

# **ROLCON ENGINEERING COMPANY LIMITED**

## **Code of Conduct for Prohibition of Insider Trading in accordance with SEBI (Prohibition of Insider Trading) Regulations, 1992**

- (1) This Insider Trading Code may hereinafter be referred to as "Code of Conduct".
- (2) This Code of Conduct has been made pursuant to Regulation 12 of the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended and may be modified by the Board of Directors of the Company from time to time.
- (3) Definitions -

For the purpose of this Code of Conduct -

- (a) "Committee" means the Audit Committee constituted by the Company which inter alia will also look after the implementation of these Regulations.
- (b) "Compliance Officer" means the Officer appointed by the Board of Directors of the Company for the purpose of these Regulations from time to time.
- (c) "Dealing in securities" means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent;
- (d) "Designated Employees" means all employees comprising 'Senior General Manager & above of the Company management and such other employees who may be so designated from time to time by the Company for the purpose of this Code of Conduct and who may be able to have access to any price sensitive information' as defined in the Code of Conduct.
- (e) "Designated Person" means a Director/Officer/Designated employee of the Company and professional firms such as auditors, accountancy firms, law firms, analysts, consultants etc. assisting or advising the Company and such other person or persons who may be so designated by the Company from time to time for the purpose of this Code of Conduct.
- (f) "Insider" means any person who is or was connected with the Company or is deemed to have been connected with the Company and who is

reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company or who has received or has/had access to such unpublished price sensitive information.

- (g) "Price Sensitive Information" means any information which relates directly or indirectly to a Company and which if published is likely to materially affect the price of securities of the Company.

**Explanation;**

The following shall be deemed to be price sensitive information:

- (i) Periodical financial results of the Company.
  - (ii) Intended declaration of dividends (both interim and final).
  - (iii) Issue of Securities or buy-back of securities.
  - (iv) Any major expansion plans or execution of new projects.
  - (v) Amalgamation, mergers, takeovers and buy back.
  - (vi) Disposal of the whole or substantial part of the undertaking.
  - (vii) Any changes in policies, plans or operations of the Company.
- (h) "Relatives" means
- (i) Spouse (ii) Dependent Children (iii) Dependent Parents (IV) Dependent in Laws (v) Dependent Brothers and Sisters
- (i) "Trading Window" means a trading period for trading in Company's Securities as specified by the Company from time to time.
- (j) "Unpublished" means information which is not published by the company or its Agents and is not specific in nature.

**Explanation -**

Speculative Reports in print or electronic media shall not be considered as published information.

- (4) The Company Secretary, will be the Compliance Officer for the purpose of this Code of Conduct.
- (5) This Code of Conduct will be applicable to Directors/Officers/Designated Employees/ Auditors/Registrars & Share Transfer Agents/Merchant Bankers/Solicitors & Advocates/Consultants and their dependent relatives as defined herein.

- (6) No Designated Person shall pass on any price sensitive information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.
- (7) No Designated person shall communicate any unpublished price sensitive information to any person except 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.
- (8) No Designated Person shall communicate or counsel any unpublished price sensitive information to any person who, while in possession of such unpublished price sensitive information, shall not deal in the securities of the Company except communication required in the ordinary course of business or profession or employment or under any law.
- (9) All Designated Persons will have to disclose their interest or holding in shares of the Company to the Compliance Officer in the following manner:
  - (a) Those holding more than 5% shares or voting rights in the company shall disclose, in Form A, the number of shares or voting rights within 2 working days of becoming such holder.
  - (b) A director or officer of the Company shall disclose, in Form B, the number of shares or voting rights within 2 working days of becoming a director or officer of the company. If there are no transactions in a particular month, then "NIL" statement is not required to be submitted.
  - (c) Those holding more than 5% shares or voting rights in the company shall disclose, in Form C, the number of shares or voting rights held & any change in shareholding or voting rights from the last disclosure made under (a) above and any such change exceeds 2% of total shareholding or voting rights in the company.
  - (d) A director or officer of the Company shall disclose to the Company and the Stock Exchanges, in Form D, the total number of shares or voting rights held & change in shareholding or voting rights from the last disclosure made under (b) above & the change exceeds Rupees 5 lacs in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower.
  - (e) The Company shall, within 2 days of receipt, disclose to all stock exchanges on which the company is listed, information received as mentioned under sub-clauses (a), (b), (c) & (d) above.

**Explanation:** The disclosures required to be made in accordance with sub-clauses (c) and (d) above, shall be made within 2 working days of the receipt of intimation of allotment of shares or the acquisition/sale of shares/ voting rights.

- (10) All designated Persons will have to keep the files containing confidential information relating to price sensitive information fully secured. Computer files must be kept with adequate security of login and password etc.
- (11) This Code of Conduct will be applicable to any transactions in securities of the Company exceeding 1,00,000 equity shares or Rs. 5 lacs in value or 1% of the total holding of the Company whichever is lower.
- (12) The Designated Persons shall be subject to trading restrictions in the following manner:

**(A) Trading Window**

The trading window will be closed before 7 days of the happening of the following events and shall open 24 hours after the publication of the price sensitive information.

- (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 plan or execution of new project.
- (e) Amalgamation, mergers, takeovers and buy back.
- (f) Disposal of the whole or substantially the whole of the undertaking.
- (g) Any changes in policies, plans or operations of the Company.

Trading window may be closed during such time in addition to the above period as may be deemed fit from time to time.

**(B) Restriction on Trading -**

No Designated Person shall conduct any dealing in the securities of the Company during the closure of the Trading Window.

**(C) Pre-clearance of Trades**

- (i) All Designated Persons of the Company intending to deal in the securities of the Company exceeding the threshold limit of 1,00,000 equity shares or Rs. 5 lacs in value or 1% of the total holding of the Company, whichever is lower, will have to make an application to the Compliance Officer in the form as attached for pre- clearance of the transaction.
- (ii) An undertaking shall also be executed in favor of the Company by designated person incorporating, inter -alias, the following clauses, as may be applicable:

- (a) That the designated person does not have any access to or has not received “Price Sensitive Information” up to the time of signing the undertaking.
  - (b) That in case designated person has access to or receives “Price Sensitive Information” after the signing of the undertaking but before execution of the transaction, he will inform the same to the Compliance Officer & would refrain from dealing in the securities of the Company till the time such information becomes public.
  - (c) That he has not contravened this Code of Conduct.
  - (d) That he has made a full and true disclosure in the matter.
- (iii) Only after receiving the clearance, the transaction should be carried out.
- (iv) The execution of the order in respect of the security of the Company will have to be completed within one week of approval or pre-clearance failing which it will have to be cleared again.
- (v) The investment in securities will have to be held for a minimum period of 30 days from the date of purchase/actual allotment. In case of personal emergency the 30 days holding period may be waived by the Compliance Officer after recording his reasons in this regard.
- (13) Designated Persons who trade in securities or communicate any information for trading in securities in contravention of this Code of Conduct will be penalized and appropriate action will be taken against them by the Company after giving reasonable opportunity to them to show cause. They shall also be subject to disciplinary action including wage freeze, suspension, and ineligibility for future participation in Employee Stock-option etc.
- (14) The Compliance officer shall place before the Managing Director/Joint Managing Director, all the details of dealing in the securities by the designated persons on a monthly basis.
- (15) In addition to the action which may be taken by the Company, the persons violating these Regulations will also be subject to action by SEBI as per SEBI Act. In case of any violation, the Company shall inform SEBI accordingly.
- (16) This Code may be modified/amended/replaced as and when necessary by the Board of Directors on recommendations of the Audit Committee or any other Committee to be formed by the Board for the purpose.

Note: This ‘Code of Conduct’ is subject to any further changes or amendments from time to time.

**“Form for Application/Undertaking to be made to the Compliance Officer of the Company for pre-clearance of transactions in Securities of the Company”**

To  
Compliance Officer  
Rolcon Engineering Co Ltd

Dear Sir,

In terms of the Company’s Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations,1992, I/We hereby request you to pre-clear my/our intended transaction in Securities of the Company.

Estimated number of Securities proposed to be dealt	
Depository Participant Name	
Depository Participant ID	
Beneficiary Client ID	
Number of Shares in the Company held in demat	

I/We hereby undertake as follows:

- (a) That I/We have not had any access to nor have received “Price Sensitive Information” up to the time of signing this letter.
- (b) That in case I/We have access to or receive “Price Sensitive Information” after the signing of this undertaking but before execution of the transaction, I/We will inform the same to you & would refrain from dealing in the securities of the Company till the time such information becomes public.
- (c) That I/We have not contravened the Code of Conduct as aforesaid.
- (d) That I/We shall execute the order in respect of securities of the Company within one week after your approval of pre-clearance is given. If the same has not been executed within one week, I/We shall pre-clear the transaction again.
- (e) That I/We shall hold investment in securities of the company for a minimum period of 30 days from the date of purchase/actual allotment.
- (f) That I/We have made a full and true disclosure in this matter and have not concealed any relevant information.

Thanking you,

Yours sincerely,