS (EFFECTIVE FROM MAY 15, 2015)

1. Introduction

Insider trading means dealing in securities of a Company by its Directors, Employees or other Insiders based on unpublished price sensitive information. Such dealing by Insiders erodes the investors' confidence in the integrity of the management and is unhealthy for the capital markets.

The Securities and Exchange Board of India (SEBI) in its endeavor to protect the interests of investors in general, had formulated the Securities & Exchange Board of India (Insider Trading), Regulations, 2015 under the powers conferred on it under the SEBI Act, 1992. These regulations are effective from May 15, 2015 and the same are applicable to all companies whose shares were listed on Indian Stock Exchanges.

The Code has been designed to fulfill the responsibility cast on the Company by the Insider Trading Regulations, 1992 as amended on January 15, 2015 (hereinafter referred to as "the Regulations").

In compliance with the above requirements, ETT Limited ("ETT") initially implemented a Code of Conduct for Prevention of Insider Trading. The New Code of Conduct for Prevention of Insider Trading (hereinafter referred to as "the Code") is being introduced to replace the earlier Code of Conduct for Prevention of Insider Trading (effective May 15, 2015) to enhance the standards of governance and to take into account certain changes in the organization structure.

This document embodies the Company's Code of Conduct for prevention of Insider Trading in Securities of the Company and encapsulates the restrictions, formats and the rules of conduct to be followed by the Company's directors, officers and employees and is intended to serve as a guiding charter for all persons associated with its functioning.

2. Definitions

- (a) "Act" means the Securities and Exchange Board of India Act, 1992.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Code" or "Code of Conduct" shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of ETT as amended from time to time.
- (d) "Company" means ETT Limited.

- (e) “Compliance officer” means any senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations designated so and reporting to the Board of Directors 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 Company.
- (f) “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 recognised 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 ten per cent of the holding or interest;
- (g) “Dealing in Securities” means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or otherwise deal in securities either as principal or agent.
- (h) ‘Designated Employee’ means:
 - (i) Every employee at the managerial level and above,
 - (ii) Every employee in the finance department, accounts department and legal & secretarial department, and
 - (iii) Such other employee as may be specified by the Compliance Officer to be a designated employee, keeping in mind the objective of this Code of Conduct.
- (i) “Director” means a member of the Board of Directors of the Company.
- (j) “Employee” means every employee of the Company including the Directors in the employment of the Company.
- (k) “Generally available information” means information that is accessible to the public on a non-discriminatory basis.
- (l) “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.
- (m) “Insider” means any person who is:
 - i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information.
- (n) “Key Managerial Person” means a person as defined in Section 2(51) of the Companies Act, 2013.
- (o) “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.
- (p) “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.
- (q) “Specified” means specified by the Board in writing.
- (r) “Takeover regulations” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- (s) “Trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.
- (t) “Trading day” means a day on which the recognized stock exchanges are open for trading.
- (u) “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, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement.

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 Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

3. Role of Compliance Officer

- (i) The Compliance Officer shall report on insider trading to the Board of Directors of the Company 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.
- (ii) The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 and this Code.

4. Responsibilities of Directors, Officers and Employees

(i) Preservation of Price Sensitive Information (PSI)

All Directors, Officers and Employees shall strictly maintain the confidentiality of all PSI in or coming in their possession or control. No Directors, Officers or Employees shall:

- (a) Pass on PSI to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities, or
- (b) Disclose PSI to family members, business acquaintances, friends or any other individual, or
- (c) Discuss PSI in public places where others might overhear, or
- (d) Disclose PSI to any Employee who does not need to know the information to do his or her job, or
- (e) Recommend to anyone that they buy or sell the Company Securities while being in possession, control or knowledge of PSI, or

- (f) Give others the perception that he / she is trading on the basis of unpublished PSI.

(ii) Need to Know

Unpublished PSI is to be handled on a “need to know” basis, i.e., Unpublished PSI should be disclosed only to those within the Company who need the same to discharge their duty and whose possession of PSI will not give rise to a conflict of interest or appearance of misuse of the information. All non-public information directly received by any Employee should immediately be reported to the head of the department.

(iii) Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc. without prejudice to the above. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

5. Restrictions on Trading

Employees and connected persons designated on the basis of their functional role (“designated persons”) in the Company shall be governed by an internal code of conduct governing dealing in securities.

(i) Trading Window

The Company shall specify a trading period, to be called “Trading Window”, for dealing in the Securities of the Company. No designated persons of the Company shall deal in the securities of the Company when the trading window is closed, which is the prohibited period for trading.

- (ii) Unless otherwise specified by the Compliance Officer, the trading window shall be, inter alia, closed 7 days prior to:

- (a) Declaration of Financial results (quarterly, half-yearly and annual),
- (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, and
- (g) Any changes in policies, plans or operations of the Company.

- (iii) The trading window shall remain closed during the time the PSI remain un-published.

- (iv) The trading window shall be opened 48 hours after the information referred to in above para is made public.
- (v) All Directors, Officers and Designated Employees of the Company shall conduct all their dealings in the securities of the Company only when the trading window is open and no Directors, Officers or Employees of the Company shall deal in the securities of the Company during such period when the trading window is closed or during any other period as may be specified by the Compliance Officer from time to time.
- (vi) In case of ESOPs, exercise of option may be allowed in the period when trading window is closed. However, sale of securities allotted on exercise of ESOPs shall not be allowed when trading window is closed. However, exercise of a “cashless” stock option shall not be allowed when the trading window is closed since this type of exercise requires a sale of the Company’s securities.

6. Pre-clearance of trades

All Specified Persons, 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 50,000 shares or up to Rs. 10 Lakhs (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 pre-dealing procedure shall be hereunder:

- (i) An application may be made in the prescribed Form (Annexure 1) to the Compliance officer indicating the estimated number of securities that the Specified Employee intends to deal in, the details as to the depository mode and such other details as may be required by any rule made by the company in this behalf.
- (ii) An undertaking (Annexure 2) shall be executed in favour of the Company by such Specified Employee incorporating, inter alia, the following clauses, as may be applicable:
 - a) That the employee/director/officer does not have any access or has not received “Price Sensitive Information” up to the time of signing the undertaking.
 - b) That in case the Specified Employee 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.
- (iii) All Specified Persons shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given (Annexure 3). The Specified Person shall file within 2 (two) days of execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed (Annexure 4).
- (iv) If the order is not executed within seven days after the approval is given, the employee/director must pre-clear the transaction again.
- (v) All Specified 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. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. 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.

In case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

- (vi) The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

7. Other Restrictions

- a) The disclosures to be made by any person under this Code shall include those relating to trading by such persons' immediate relatives, and by any other person for whom such person takes trading decisions.
- b) The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of derivatives shall be taken into account for the purposes of this Code.
- c) The disclosures made under this Code shall be maintained for a period of five years.

8. Reporting Requirements for Transactions in Securities

Initial Disclosure

- (i) Every Promoter/ Key Managerial Personnel/ Director/ Officers/ Designated Employees of the Company, within 30 days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed form (Annexure 5).
- (ii) 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 7 days of such appointment or becoming a promoter.

Continual Disclosure

- (iii) Every promoter, employee and director of the Company shall disclose to the Company the number of such securities acquired or disposed of within 2 trading days of such transaction in the prescribed form (Annexure 6) 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 Lacs.

The disclosure shall be made within 2 working days of:

- a) The receipt of intimation of allotment of shares, or
- b) The acquisition or sale of shares or voting rights, as the case may be.

9. Disclosure by the Company to the Stock Exchange(s)

- (i) Within 2 days of the receipt of intimation under clause 8 (iii), the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.
- (ii) The Compliance officer shall maintain records of all the declaration in the appropriate form given by the directors / officers / designated employees for a minimum period of five years.

10. Dissemination of Price Sensitive Information

- (i) No information shall be passed by Specified Persons by way of making recommendation for the purchase or sale of securities of the Company.

- (ii) 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 be 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.

11. Penalty for contravention of the code of conduct

- (i) Every Specified Person 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 Specified Person trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.
- (iii) Specified Persons who violate the Code 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, etc.
- (iv) The action by the Company shall not preclude SEBI from taking any action of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Annexure 1

SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL

Date:

To,
The Compliance Officer,
ETT Limited,
17, Hemkunt Colony,
New Delhi – 110 048

Dear Sir / Madam

Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 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 given 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 of Employee)

Annexure 2

**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE
APPLICATION FOR PRE-CLEARANCE**

UNDERTAKING

To

ETT Limited
17, Hemkunt Colony,
New Delhi – 110 048

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 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: _____

*Indicate number of shares

Annexure 3

FORMAT FOR PRE – CLEARANCE ORDER

To

Name: _____

Designation: _____

Place: _____

This is to inform you that 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 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 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.

for **ETT Limited**

Compliance Officer

Date: _____

Encl: Format for submission of details of transaction

Annexure 4

FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / dealing in securities of the company)

To
 The Compliance Officer,
 ETT Limited
 17, Hemkunt Colony,
 New Delhi – 110 048

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)

| Name of holder | No. of securities dealt with | Bought/sold /subscribed | DP ID/Client ID/Folio No. | Price (Rs.) |
|----------------|------------------------------|-------------------------|---------------------------|-------------|
| | | | | |
| | | | | |

In connection with the 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. Brokers' 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 affecting the above said transactions.

Date: _____

Signature: _____

Name:

Designation:

Annexure 5

FORMAT FOR INITIAL DISCLOSURE OF SECURITIES

The Compliance Officer,
ETT Limited
17, Hemkunt Colony,
New Delhi – 110 048

I, _____, in my capacity as _____ of the Company hereby submit the following details of securities held in the Company as on _____ (date of becoming Specified Person).

I. Details of securities held by me:

| Type of Securities | No. of securities held | Folio No. | Beneficiary A/c Client ID |
|--------------------|------------------------|-----------|---------------------------|
| | | | |

II. Details of dependent(s):

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Procedures and Conduct for Prevention of Insider Trading, I hereby declare that I have the following dependents:

| Sr. No. | Name of the dependent | Relation with Director / Officer / Designated Employee |
|---------|-----------------------|--|
| | | |
| | | |

III. Details of securities held by dependent(s):

| Name of Relative | Relationship | Type of securities | No. of Securities held | Folio No. | Beneficiary A/c Client ID |
|------------------|--------------|--------------------|------------------------|-----------|---------------------------|
| | | | | | |

Date:

Signature: _____

Annexure 6

DISCLOSURE OF CHANGE IN SHAREHOLDING

The Compliance Officer
ETT Limited
17, Hemkunt Colony,
New Delhi – 110 048

I, _____, in my capacity as _____ of the Company hereby submit the following details of change in holding of securities of the Company:

| Name, PAN No. & address of shareholder | No. of securities held before the transaction | Receipt of allotment advice / acquisition of / sale of securities | Nature of transaction & quantity | | | Trading member through whom the trade was executed with SEBI Registration No. of the TM | Exchange on which the trade was executed |
|--|---|---|----------------------------------|------|--------|---|--|
| | | | Purchase | Sale | Others | | |
| | | | | | | | |

I / We declare that I / We have complied with the requirement of the minimum holding period of six months with respect to the securities purchased / sold.

I hereby declare that the above details are true, correct and complete in all respects.

Date: _____

Signature: _____