

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT  
TRADING IN SECURITIES BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES**

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## THE CODE AND OBLIGATIONS

### 1. INTRODUCTION

**Netweb Technologies India Limited** ("NTIL / Company") in compliance of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") and amendments thereof, is implementing this Code of Conduct to Regulate, Monitor and Report Trading in Securities By Designated Persons and their immediate relatives ('Code').

Insider trading means trading in the securities of a company by its directors, employees, or other insiders while in possession of unpublished price sensitive information ("UPSI"). Such trading by insiders erodes the investors' confidence in the integrity of the management and is unhealthy for the capital market.

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interest of investors in general, had formulated the Insider Trading Regulations, present day, PIT Regulations and the same were made applicable to all companies whose securities were listed on Indian Stock Exchanges.

### 2. APPLICABILITY

This Code applies to all Designated Persons and their immediate relatives with effect from 14.03.2023.

### 3. DEFINITIONS

- i. **Act** means the Securities and Exchange Board of India Act, 1992, as amended from time to time;
- ii. **Board of Directors** means the Board of Directors of the Company;
- iii. **Company** means Netweb Technologies India Limited;
- iv. **Compliance Officer** for the purpose of the PIT Regulations and this Code means the Company Secretary of the Company;
- v. **Connected Person** means any person who is or has
  - a. during the six months prior to the concerned act been associated with the 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access and;
  - b. any person who is or has during the two months prior to the concerned act been associated with the mutual fund, asset management company and trustees, directly or indirectly, in any capacity including by reason of frequent communication with its officers by being in any contractual, fiduciary or employment relationship or by being a director, officer or employee of the asset management company and trustee or holds any position including a professional or business relationship with the mutual fund or asset management company or the trustees, whether temporary or permanent, that allows such a person, direct or indirect access to unpublished price sensitive information or is reasonably expected to allow such access;

*The persons enumerated below shall be deemed to be a connected person if such person has access to UPSI or is reasonably expected to have access to UPSI unless the contrary is established*

- a. an immediate relative of connected persons; or

- b. holding company or associate company or subsidiary company of the 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 recognized or authorized by the SEBI; 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 percent of the holding or interest;
- vi. **Designated Person(s) / DP(s)** means and includes such person as may be specified by the Board in consultation with the Compliance Officer from time to time and shall include -
- a. promoters of the Company;
  - b. directors of the Company;
  - c. key Managerial Personnel (KMP) of the Company;
  - d. identified employees in the Finance & Accounts Department, Legal Department, Secretarial and Compliance Department, Human Resource Department, Business Excellence Department, IT Department and Team handling the Business & Operations, as may be determined by the Compliance Officer;
  - e. other employees designated by the Compliance Officer from time to time;
  - f. any support staff of the Company such as IT staff or Secretarial staff who have access to Unpublished Price Sensitive Information;
  - g. employees of material subsidiary(ies) of the Company, designated on the basis of their functional role or access to Unpublished Price Sensitive Information in the Company, by their board of directors;
  - h. Chief Executive Officer (CEO) and employees upto two level below CEO of the Company and material subsidiary(ies), irrespective of their functional role in the Company or its material subsidiary(ies) or ability to have access to unpublished price sensitive information;
  - i. any other Connected Person specified by the Board in consultation with the Compliance Officer based on their function and role; and
  - j. immediate relative of (a.) to (i.) above.
- vii. **Generally available information** means information that is accessible to the public on a non-discriminatory basis.  
*(Note: Information Published on the website of a stock exchange, would ordinarily be considered generally available)*
- viii. **Immediate relative**, for the purpose of this Code, means a spouse of a Designated Person, and includes parent, sibling, and child of such Designated Person or of the spouse, any of whom is either dependent financially on such Designated Person or consults such person in taking decisions relating to trading in securities.
- ix. **Insider** means any person who is:
- a. connected person; or
  - b. in possession of or having access to unpublished price sensitive information;
- x. **Key Managerial Personnel (KMP) means** a person as defined in section 2(51) of the Companies Act, 2013.

- xi. **Legitimate purpose** shall mean sharing of **UPSI** in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.
- xii. **Promoter** shall have the meaning assigned to it under **the** Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- xiii. **Promoter Group** shall have the meaning assigned to it **under** the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any amendment or modification thereof;
- xiv. **Regulations** shall mean the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any amendment or modification thereof;
- xv. **Securities shall** have the meaning assigned to it under section 2(h) of the Securities Contracts (Regulation) Act, 1956 or any modification thereof;
- xvi. **Takeover Regulations** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendment thereof;
- xvii. **Trading** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and trade shall be construed accordingly.
- xviii. **Trading Day means** a day on which the recognized stock exchanges are open for trading;
- xix. **Unpublished price sensitive information or UPSI** 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:-
  - Financial Results (Quarterly, Half-Yearly and Annually);
  - Dividends (Interim and Final);
  - Change in Capital Structure;
  - Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
  - Changes in key managerial personnel; and
  - change in the accounting policy;

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the Regulations, the SEBI Act, 1992, Securities Contracts (Regulation) Act, 1956, or the Companies Act, 2013 and the rules / regulations made thereunder, as the case may be or in any amendment thereto.

This Code shall be subject to such clarifications, and FAQs as may be issued by SEBI from time to time.

#### **4. COMPLIANCE OFFICER - AUTHORITY TO DELEGATE**

In terms of 3(iv) above, Company Secretary of the Company shall be the Compliance Officer for the purpose of this Code.

In case the Compliance Officer is not available either on account of his being on leave or on his being away from the registered office and/or corporate office of the Company for a period of 7 (seven) days or more, he shall delegate his authority to any executive, who is financially literate<sup>1</sup> and is capable of appreciating requirements for legal and regulatory compliance and eligible under PIT Regulations, who

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<sup>1</sup> financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

shall act as Compliance Officer and be responsible for all duties and responsibilities of Compliance Officer under the PIT Regulations, during the period of his absence.

## **5. RESTRICTIONS ON COMMUNICATION OF USPI BY DESIGNATE PERSONS**

- a. No DP shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, to any person including other Insiders / DPs except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- b. In terms of Regulation 3(3) of the PIT Regulations, an UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - i. entail an obligation to make an open offer under the Takeover Regulations where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company;
  - ii. not attract the obligation to make an open offer under the Takeover Regulations but where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company and the information that constitute UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.
- c. For the purpose of clause 5.1.b. above, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of 5.1.b. above, and shall not otherwise trade in securities of the Company when in possession of Unpublished Price Sensitive Information.

## **6. TRADING PLANS**

- a. A DP 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.
- b. A DP may submit a trading plan to the Company which shall be disclosed to the public before six months from the commencement of trading.
- c. DP shall not trade for a 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 Company and the second trading day after the disclosure of such financial results.
- d. A trading plan shall entail trading for a period of not less than twelve months.
- e. If another trading plan is already in existence, no other plan shall not be accepted overlapping the same time period.
- f. DP in his trading plan shall set out the number of Securities to be traded along with the nature of the trade and time gap between the trade and dates on which such trade shall be effected.
- g. DP shall not entail trading in securities for market abuse.
- h. Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of PIT Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve, and monitor the implementation of the plan.
- i. The trading plan once approved shall be irrevocable and the DP 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.
- j. The DP shall not execute any trading plan if any UPSI in possession of the DP 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 the Compliance Officer shall confirm that the commencement

ought to be deferred until such unpublished price sensitive information becomes generally available information.

- k. After approval of the trading plan, the Compliance Officer shall inform the recognized stock exchanges where securities are listed.
- l. DP shall submit a trading plan along with the declaration and application in the format as specified in [Annexure A](#) of this Code.

## **7. PROHIBITION ON TRADING BY THE DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES**

A DP shall not, directly or indirectly, trade in securities of the Company when in possession of UPSI;

Provided that the aforesaid restriction in this clause 6 shall not apply to:

- a. a transaction that is an off-market inter-se transfer between insiders who were in possession of the same UPSI without being in breach of Regulation 3 of the PIT Regulations and both parties had made a conscious and informed trade decision.  
Provided that such UPSI was not obtained under Regulation 3(3) of PIT Regulations. Also, such off-market trades shall be reported by the DPsto the Company within two working days. Subsequently, the Company shall notify the particulars of such trades to the stock exchange on which the securities of the Company are listed within two trading days from receipt of the disclosure or from becoming aware of such information
- b. the transaction was carried out through the block deal window mechanism between persons who were in possession of the UPSI without being in breach of regulation 3 of the PIT Regulations and both parties had made a conscious and informed trade decision. Provided that such UPSI was not obtained by either person under sub-regulation (3) of regulation 3 of the PIT Regulations.
- c. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- d. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
  - i. in the case of non-individual insiders:  
the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
- e. The trades were pursuant to a trading plan set up in accordance with this Code.

## **8. SYSTEM FOR INTERNAL CONTROLS**

The requirements under this Code shall be sensitized to all the employees and support staff of the Company for the following purposes:-

- educating all insiders about the sensitivity of information and the need to restrict disclosures on "need to know" basis;
- educating all such executives who deal with sensitive information to ensure strictest confidentiality;

- educating and training all employees about basic security practices, such as password and physical security procedures viz. locking the workstation or logging out of the systems while leaving the cubicle/ workstation/ cabin;
  - ensuring that trading in securities of any other company, in respect of whom the Company's executives have UPSI, is barred;
  - the discussions related to any UPSI should be held in closed areas such as meeting rooms, conference rooms, etc. and restrict the number of participants.
  - ensuring that trading by all designated persons in Company's securities are disclosed, if such trades are in excess of the stipulated amount every quarter;
  - ensuring that Designated Persons are aware of closure of Trading Window;
  - ensuring that Designated Persons take prior approval, wherever applicable, for any trading while trading window is open;
  - ensuring that Designated Persons are aware of contra trade restrictions;
  - ensuring that there is adherence to Company's internal code/protocol while speaking to press/public forums;
  - disclosure requirements under the Code and the Regulations.
- a. The list of Designated Persons along with requisite information, prescribed under the PIT Regulations, shall be maintained and timely updated by the Compliance Officer;
  - b. The Compliance Officer, in consultation with the Managing Director shall maintain a list of potential UPSI identified and ensure confidentiality of the same. For timely identification of UPSI, the Compliance Officer, based on information obtained from the Managing Director or other Designated Persons handling UPSI, may maintain a sensitivity list identifying factors or developments which generally give rise to the emergence of UPSI in the Company and identify the likely flow of information;
  - c. Files/ documents/ papers in relation to UPSI shall be kept secure. Computer files shall have adequate security of login and password and the security administrators shall restrict the amount of database access that is given to the users. The insiders should not accidentally access UPSI on account of inadequate or improper account rights or inadequate permission/ access control. The extent of access to be granted to the employees of respective department should be determined in consultation with respective head of the department;
  - d. The Compliance Officer shall be timely informed about sharing of UPSI for legitimate person along with other details required to be given to the Compliance Officer under the PIT Regulations;
  - e. Where UPSI is required to be shared with any other person other than the Designated Persons/ employees of the Company, such person / or entity represented by such person, as may be applicable shall be required to execute agreements to contract confidentiality and non-disclosure obligations on the part of such person and such person shall keep information so received confidential and shall not otherwise trade in securities of the Company when in possession of UPSI;
  - f. The Compliance Officer shall maintain the structured digital database of list of Designated Persons and their immediate relatives, list of persons other than Designated Persons with whom UPSI has been shared and contract for confidentiality has been duly executed, based on the information received from the Managing Director or Designated Person handling UPSI;
  - g. The Compliance Officer shall monitor trading activity, especially around important events such as earnings announcements, acquisitions and other events material to a Company's value that are in the nature of UPSI, for the persons referred above;
  - h. Any breach suspected by any Designated Person, employees or persons other than the Designated Persons/ employees of the Company shall be endeavored to be brought to the notice of Compliance Officer in the manner provided in Whistle Blower and Vigil Mechanism Policy of the Company and in case of an instance of leakage of UPSI, an inquiry to be initiated in the manner approved by the Board of Directors of the Company;

- i. The Managing Director and CEO of the Company shall be responsible to review and evaluate effectiveness of the internal control measures and update the Audit Committee on the same at least once in a year to enable them to verify the adequacy and effectiveness of the internal controls;
- j. The Compliance Officer shall report the trading details 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, but not less than once in a year;
- k. The gap between clearance of financial results/ financial statements by Audit Committee and Board Meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information;
- l. The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

## **9. TRADING WINDOW**

- a. Designated Persons or their immediate relatives shall not trade in the Company's securities during the period when the trading window is closed.
- b. Unless otherwise specified by the Compliance Officer, the trading window shall be closed by the Compliance Officer (i) from the end of every quarter and shall remain closed upto 48 hours after the declaration of financial results, (ii) for such duration as he may deem fit, in case of any other UPSI.
- c. The trading window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI.
- d. The trading window may be reopened after closure, not earlier than 48 hours after the UPSI in question becomes generally available or if the event is no longer being pursued by the Company.
- e. The details of closure and opening of the Trading Window will be informed to the DPs through email.

## **10. PRE CLEARANCE OF TRADE IN SECURITIES:**

- a. Designated Persons or their immediate relatives, may trade in securities of the Company when the trading window is open, subject to the pre-clearance by the Compliance Officer by submitting an application as per **Annexure A** mentioned in this Code, if the value of the trade is exceeding to Rs 5,00,000 (Rupees Five Lakhs only)(market value), whether in one transaction or a series of transactions over any calendar quarter, either individually or in aggregate, or such other amount as may be specified by the Board of Directors from time to time (a "de minimis Trade") provided the Designated Person or the immediate relative is not in possession of UPSI while executing the de minimis Trade.
- b. The Compliance Officer shall not approve any request for pre-clearance if the Compliance Officer determines that such Designated Person or the immediate relative is in possession of UPSI even though the trading window is open.
- c. The Compliance Officer, after being satisfied that the application and undertaking are true and accurate, may approve trading by a Designated Person /his immediate relative, on the condition that the trade so approved shall be executed within seven trading days following the date of approval.
- d. The Compliance Officer may grant the pre-clearance after –
  - i. seeking such information as may be necessary from the applicant;
  - ii. confirming the accuracy of declaration submitted by applicant that he is not in the possession of UPSI;
  - iii. confirming that the applicant has not done any prior contra trade within the period of six months;



- e. The Designated Person shall, within two days of the execution of the trade, submit the details of such trade to the Compliance Officer as per **Annexure A** to this Code. In case the transaction is not undertaken, a **report** to that effect shall be filed in the said form within 2 days upon expiry of the seven trading days following the date of approval.
- f. If the pre-cleared trade is not executed within seven trading days after the approval is given, the Designated Person must secure fresh pre-clearance of the proposed transaction.

A Designated Person who trades in securities without complying with the pre-clearance procedure as envisaged in the Code or give false undertaking and /or makes misrepresentations in the undertaking executed by him/ her while complying with the pre-clearance procedure shall be subject to the penalties as envisaged in the Code and the PIT Regulations.

## **11. Minimum holding period / Prohibition on Contra Trade within six months<sup>2</sup>:**

A Designated Person and his immediate relative who trades in the securities of the Company shall not execute a contra trade (opposite transaction) for any number of securities during the next six months following the prior transaction by himself or his immediate relatives.

This restriction is not applicable for trades carried out in accordance with the approved trading plan. Designated Person shall also not take positions in derivative transactions, if any, in the equity shares of the Company at any time.

In case the contra trade is necessitated by personal emergency, the Compliance Officer of the Company is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the provisions of PIT Regulations. In case a contra trade is executed within 6 months, inadvertently or otherwise, in violation of such prohibition, without prejudice to the penalties envisaged in the Code and to be imposed by SEBI, if any, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Act.

## **12. DISCLOSURE OF TRADING BY DPs**

### **12.1 General Provisions**

- a. Every public disclosure shall be made in the forms as prescribed by SEBI / Stock exchanges under the PIT Regulations from time to time.
- b. The disclosures to be made by DPs under this Code
  - i. shall include those relating to trading by such DP's immediate relatives, and by any other person for whom the DP takes trading decisions.
  - ii. The disclosure of trading in securities shall also include trading in derivatives of securities and traded value of the derivatives shall be taken into account. Provided that trading in derivatives of securities is permitted by any law for the time being in force.
- c. The disclosures made under this part shall be maintained by the Company, for a minimum period of five years.

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<sup>2</sup> This provision shall not be applicable for trades pursuant to exercise of employee stock option.

## **12.2 Disclosures by Certain Persons**

### **A. Initial Disclosure**

Every DP on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter or member of the promoter group 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 in the form annexed to this Code as **Annexure B**.

### **B. Continual Disclosure**

Every Promoter, member of promoter group, DP and director of the Company shall disclose as per the prescribed form, mentioned under the PIT Regulations, 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 transaction over any calendar quarter, aggregates to a traded value in excess of **Ten Lakh Rupees** or such other value as may be specified by SEBI.

The above disclosures shall be made in the form as specified in **Annexure C** of this Policy.

The above disclosure shall not be required to be made manually in case of trading by DPs **whose PAN details have been provided to the depositories** as per SEBI Circular SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 9, 2020.

In case of trading by any immediate relatives of the DP or any such DP whose PAN details have not been provided to the depositories, the above disclosure shall be made by the DP within two trading days to the Company and 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..

### **C. Disclosure to the Stock Exchange**

The Compliance Officer shall notify the stock exchanges, particulars of the trades, within two trading days of the receipt of the manual Continual Disclosure or from becoming aware of such information.

### **D. Disclosure by other Connected Persons**

The Compliance Officer, at his discretion, may require any other connected person or class of connected persons to disclose his holding and trading in securities of the Company as per form annexed as **Annexure D** and at such frequency as may be determined by him.

### **E. Annual Disclosure**

Designated Persons shall disclose (i) names, (ii) permanent account number or any other identifier authorized by law, (iii) Phone numbers including mobile and cell numbers of the following persons on an annual basis within 30 days from the end of the financial year and promptly as and when the information changes. per **Annexure E**.

- i). Immediate Relatives
- ii). Persons with whom such Designated Person(s) shares a Material Financial Relationship

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 to the Company.

**Material Financial Relationship** shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a Designated Person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm's length transactions.

### **13. Duties of Compliance Officer**

The Compliance Officer shall report to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee of the Company or to the Chairman of the Board of Directors on the quarterly basis , or as may be stipulated by the Board of Directors but not less than once in a year.

He/She shall be responsible for setting forth and compliance of the policies, procedures, maintenance of records, monitoring adherence to the Code for the preservation of UPSI, monitoring of trades and the implementation of the Codes specified in PIT Regulations under the overall supervision of the Board of Directors of the Company.

- a. he/She shall maintain a list Designated Persons along with the list of information as required under the Regulations, and timely update the same.
- b. he/She shall specify the trading window closure period from time to time and immediately make an announcement thereof to all concerned.
- c. he/She shall maintain a record of the trading window closure period as may be declared from time to time.
- d. he/She shall maintain records of all the declarations/ disclosures submitted in the appropriate form under this Code for a minimum period of five years.
- e. he/she shall place status reports before the Chairman of the Audit Committee, on a quarterly basis, detailing any trading in the securities of the Company by the Designated Persons along with relevant documents that such persons had executed in accordance with the pre-clearance procedure prescribed under this Code
- f. he/She shall inform the stock exchanges where the securities of the Company are listed, of any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 promptly.
- g. he/ She shall review and grant approval of the trading plan.
- h. educating all insiders about the sensitivity of information and the need to restrict disclosures on "need to know" basis
- i. educating employees who deal with sensitive information:
  - to ensure strictest confidentiality;
  - about basic security practices, such as password and physical security procedures viz. locking the workstation or logging out of the systems while leaving the cubicle/ workstation/ cabin;
  - about the obligations of the DPs pursuant to this Code
- j. ensuring that there is adherence to Company's internal code/protocol while speaking to press/public forums;

### **14. HANDLING OF UPSI**

#### **Preservation of UPSI:**

Designated Persons shall maintain the confidentiality of all UPSI coming into their possession or control. To comply with this confidentiality obligation, the Designated Persons shall not:

- a. communicate, provide, or allow access of UPSI to any person directly or indirectly, including by way of making a recommendation for trading in the securities of the Company including the purchase or

- sale of the Securities of the Company unless such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; or
- b. discuss UPSI in public places; or
  - c. disclose UPSI to any employee who does not need to know the information for discharging his or her duties; or
  - d. recommend to anyone that they may undertake trading in Securities of the Company while being in possession, control, or knowledge of UPSI.

**Need to know:**

The Designated Persons who are privy to UPSI, shall handle the same strictly on a need to know basis. This means the UPSI shall be disclosed only to those persons who need to know the same in furtherance of a legitimate purpose, in the course of performance or discharge of their duties. The Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information stipulates the Policy on Determination of Legitimate Purpose.

**Limited access to confidential information:**

Designated Persons privy to confidential information shall, in preserving the confidentiality of information, and to prevent its wrongful dissemination, adopt among others, the following safeguards:

- a. files containing confidential information shall be kept secure;
- b. computer files must have adequate security of login through a password;
- c. follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time-to-time in consultation with the person in charge of the information technology function; and
- d. adequate restrictions shall be placed on communication and procurement of UPSI.

**Chinese Wall Procedures:**

- a. to prevent the misuse of UPSI, the Company has adopted a 'Chinese Wall' which separates those departments of the Company which routinely have access to UPSI, considered "inside areas", from other departments including operations or other departments providing ancillary / support services, considered "public areas".
- b. the employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas.
- c. the employees in the inside areas may be physically separated from the employees in public areas.
- d. in exceptional circumstances employees from the public areas may be brought "over the wall" and given UPSI on the basis of "need to know" criteria with intimation to the Compliance Officer. In such an event, such employees will be bound by the same restrictions and obligations as the employees in the "inside areas" till the UPSI becomes generally available.
- e. all the non-public information directly received by any employee should immediately be reported to the head of his/her department.

**15. Circumstances and procedure of bringing people "inside":**

**Circumstances:**

People may be brought 'inside' in the following situations:

- a. availing of consultancy from professionals for confidential matters;

- b. availing of assistance within the organization from another team/department for a corporate action viz. merger, demerger, restructuring etc., information whereof is not a generally available information;
- c. availing finance from banks, financial institutions for end-use, information whereof is not generally available information;
- d. in the course of conduct of due diligence under any provision of law;
- e. other situations arising in the ordinary course of business which shall be documented by the Compliance Officer based on the inputs received from Managing Director and other Designated Persons handling UPSI from time to time;
- f. indicative list of situations mandating bringing of people inside is as under:

<b>Nature of UPSI</b>	<b>Person responsible for handling UPSI</b>	<b>Departments responsible in Handling UPSI</b>	<b>External People required to be brought inside</b>
Finalization of results and financial statements.	CFO, Head of accounts	In house secretarial team, Investor relation department finalizing the press release.	Statutory auditors
Merger, acquisition	MD & CEO, CFO & CS	In-house Legal team Secretarial team at the time of finalization of board agenda and circulation.	Statutory auditors Consultants, law firms for due diligence, documentation
Capital raising activities	MD & CEO, CFO & CS	In-house Legal team, Secretarial team, Accounts Department, treasury department	Consultants, law firms, merchant bankers, banks and financial institutions etc.

**Procedure:**

- a. confidentiality agreements shall be entered into with the person other than employees of the Company, before sharing of UPSI. In case it is not practical to sign confidentiality agreements, a notice may be given to the person receiving UPSI containing necessary safeguards to be adopted by such person;
- b. an employee other than Designated Persons of the Company can be brought inside after making him/her conversant with their obligation to preserve confidentiality and after obtaining approval of the Managing Director or other Designated Persons handling the said UPSI. The need for the person to know the UPSI shall also be stated while seeking approval;
- c. a person other than an employee of the Company can be brought inside after ensuring that the organization represented by such person has an appropriate code in place covering the compliance to be ensured by the fiduciary/ intermediary under the Regulations;
- d. the information about sharing of UPSI shall be promptly informed to the Compliance Officer for updating in the structured digital database;
- e. once a person is brought 'inside', Permanent Account Number or any other identifier authorized by law, where Permanent Account Number is not available, shall be promptly shared to the Compliance Officer for updating the structured digital database;

- f. the Compliance Officer may require the person brought 'inside' to make disclosure of holdings and trading in securities of the Company in Annexure F, as prescribed by SEBI, in order to monitor compliance with the Regulations;
- g. the Compliance Officer shall periodically review the effectiveness of such measures and track the chain of connections possessing the UPSI.

## **16. Penalty for Contravention of the Code**

- a. Every Designated Person shall be individually responsible for compliance with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her immediate relatives).
- b. In the event of violation of the Code by the Designated Persons or his immediate relatives, the DP shall be subject to such penalty and actions including disciplinary actions including wage freeze, suspension, recovery, claw back, etc. as may be taken by the Company against him.
- c. Disciplinary Actions may differ from case to case and shall be based on the severity of violation, frequency of violation, circumstances of violation, degree of abuse, etc. Any amount collected under this clause shall be remitted to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- d. The Audit Committee in due consultation with Managing Director, shall upon receipt of the report as above and based on the finding contained therein, be entitled to take action against the person found guilty of violation of this Code as he may in his absolute discretion deem fit including but not restricted to:
  - Issue letter of warning stating that consequence of contravention/ non adherence would result in dismissal from services.
  - Any other suitable action, to facilitate the implementation of the spirit of the Code.
- e. The action by the Company does not preclude SEBI from taking any action in case of violation of the Regulations.
- f. Under Section 15G of the SEBI Act, any Insider who indulges in insider trading in contravention of the PIT Regulations is liable to a penalty which shall not be less than ten lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher.
- g. Under Section 24 of the SEBI Act, anyone who contravenes or abets the contraventions of the provisions of the SEBI Act or of any Rules or the Regulations made thereunder, he shall be punishable with imprisonment for a term which may extend to ten years or with a fine which may extend to twenty-five crore rupees or with both. If any person fails to pay the penalty imposed he shall be punishable with imprisonment for a term which shall not be less than one month, but which may extend to ten years or with fine, which may extend to twenty-five crore rupees or with both.
- h. Without prejudice to its rights under Section 24 of the SEBI Act, SEBI can also pass any or all of the following orders to an Insider found indulging in insider trading –
  - directing him / her not to deal in the Company's Securities in any particular manner.
  - prohibiting him/her from disposing of any of the Securities acquired in violation of the Regulations.
  - restraining him/her from communicating or counseling any other person to deal in Company's Securities.
  - declaring the transactions in Securities as null and void.
  - directing the person who acquired Securities in violation of the Regulations, to deliver the Securities back to the seller or alternatively pay the seller the price as provided.
  - directing him/her to transfer a specified amount to the Investor Protection and Education Fund administered by it.

## **17. Protection against retaliation and victimization**

The Company will protect any employee, who is an Informant, against retaliation and victimization under the Code. This Code provides for suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form to the Office of Informant Protection of SEBI, irrespective of whether the information is considered or rejected by SEBI or he or she is eligible for a Reward under the regulations, by reason of:

- a. filing a Voluntary Information Disclosure Form under the PIT Regulations;
- b. testifying in, participating in, or otherwise assisting or aiding SEBI 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 SEBI; 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 SEBI in any manner.

For the purpose of the above, 'employee' means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under the regulations and is a director, partner, regular or contractual employee, but does not include an advocate.

## **18. Amendments to this Code**

The Board reserves the right to amend this Code as and when it deems appropriate. In case of any conflict between the provisions of this Code and the provisions of applicable laws, applicable laws shall prevail. Further, in case of any changes in the provisions of applicable law, the Code shall, to that extent, stand automatically amended.

**1. APPLICATION FOR PRE-CLEARANCE**

**Date**

**To,  
The Compliance Officer,  
Netweb Technologies India Limited  
Plot no. H-1, Block-H, Pocket-9 Sector-57, Ballabhgarh,  
Faridabad, Haryana - 121004**

Dear Sir / Ma'am

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct to Regulate, Monitor and Report Trading in Securities by Designated Persons and their Immediate Relatives ("Code"), I, Name of DP or its immediate relative, DP/ immediate relative of a DP of Netweb Technologies India Limited ("Company"), jointly with Mr./Mrs.\_\_\_\_\_, wish to purchase/sell/\_\_\_\_\_ equity shares of the Company. The details are as follows:

Name of Applicant	
Designation	
Number of Securities held as on date	
The application is for: a) acquisition of securities; b) subscription to securities; c) sale of securities d) other, pls specify	
Proposed date of trading in the securities	
Number of Securities proposed to be acquired /subscribed/sold	
Current Market price (as on the date of this application)	
Whether the proposed transaction will be through stock exchange or off-market	
Folio No./DP ID/Client ID No.	

**DECLARATION:**

I hereby confirm on my own behalf and on behalf of my immediate relative that:

- i. I am not in possession of any UPSI up to the time of signing this undertaking.
- ii. In the event that I have access to or receive any UPSI after the signing of this declaration 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.
- iii. I have not contravened the provisions of the Code as notified by the Company from time to time.
- iv. In the event of this transaction being in violation of the Code or the applicable laws
  - a. I will, unconditionally release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, ( "Indemnified Persons") for all losses, damages, fines, expenses, suffered by the Indemnified Persons,



- b. I will compensate the Indemnified Persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transactions and
- c. I authorize the Company to recover from me the profits arising from this transaction and remit the same to the credit of the Investor Protection and Education Fund administered by the SEBI.
- v. If approval is granted, I shall execute the trade within seven trading days of the receipt of approval failing which I shall obtain pre-clearance afresh.
- vi. I undertake to submit the necessary report, in the format prescribed by the Company, within two days of expiry of seven trading days following the date of approval for pre-clearance if execution of the transaction is not undertaken.
- vii. I am aware that I shall be liable to face penal consequences as set forth in the Code including disciplinary action under the Code of the Company, in case the above declarations are found to be misleading or incorrect at any time.
- viii. I have made full and true disclosure in the matter

I declare that I have made full and true disclosure in the matter.

Please grant your permission for the said transaction

Thanking you

Your faithfully

Signature of DP/ immediate relative of DP:

Name of DP/ immediate relative of DP

Designation;

Department:

Date:

**Approval/ Rejection of Pre-Clearance**

I, \_\_\_\_\_, Compliance Officer of the Company hereby \_\_\_\_\_ (Approve/Reject)  
the above application.

Reasons for rejection:

Place:

Date:

Signature:

Compliance Officer:

**2. Reporting of trades executed as per pre-clearance or decisions not to trade after securing pre clearance**

Date

To  
 The Compliance Officer  
 Netweb Technologies India Limited  
 Plot no. H-1, Block-H, Pocket-9 Sector-57, Ballabhgarh,  
 Faridabad, Haryana - 121004

Dear Sir/ Ma'am

Ref: Your Approval letter No. \_\_\_\_\_ dated \_\_\_\_\_ (in case of Pre-approved transaction)

I, \_\_\_\_\_ (Name), \_\_\_\_\_ (Designation and Department) of the Company residing at \_\_\_\_\_ hereby inform you that I

1. have not bought/sold/subscribed any Securities of the Company due to (state reason for inability to trade).
2. have bought/sold/subscribed to the \_\_\_\_\_ Securities as mentioned below on \_\_\_\_\_ (insert date)

*(strikethrough whichever is not applicable)*

Date of receipt of pre-clearance approval	
Whether trade executed	Yes  No
<b>In case, 'Yes', please fill in details below</b>	
Date of purchase/ sale as per pre-clearance	
Nature of securities	
Bought /Sold/ Subscribed	
Balance shares held post the execution of the transaction	
DP ID/CLIENT ID (electronic form) or Folio no. for physical where the Securities will be debited or credited or PAN	
Price (Rs.)	
<b>In case, 'No', please fill in details below</b>	
Reasons for not trading as per pre-clearance	

I declare that the above information is correct and that no provisions of the Company's Code of Conduct to Regulate, Monitor and Report Trading in Securities by Designated Persons and their Immediate Relatives and/or applicable laws/regulations have been contravened for effecting the above said transaction(s).

I agree to hold the above Securities for a minimum period of six months and also to not take positions in derivative transactions in the equity shares of the Company at any time. In case there is any urgent need to sell these Securities within the said period, I shall approach the Company (Compliance Officer) for



necessary approval.

Thanking you  
Yours faithfully

Signature: \_\_\_\_\_

Name:

Designation;

Department:

Date:

**ANNEXURE B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a director/KMP/Promoter]**

Name of the Company: Netweb Technologies India Limited

ISIN of the Company: INE0NT901012

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of the Company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters or member of the promoter group / KMP /Directors / Immediate relative to / Others etc	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No	

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives on the securities of the Company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of the Company and by and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of becoming Promoter/member of the promoter group or at the time of appointment of Director/KMP			Open Interest of the Option Contracts held at the time of becoming Promoter/member of the promoter group or at the time of appointment of Director/KMP		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Name & Signature:

Designation:

Date:

Place:

**ANNEXURE C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]**

Name of the Company: Netweb Technologies India Limited

ISIN of the Company: INE0NT901012

**Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Persons or Director of the Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN, & address with contact nos	Category of Person (Promoters/ member of the promoter group /designated person / Directors / Immediate relative to / others etc )	Securities held prior to acquisition/ disposal		Securities acquired/Disposed			Securities held post acquisition/disposal			Date of allotment advice/ acquisition of shares/ disposal of shares specify	Date of intimation to Company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Executed
		Type	No.	Type	N	V	Tra	Type of	N				

		of security (For eg. - Shares, Warrants, Convertible Debentures Rights entitlements etc.)	and % of share holding	of security (For eg. - Shares, Warrants, Convertible Debentures/ Rights entitlements, etc. etc.)	o	al ue	nsa ction (Purchase / Sale/ Pledge / Revocation/ Invocation/ Others - please specify)	securities (For eg. - Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	o . a n d % o f s h a r e h o l d i n g		T o			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	

**Note:** (1) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(2) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives of the company by promoter, member of the promoter group, designated person or Director of the Company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, futures or options etc)						Exchange on which the trade was executed	
Type of contract	Contract specifications		Buy		Sell		
			Notional Value	Number of units	Notional Value	Number of units	

			(contract s * lot size)		(contracts * lot size)	

**Note:** *In case of Options, notional value shall be calculated based on premium plus strike price of options.*

Name & Signature:

Designation:

Date:

Place:



**ANNEXURE D**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**Regulation 7(3) – Transactions by other connected persons as identified by the Company**

**Details of trading in securities by other connected persons as identified by the Company**

Name of the Company: Netweb Technologies India Limited

ISIN of the Company: INE0NT901012

Name , PAN, CIN/ DIN,& address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition / disposal		Securities acquired/Disposed				Securities held post acquisition /disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify	Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
		Type of security (For eg. - Shares, Warrants, Convertible Deb	No. of securities (For eg. - Shares, Warrants	Type of security (For eg. - Shares, Warrants	No. of securities (For eg. - Shares, Warrants	Value	Transaction Type (Purchase / Sale/ Pledge / Rev	Type of security (For eg. - Shares, Warrants, Convertible Debentures/ Rights Entitlement	No. of shares				

		entures / Rights Entitlements etc.)	g	, Convertible Debentures / Rights Entitlements etc.)			ocation/ Invocation/ Others - please specify)	etc.)							
	2	3	4	5	6	7	8	9	10	11	12	13	14		

**Note:** (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives on the securities of the Company by other connected persons as identified by the company**

Trading in derivatives (Specify type of contract, futures or options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name:  
Signature:  
Place:

**ANNEXURE E**

**DISCLOSURES BY DESIGNATED PERSONS UNDER CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES BY INSIDERS]**

Name of the Company: Netweb Technologies India Limited

ISIN of the Company: INE0NT901012

**ANNUAL DISCLOSURE**

**I STATEMENT OF SHAREHOLDING IN NETWEB TECHNOLOGIES INDIA LIMITED OF DESIGNATED PERSONS:**

<b>Name, Designation , Dept.</b>	<b>Category of Person (Directors/KMP//Employees/ immediate relatives/ others, etc.)</b>	<b>No. of shares held on 1st April 201....</b>	<b>No. of shares Bought during the year</b>	<b>No. of shares sold during the year</b>	<b>No. of shares held on 31st March 201....</b>	<b>Folio No./ DP ID/ Client ID</b>

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Basic Information:**

<b>Category</b>	<b>Name</b>	<b>PAN</b>	<b>Phone/ mobile/ cell numbers</b>
Designated Person			
Immediate Relatives			
Persons with whom designated person(s) shares a material financial relationship			

I/We declare that my/our holding of the shares is in compliance with the Code of Conduct of the Company.

I hereby undertake to inform the Compliance Officer whenever any change takes place in the details provided hereinabove.

Name & Signature:

Date:

Place:

## ANNEXURE F

### FORMAT OF ANNUAL DISCLOSURE BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES

To,  
 The Compliance Officer,  
 Netweb Technologies India Limited  
 Plot no. H-1, Block-H, Pocket-9 Sector-57, Ballabhgarh,  
 Faridabad, Haryana - 121004

Dear Sir,  
 I, \_\_\_\_\_ (Name of the DP) hereby declare that following are the details of transaction in the Securities of Netweb Technologies India Limited made by me and/or my dependents during the financial year \_\_\_\_\_.

Particulars	Folio Nos./DP ID Client ID Nos.	Opening Balance As on 31.3.____	Add: Purchase(s) during the year and price[s]	Less: Sales(s) during the year and the price[s]	Closing Balance
Name of the DP					
Immediate relatives*					
Spouse					
Father					
Mother					
Son / Step Son					
Daughter / Step Daughter					
Brother					
Sister					

\*who is either dependent financially on me, or consults me in taking decisions relating to trading in securities

Name of the DP and signature

Date:

Company (applicable to Designated Person)



Empl. No.

Dept/Div.