



Nagarjuna Construction Company Limited

**CODE OF CONDUCT  
FOR  
PREVENTION OF  
INSIDER TRADING**

**(As revised & approved  
by the Board of  
Directors  
on dt. 28.05.2009)**

## **The policy and obligations-**

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. Every Director, Officer, Designated employee of the Company has a duty to safeguard the confidentiality of all such information obtained in the course his or her work at the Company. No Director, Officer, Designated employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

To achieve these objectives, NCC hereby notifies this Code of Conduct for Prevention of Insider Trading to be followed by all Directors, Officers, Designated Employees and Connected persons.

## Part - A

### Definitions -

For the purpose of the code:-

“**Company**” means Nagarjuna Construction Company Ltd.

‘**Compliance Officer**’ means the Company Secretary of the Company.

‘**Connected person**’ means any person who -

- is a director of the Company; or
- an officer or designated employee of the Company; or
- has a professional or business relationship with the Company, having an access to unpublished price sensitive information.

‘**Dealing in Securities**’ means buying, selling or agreeing to subscribe, buy, sell or deal in any securities of the Company either as principal or agent and includes exercising of options;

‘**Deemed Connected Persons**’ means and includes:

- any group Company, Company under the same management or subsidiary of the Company;
- Intermediary-Investment Company, Trustee Company, Asset Management Company, official of the Stock Exchange or clearing House or corporation;
- dependent family members of connected persons;
- bankers of the Company;
- merchant banker, share transfer agent, registrar to an issue, debenture trustee, broker, portfolio manager, investment advisor, sub-broker or any employee thereof having a fiduciary relationship with the Company;
- trustees of any trust the beneficiaries of which include any of the connected persons;
- trustees of any trust who are conferred with the power of attorney to act on behalf of beneficiaries in respect of securities of the Company;
- any person who was a connected person, whether temporary or permanent, six months prior to an act of insider training;
- Member of the Board of Directors of Public financial Institution

- persons having professional or business relationship between themselves and the Company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
- any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider Trading) Regulations, 1992, amended from time to time
- relatives of the connected person / aforementioned persons.

***'Dependent Family Members'* shall mean the employee's spouse, dependent parents and dependent children;**

***'Designated Employee'* shall mean:**

- Divisional Heads
- Functional Heads
- Senior Officials in the rank of Vice President and above
- All officials of the rank of Manager and above in the Finance, Accounts and Secretarial Departments based at Head Office
- Other employees designated by the Managing Director from time to time

***'Free Period or Trading Window'* means any Period other than the Prohibited Period.**

***'Insider'* means any person who is or was a connected with the Company or is deemed to be 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.**

***'Insider Trading'* means when insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions.**

***'Officer'* means officer as defined under the Companies Act, 1956 and includes Auditors of the Company;**

***'Price Sensitive Information'* shall mean any information which relates directly or indirectly to the 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;-

- periodical financial results of the Company;
- intended declaration of dividends (both interim and final);
- issue of securities or buy-back of securities
- any major expansion plans or execution of new projects;
- amalgamation, mergers or takeovers;
- disposal of the whole or substantial part of the undertaking;
- any significant changes in policies, plans or operations of the Company

**'Prohibited Period' means time for commencement of closing of trading window shall be:**

- **The period of five working days prior to the date of the meeting of Board of Directors of the Company to consider any price sensitive information which will be informed to Stock Exchanges and ending after 24 hours from the time, the price sensitive information is made public.**
- **Such other period as may be specified by the Compliance Officer from time to time in consultation with the Managing Director / Chief Executive Officer**

**"Unpublished price sensitive information"** means any information which relates to the price sensitive information, or is of concern, directly or indirectly, to a Company, and is not generally known, or published by such Company for general information, but which if published or known, is likely to materially affect the price of the securities of that Company in the market"

**"Working day"** shall the working day when the regular trading is permitted on the concerned stock exchange where securities of the Company are listed"

Words and expressions not defined under this Code shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India Act, 1992, and as amended from time to time.

## **Part – B**

### **Code of Conduct (in line with Regulations 12(1) and Schedule I – Part – B of SEBI (Protection of Insider Trading) Regulations, 1992, amended from time to time.**

#### **1.0 Compliance Officer**

**1.1** The Company has appointed the Company Secretary who reports to the Managing Director.

#### **1.2 Responsibilities of Compliance Officer**

The Compliance Officer -

- shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for–
  - i. preservation of price sensitive information
  - ii. pre clearing
  - iii. designated employees and their dependent's trades
  - iv. monitoring implementation of the code of conduct under the overall supervision of the Board of Directors
- shall maintain a record of the designated employees and any changes made in the list of designated employees.
- shall assist all employees in addressing any clarifications regarding the Company's policy on Prevention of Insider Trading and Regulations prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and any amendments thereto.
- may in consultation with the Managing Director / Executive Director specify the prohibited period from time to time and announce from time to time by way of a circular to all the concerned and shall maintain a record of Prohibited Period specified from time to time.
- shall ensure that prohibited period announced will be instructed to all the concerned at least 48 hours prior to the commencement of the said period.
- shall ensure maintenance of records of all the declarations submitted in the appropriate form given by the Directors, Officers and Designated Employees.

- shall place before the Managing Director on a monthly basis all the details of the dealing in the securities by the Employees / Directors / Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.
- shall intimate to all Stock Exchanges on which the securities of the Company are listed the information received under clause 5.1 & 5.2. of this code.

## **2.0 `Preservation of "Price Sensitive Information"**

**2.1** Directors, Officers, Designated Employees shall maintain the confidentiality of all Price Sensitive Information, Employees/ directors 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. Following norms for preserving of unpublished price sensitive information should be followed -

**2.2** Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., 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 pass word, etc.

## **3.0 Trading Restrictions**

**3.1** Directors, Officers, Designated Employees of the Company shall be subject to trading restrictions as enumerated in this code.

### **3.2 Trading Window**

**3.2.1** The Company specifies "Valid Trading Window" also called as "Trading Period" for trading in Company's securities which means a period other than the Prohibited Period.

**3.2.2** All Directors, Officers, Designated Employees of the Company shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale / or otherwise deal in the Company's securities during the Prohibited Period i.e. when the Trading Window is closed.

### 3.2.3 The trading window shall be, inter alia, closed at the time of:-

- Declaration of Financial results (quarterly, half-yearly and annual)
- Declaration of dividends (interim and final)
- Issue of securities by way of public/ rights/bonus, etc.
- Any major expansion plans or execution of new projects
- Amalgamation, mergers, takeovers and buy-back
- Disposal of whole or substantially whole of the undertaking
- Any changes in policies, plans or operations of the Company

**3.2.3A Prohibited Period** means time for commencement of closing of trading window shall be:

- The period of five working days prior to the date of the meeting of Board of Directors of the Company to consider any price sensitive information which will be informed to Stock Exchanges and ending after 24 hours from the price sensitive information is made public.
- Such other period as may be specified by the Compliance Officer from time to time in consultation with the Managing Director / Chief Executive Officer.

**3.2.4** The trading window shall be opened 24 hours after the information referred in 3.2.3 is made public,

**3.2.5** In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

### 3.3 Pre-clearance of trades

**3.3.1** All Directors, Officers, Designated Employees of the Company and their dependents who intend to deal in the securities of the Company **exceeding 25000 shares in the aggregate in a calendar month** should pre-clear the transaction(s) as per the pre-dealing mechanism detailed in this code.

### 3.3.2 Pre-dealing Mechanism

3.3.3 An application for pre-clearance of trade may be made in writing or by way of e-mail at [ho.secr@nccltd.in](mailto:ho.secr@nccltd.in) in Form 'A' enclosed to this code to the designated Compliance Officer.

**An undertaking shall be executed in favour of the Company by such Director, Officer and Designated Employee as prescribed in Form A.**

The Compliance Officer shall on receiving an application provide the Director, Officer and Designated Employee and their dependents with an acknowledgement on the duplicate of the application.

The Compliance Officer shall grant approval within 2 days from the date of acknowledgement of such pre-clearance form.

### 4.0 Other restrictions

4.1 All Directors, Officers and Designated Employees and their dependents shall execute their order in respect of securities of the Company **within one week after the approval of pre-clearance is given.** If the order is not executed within one week after the approval is given, the Directors, Officers and Designated Employees and their dependents must pre clear the transaction again.

4.2 **All Directors / Officers / Designated Employees 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 Directors / Officers / Designated Employees shall also not take positions in derivative transactions in the shares of the Company at any time.**

## 5.0 Reporting Requirements for transactions in securities

### 5.1 Initial Disclosure

Party	Particulars of disclosure	Time of disclosure	Form of disclosure
Directors, Officers and Designated Employees  • to the Company	Number of Securities and positions taken in derivatives by them and their dependent family members	Within <b>2 working days</b> of becoming a Director, Officer or Designated Employee of the Company	<b>Form-B</b>

### 5.2 Continual Disclosure

Party	Particulars of disclosure	Time of disclosure	Form of disclosure
Directors, Officers and Designated Employees:  • to the Company  • to the Stock Exchange	a) No. of Securities held b) Change in share holding, if there has been a change in their holdings and their dependent family member's holding from the last disclosure made under this Clause or Clause 5.1 and the change exceeds Rs.5.00 lacs in value or 25,000 securities or 1% of the total holding which ever is lower	Within <b>2 working days</b> of -  a) Receipt of intimation of allotment of securities  <b>or</b>  b) Acquisition or sale of securities, as the case may be.	<b>Form-D</b>

The information received pursuant to Clause 5.1 and 5.2 will be intimated by the Compliance Officer to all the Stock Exchanges on which the securities of the Company are listed within 2 working days of receiving the same.

The disclosures required under this Code may also be made through electronic filing in accordance with the system devised by the stock exchange.

### 5.3 Annual Disclosure

Party	Particulars of disclosure	Time of disclosure	Form of disclosure
Directors, Officers and Designated Employees: <ul style="list-style-type: none"><li>• to the Company</li></ul>	Annual statement of all the securities held by them and by their dependent family members	Within <b>30 days</b> of the end of <b>31<sup>st</sup> March, every year</b>	<b>Form-C</b>

### 5.4 Records of disclosures received by the Company

- The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors, Officers and Designated Employees for a minimum period of three years.
- The compliance officer shall place before the Managing Director, on a monthly basis all the details of the dealing in the securities by the Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

### 6.0 Penalty for contravention of Code of Conduct

- Directors, Officers, Designated Employees of the Company who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage, salary freeze, suspension withholding of promotions, etc.,
- The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

### 7.0 Information to SEBI in case of violation of the SEBI (Prohibition of Insider Trading) Regulation, 1992, amended from time to time.

- In case it is observed by the Company/or Compliance Officer that there has been violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992, (amended from time to time) SEBI shall be informed by the Company.

## Form- A (Form for obtaining pre-clearance)

### Application for Pre-clearance of Trade under SEBI (Prohibition of Insider Trading) Regulations, 1992 (amended from time to time)

The Compliance Officer  
Nagarjuna Construction Company Limited  
Through Division / Department Head

- 1 a) Name of the applicant :
- b) Name of the dependent (for any dealing of shares by dependents) :
- 2 Designation :
- 3 Employee Id :
- 4 Permanent Account Number (PAN) :
- 5 Number and value of securities in the Company held as on date (with folio / DP ID / Client ID No.)
- 6 Nature of securities held : \* Equity Shares / Debentures / Other Securities
- 7 Mode in which the securities are held : Physical / dematerialized
- 8 The Proposal is for : (a) Acquisition in the open market  
(b) Subscription to the securities  
(c) Sale of securities
- 9 Proposed date of dealing in securities :
- 10 Nature of proposed dealing : Purchase / Sale of securities
- 11 Estimated number of securities proposed to be acquired / subscribed / sold :
- 12 Price at which the transaction is proposed :
- 13 Current market price (as on the date of application) :
- 14 Whether the proposed transaction will be through stock exchange or of market deal :
- 15 Proposed mode of dealing in securities : \* Physical / dematerialised
- 16 If securities are held / proposed to be dealt in dematerialized form

Name of the Depository  
DP I D Number  
Client I D number

In relation to the above Dealing, I undertake that:

- a. I have no access to nor do I have any information that could be construed as “Price Sensitive information” as defined in the Code upto the time of signing this undertaking.
- b. 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;
- c. I have not contravened the provisions of the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time;
- d. I have made full and true disclosure in the matter
- e. I hereby declare that I shall execute my order in respect of securities of the Company **within one week after the approval of pre-clearance is given.** If the order is not executed within one week after the approval is given. I undertake to obtain pre-clearance for the transaction again

Place

Date

**Signature of the Applicant**

**Note:**

**All Directors / Officers / Designated Employees 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**



## Form C Annual Disclosure

The Compliance Officer,  
Nagarjuna Construction Company Limited  
HYDERABAD

### I. Statement of Shareholdings of Director / Officer / Designated Employee.

Name	Designation / Department.	No. of shares held on 1st April	No. of Shares bought during the year	No. of Shares sold during the year	No. of shares held on 31st March, 200	Folio No. / D P ID / Client ID.

### II. Details of Shares held by dependent family members

Name of the Dependent Family Member	Relationship	No. of shares held on 1st April	No. of Shares bought during the year	No. of Shares sold during the year	No. of shares held on 31st March, 200	Folio No. / D P ID / Client ID.

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

**Place:**

**Date:**

**Signature**



**PRE - CLEARANCE ORDER**

This is to inform you that your request for dealing in \_\_\_\_\_ (numbers) shares of the Company as mentioned in your above mentioned application is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date), that is within one week from today.

For Nagarjuna Construction Company Limited

Place:

Date:

Compliance Officer

**Pl. Note:**

**All Directors / Officers / Designated Employees 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**

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**CONFIRMATION OF DEAL**

The Compliance Officer,  
Nagarjuna Construction Company Ltd,  
**HYDERABAD**

I confirm that the shares dealing for which approval was granted on ..... was .....  
Completed on..... for purchasing / selling ..... (numbers) equity shares of the  
Company.

I also undertake that, I, shall not enter into an opposite transaction (either buy/sell from the prior transaction as detailed above)

Employee Name :  
Designation :  
Pay Roll No. :

**Place:**

**Date:**

**Signature**