

CODE OF CONDUCT FOR FAIR DISCLOSURE OF UPSI AND TRADING IN LISTED SECURITIES

Background:

This code (“**Code**”) in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**Insider Trading Regulations**”) stipulates, *inter alia*, the practices and procedures for:

- a. fair disclosure of UPSI (defined below); and
- b. monitoring, regulating and reporting trading in listed Securities (defined below) by Designated Persons (defined below) and their Immediate Relatives (defined below).

Definitions:

All terms capitalized or not defined herein shall have the meaning given to them under the Insider Trading Regulations.

“**Chief Information Officer**” shall mean the Chief Technology and Information Officer of the Company.

“**Chief Investor Relations Officer**” shall mean such Designated Person of the Company identified as such by the Chief Executive Officer of the Company for the purpose of this Code.

“**Company**” shall mean Northern Arc Capital Limited.

“**Compliance Officer**” shall mean the Compliance Officer of Northern Arc Capital Limited.

“**Connected Person**” means a person who has a connection with the company that is expected to put him / her in possession of UPSI.

“**Designated Persons**” shall include employees of the Company and its subsidiaries.

“**Insider**” means a Connected Person or a person with access to UPSI.

“**Immediate Relatives**” 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.

“**Legitimate Purpose**” shall, for the purpose of this Code, mean sharing of UPSI in the ordinary course of business by an Insider. It shall include sharing of UPSI with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants. Provided however, such sharing is not carried out to evade or circumvent the Insider Trading Regulations.

“**Restricted List**” shall mean a list containing the names of companies relating to which the Company has or is expected to have UPSI. Such companies could include without limitation: a) clients (potential or otherwise) of the Company whose Securities are listed on a stock exchange, b) listed entities that form part of the same group as a client, and c) listed investors.

“**SEBI Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

“**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956.

“**Unpublished price sensitive information**” or “**UPSI**” means 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 such securities. Examples of unpublished price sensitive information might include (without limitation) the following:

- i. Acquisition and divestiture of businesses or business units;
- ii. Financial information such as profits, earnings and dividends;
- iii. Announcement of new product introductions or developments;
- iv. Asset revaluations;
- v. Investment decisions / plans;
- vi. Restructuring plans; and
- vii. Borrowings and finance

Communication of Unpublished Price Sensitive Information:

No Insider shall communicate, provide, or allow access to any UPSI to any person, including other Insiders. Further, no persons shall procure from or cause the communication of UPSI by an Insider.

Provided that UPSI relating to the Company or other companies (including clients of the Company) may be shared or disclosed subject to the following conditions:

1. The disclosure of UPSI is in pursuance of Legitimate Purposes, performance of duties or such other ground as allowed under the Insider Trading Regulations;
2. The disclosure of UPSI shall be on a strict need-to-know basis;
3. In case of a proposed disclosure to third parties or persons outside the organization, after the execution of confidentiality agreements.

The Company shall maintain a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under the Insider Trading Regulations along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

Towards this end, any sharing of UPSI relating to the Company by any Designated Person shall only be by means of a virtual data room (VDR) put in place by the Chief Information Officer and access to the intended recipients to the VDR will be provided by the IT function only after the concerned person from the IT function satisfies himself/herself that the digital database stands updated and the Permanent Account Number or any other identifier authorized by law of the intended recipients as aforesaid is collected.

In accordance with the principles of fair disclosure contained in Schedule A of the Insider Trading Regulations, the Chief Investor Relations Officer along with the Company Secretary shall be responsible for dissemination of UPSI relating to the Company as per the SEBI Listing Regulations.

Trading in Listed Securities:

Other than as permitted under the Insider Trading Regulations, no Insider shall trade in Securities of the Company, Company's clients / investors, and the companies appearing in the Restricted List that are listed or proposed to be listed on a stock exchange when in possession of UPSI.

Any Designated Person proposing to execute personal trades shall check if the Securities (that are listed or proposed to be listed on a stock exchange) proposed to be traded pertain to a company which appears in the Restricted List. If so, then such trades shall be carried out only with the pre-clearance of the Compliance Officer. In respect of the Securities of the Company (that are listed or proposed to be listed on a stock exchange), this is a mandatory

requirement even when the trading window (as detailed here below) is open. For this purpose, the Compliance Officer may require such Designated Person to furnish declarations as necessary. Trades so pre-cleared have to be executed by the concerned Designated Person, failing which fresh pre-clearance would be needed for the trades to be executed.

Subject to the Insider Trading Regulations, no Designated Person shall execute a *contra trade* within six months from the execution of a pre-cleared trade.

It shall be the responsibility of the Chief Business Officer, Head- Structuring, and the Head-Markets to provide periodic updates to the Compliance Officer in relation to the companies whose UPSI is handled or expected to be handled by Designated Persons based on which the Restricted List will be made accessible to Designated Persons for reference by the Compliance Officer.

All Designated Persons and their Immediate Relatives may execute trades in the Securities of the Company only when the trading window is open. Unless otherwise specified by the Compliance Officer, the trading window shall be closed for all Designated Persons and their Immediate Relatives during the following periods:

- for the period between the twentieth day prior to the last day of any financial period for which results are required to be announced by the Company and until the second trading day after the disclosure/ declaration of the respective financial results for the said period; and
- 2 (two) calendar days prior to and 2 (two) calendar days after:
 - any intended announcements regarding amalgamation, mergers, takeovers and buy- back, disposal of whole or substantially whole of the undertaking, issue of Securities by way of public/ rights/bonus etc., any major expansion plans or execution of new projects, and
 - any changes in policies, plans or operations of the Company that could have a material impact on its financial performance.

The trading window shall be closed when the board of directors of the Company or the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI and shall remain closed during the time the UPSI remains un-published. The Trading Window can be opened 48 (forty-eight) hours after the UPSI is made public.

Trading Plans:

Designated Persons and their respective Immediate Relatives wishing to execute personal trades in listed Securities while in possession of related UPSI, may only do so pursuant to a trading plan approved by the Compliance Officer. Trading plan shall contain details of the companies in whose Securities the individual wishes to trade in, the number or value of Securities proposed to be traded, and the proposed dates for execution of the trade. If the Compliance Officer is satisfied that the proposed trade would not involve any violations of this Code or the Insider Trading Regulations, the trading plan may be approved and disseminated to the stock exchange. The trade shall be executed after a minimum period of six months has elapsed since the date of dissemination of the trading plan to the stock exchange. 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.

Reporting Obligations:

1. Every Designated Person shall disclose names and Permanent Account Number or any other identifier authorized by law of the following persons (together with the phone, mobile and cell numbers used by them) to the Company on an annual basis and as and when the information changes:
 - (a) Immediate Relatives; and
 - (b) persons with whom such Designated Person shares a material financial relationship, that is, a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.

In addition, the names of educational institutions from which Designated Persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

2. Every Designated Person shall be required to furnish an annual declaration to the HR team of the names of the companies in which such person holds Securities as well as the names of the companies whose Securities were disposed off in the said year.
3. Every Designated Person who obtained pre-clearance for trades in terms of this Code shall be required to submit a report containing details of the trade executed pursuant to such pre-clearance, within two trading days of such execution ("Action-Taken Report").
4. The HR team shall be responsible for the maintenance of declarations mentioned in points 1 and 2 of Reporting Obligations above. As part of the said employee-level records, the HR team shall also maintain records of trading pre-clearances provided by the Compliance Officer and the Action-taken Reports.
5. Reporting obligations specific to Securities of the Company:
 - a. Every key managerial personnel and director of the Company shall disclose to the Company his/her holding of Securities of the Company as on the date of appointment within seven days of such appointment. It shall be the responsibility of the Company Secretary to ensure that such a declaration is obtained from the key managerial personnel and directors of the Company.
 - b. Every director of the Company shall disclose to the Company (addressed to the Compliance Officer with a copy to the Company Secretary) the number of such Securities of the Company acquired or disposed of by them or their respective Immediate Relatives within two trading days, if such transaction or 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 ten lakh rupees. Thereafter, it shall be the duty of the Company Secretary to disseminate 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.

- c. Trades by Designated Persons or their respective Immediate Relatives in Securities of the Company involving a value of INR 10 lakhs or more (whether in one transaction or a series of transactions over any calendar quarter) shall be disseminated to the stock exchange within two trading days of the receipt of the Action-Taken Report in terms of this Code or of the Company becoming aware of such trade, whichever is earlier.

The Compliance Officer shall prescribe the format for all declarations to be made pursuant to this Code.

Whistle-blower Policy:

All contraventions (including threatened or suspected) of the Insider Trading Regulations and this Code may be reported in confidence to the Chairperson of the Audit Committee of the Company in accordance with the terms of the Whistle-blower Policy.

Any employee who files a Voluntary Information Disclosure Form under Chapter IIIA of the Insider Trading Regulations, irrespective of whether the information is accepted or rejected by the Board or he or she is eligible for a Reward under the Insider Trading Regulations, shall not face discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination, by reason of:

- a. filing a Voluntary Information Disclosure Form under the Insider Trading Regulations
- b. testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination, or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board; or
- c. breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner

Explanation 1: For the purpose of this provision, “employee” means any individual who during employment became privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under the Insider Trading Regulations and is a director, partner, regular or contractual employee but does not include an advocate

Explanation 2: Nothing in this provision shall require the employee to establish that

- a. the Board has taken up any enforcement action in furtherance of information provided by such person; or
- b. the information provided fulfils the criteria of being considered as Original Information under the Insider Trading Regulations.

Disciplinary Actions:

In addition to the sanctions and disciplinary proceedings contemplated under the Code of Conduct of the Company, sanctions and disciplinary proceedings for the contravention of this Code could include wage freeze, clawback, recovery, and suspension.