

# METROGlobal Limited

CODE OF CONDUCT TO

REGULATE, MONITOR AND REPORTING TRADING BY INSIDERS

[Under Regulation 9 of the

Securities and Exchange Board of India (Prohibition of Insider Trading)

Regulations, 2015]



## I. PREAMBLE

The Securities and Exchange Board of India (SEBI) in its endeavor to protect the interests of stakeholders in general, has formulated the new regulations SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Regulations') with aim to regulate and monitor the trading activities by the Designated Persons. Further, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 provided to devise the framework to avoid insider trading and abusive self-dealing.

Pursuant to the provisions of Regulation 9, the Board of Directors ('Board') of **METROGlobal Limited** ('the Company') hereby notifies THE CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING ('the Code'). The purpose of this Code is to elucidate and inform to all Designated Persons that they have a responsibility and duty to preserve UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI), possessed by them and no Designated Person shall use such unpublished price sensitive information for personal gain or provide any gain to the third party related to him.

## II. OBJECTIVE OF THE CODE

The Code lays down the ethical values to be followed by the persons to whom the code is applicable and to promote ethical behavior on a day-to-day basis and create the trust, honesty, integrity, transparency, accountability by prohibiting the use of unpublished price sensitive information.

## III. DEFINITIONS

### (A) Definitions

In this Code unless the context otherwise requires

1. 'Act' means SEBI Act, 1992
2. 'Company' means **METROGlobal Limited**.
3. 'Compliance Officer' means the Company Secretary of the Company.
4. "Connected person" means,-



- (i) any person who is or has during the six months prior to the concerned act been associated with a Company, *directly or indirectly, in any capacity* including by reason of frequent communication with its officers or by *being in any contractual, fiduciary or employment relationship* or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
  - (a) an immediate relative of connected persons specified in clause (i); or
  - (b) a holding company or associate company or subsidiary company; or
  - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) an official of a stock exchange or of clearing house or corporation; or
  - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
  - (i) a banker of the Company; or
  - (j) a concern, firm, trust, Hindu undivided family, Company or association of persons wherein a director of a Company or his immediate relative or banker of the Company, has more than ten per cent of the holding or interest;

5. **"Designated Person"** means,-

- (i) Promoters of the Company;
- (ii) Board of Directors & Key Managerial Personnel of the Company;
- (iii) All employees (including temporary employees, trainees, etc...) in Finance and Secretarial Department;



- (iv) Dependent family members of (i), (ii) and (iii) above;
  - (v) Insiders as defined under the Regulations and/or as decided by the Compliance Officer in consultation with Managing Director, as and when required.
6. **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;
7. **"Immediate relative"** or **"Dependent"** 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;
8. **"Insider"** means any person who is: i) a connected person; or ii) in possession of or having access to unpublished price sensitive information;
9. **"Promoter"** shall have the same meaning as assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modifications thereof;
10. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;
11. **"Trading day"** means a day on which the recognized stock exchanges are open for trading;
12. **"Trading Window"** means the period during which trading may be carried out in Company's securities by Designated Persons.
13. **"Trading Plan"** ("TP") means a plan for dealing in securities of the Company for a period not less than 12 months by the persons who may be perpetually in possession of unpublished price sensitive information
14. **'Unpublished Price Sensitive Information'**("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:
- a) financial results
  - b) dividends



- c) change in capital structure
- d) mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions
- e) changes in key managerial personnel
- f) material events in accordance with the listing agreement
- g) Any such other information which may affect the price of securities

**(B) Interpretation:** In this document, unless contrary intention appears:

- a) The singular includes the plural and vice versa;
- b) Any word or expression importing the masculine, feminine or neuter genders only, shall be taken to include all three genders

#### **IV. ROLE OF COMPLIANCE OFFICER**

- a. The Compliance Officer shall report on Insider Trading to the Board of Directors of the Company and in particular, shall provide reports on quarterly basis to the Chairman of the Audit Committee, if any or to the Chairman of the Board at such frequency as may be stipulated by the Board.
- b. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of UPSI, pre-clearance of Designated Person and their Dependents' trades, monitoring of trades and implementation of Code of Conduct under the overall supervision of the Board of Directors of the Company.
- c. The Compliance Officer may in consultation with managing director, shall specify period of closure of Trading window from time to time and immediately make an announcement thereof. He is required to ensure that the trading window shall not be re-opened earlier than 48 hours from the date of dissemination of information to the public.
- d. The Audit Committee shall ensure the effective implementation, monitoring and compliance of Code.
- e. The Compliance Officer shall maintain proper records as may be required for compliance of the said Code.



- f. The Compliance Officer shall obtain requisite declarations from the Designated Persons to prevent the act of Insider Trading.
- g. The Compliance Officer shall maintain a record of the Designated Employees and any changes made in the list of Designated Persons in the following format :-

S.No.	Name	Designation	Date	
			From	To

**V. MINIMUM STANDARDS FOR THE CODE**

**a. Preservation of UPSI**

The Designated Person shall maintain confidentiality of all UPSI coming into their possession or control. Such Designated Person shall not

- (i) communicate, provide or allow access of UPSI to any person directly or indirectly, unless such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; or
- (ii) discuss UPSI in public places, or
- (iii) disclose UPSI to any Employee who does not need to know the information for discharging his or her duties, or
- (iv) recommend to anyone that they may undertake Trading in Securities of the Company while being in possession, control or knowledge of UPSI, or
- (v) be seen or perceived to be Trading in Securities of the Company while in possession of UPSI.

**b. Need to Know**

UPSI shall be handled on a "Need to Know" basis, i.e. UPSI should be disclosed only to those who need to know the same in furtherance of a legitimate purpose, the course of performance or discharge of their duty



and whose possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of the information.

#### **c. Limited access to UPSI**

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

- (i) files containing confidential information shall be kept secure.
- (ii) computer files must have adequate security of login through a password and if not needed should be deleted or destroyed after being used as per the Company policy for preservation of records, if any.
- (iii) follow the guidelines for maintenance of electronic records and systems
- (iv) as may be prescribed by the Compliance Officer from time-to-time in consultation with the person in charge of the information technology function.

#### **d. Chinese Wall**

To prevent the misuse of confidential information the Company shall adopt a "Chinese Wall" procedures and processes. The Chinese wall procedures and processes shall allow the Designated Persons to use UPSI, for the above mentioned purpose(s) including, but not restricted to discharge of contractual/statutory obligation, if any, and for such other purposes as may be decided by the Compliance officer in consultation with Managing Director.

#### **e. Trade in securities when in possession of UPSI**

No Insider shall trade in securities of the Company when in possession of UPSI provided that the Insider may prove his innocence by giving valid reasons of the circumstances as mentioned below:

- a. the transaction is an off market transaction inter-se between the Promoters who were in possession of UPSI without breach of promises of Regulation 3 of Regulations, if such transaction is made for legitimate purpose and both parties had made a conscious and informed trade decision.
- b. In case of non – individual Insiders (Company, firm etc):



- (i) the individuals who were in possession of such UPSI were different from the individuals taking trading decisions and such decision –making individuals were not in possession of such UPSI when they took the decision of trade and;
- (ii) appropriate and adequate arrangements were in place that these Regulations are not violated and no UPSI was communicated by the individuals possessing the information to the individuals taking trading decisions;
- (iii) Trading is done pursuant to a TP submitted to the Company;
- (iv) In cases of trades by Connected Person, the onus of establishing that they were not in possession of UPSI shall be on such Connected Person;
- (v) In any other case the onus would be on SEBI.

## **VI. TRADING PLAN**

### **a. Importance of Trading Plan**

1. All Designated Person before possessing an UPSI may formulate a Trading Plan ('TP') and the same is required to be approved by the Compliance Officer subject to compliance of Code and Regulations
2. By virtue of TP, a designated Person can plan for trades to be executed by him/her in future.
3. No Pre-clearance would be required for dealing in the securities of the Company once the TP gets approved.
4. By doing so, the possession of UPSI when a trade under a TP is actually executed would not prohibit the execution of such trades as that was pre-decided even before the UPSI came into being.

### **b. Requisites of Trading Plan**

1. A Trading shall be executed on expiry of six months from the date of public disclosure of the TP.





2. Trading as per TP shall not take place between 20<sup>th</sup> trading days prior to the last day of the financial period for which the results are required to be announced by the Company and 2 trading days after the disclosure of such financial results.
3. Designated Person shall give one TP at a time and the same shall not be less than 12 months i.e. there cannot be any overlapping of TP's.
4. TP shall set out either the value of trades or the number of securities to be traded, along with specific dates and time intervals.
5. Trading on the basis of TP shall not lead to market abuse. If any manipulative activity is detected, it would open to initiate proceedings breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

#### **c. Approval of Trading Plan**

1. The Compliance Officer shall review the TP to assess whether such plan has any potential and in not in violation of the Regulations and shall be entitled to seek such express undertakings as may be considered necessary including but not limited to the effect that the applicant is not in possession of UPSI.
2. On the basis of such assessment, the Compliance Officer shall within 15 days of the receipt of TP, approve or dis-approve any trading plan so submitted. In case of dis-approval the Compliance Officer shall record the reasons for the same.

#### **d. Notification to Stock Exchange(s)**

The Compliance Officer shall notify the particulars of the approved TP to the stock exchange(s) where its securities are listed.

#### **e. Execution of Trading Plan**

1. TP once approved shall be irrevocable and has to be mandatorily implemented without any deviation.



2. The implementation of the TP shall be deferred if any UPSI in possession at the time of formulation of the plan has not become generally available at the time of commencement of implementation of such plan.

## VII. TRADING WINDOW

1. Designated Persons and their Immediate Relatives are not allowed to trade in the shares of the Company during the period(s) when the Trading Window is closed.
2. The Trading Window shall remain closed for at least 7 days prior to the happening of any of the following events in general, as decided by Compliance Officer in consultation of Managing Director:
  - Declaration of financial results (quarterly, half-yearly and annually)
  - Declaration of dividend (interim/ final)
  - Issue of securities by way of public / rights / bonus etc.
  - Any major expansion plans or execution of new projects
  - Amalgamation, mergers, acquisitions, takeovers and buy back of shares
  - Disposal of whole or substantially the whole of the Company.
  - Any changes in policies, plans or operations of the Company
  - Acquisition, de-merger, restructuring, scheme of arrangement, spin-off of divisions etc.
  - Consolidation / splitting of shares
  - Voluntary de-listing of shares by the Company
  - Forfeiture of shares
  - ADR / GDR or any other class of securities to be issued abroad
  - Cancellation of dividend/right/bonus etc.
3. The Compliance Officer shall take all reasonable steps to inform the Designated Persons about the date of closing and re-opening of the Trading Window.
4. The Trading in the Company's securities would be permitted only on the expiry of forty eight hours after the information becomes publically available.



5. Subscription of securities from the primary market shall be allowed even during closure of Trading Window. However, sale of securities, so acquired shall not be allowed when Trading Window is closed.
6. To ensure that no fraudulent dealing in securities takes place, the Notional Trading Window be created from time to time.

*“Notional Trading Window” means a temporary restriction on the trading by the Designated Persons during the period when the decisions are being made within the Company, but the formalization of such decision is not made.*

Notional Trading Window generally takes place prior to the communication of following special events to the public

- Acquisitions, de-merger, restructuring, scheme of arrangement etc
- Consolidation/splitting of securities
- Voluntary de-listing of securities of the Company
- Forfeiture
- ADR/GDR or any other class of securities to be issued abroad
- Declaration of dividends (interim and final)
- Issue of securities by way of public/right/bonus etc
- Any other event as may be deemed fit by Compliance Officer in consultation with managing director.

#### **VIII.PRE – CLEARANCE OF TRADES**

1. Designated Persons who intend to deal, in the securities of the Company which shall be an amount exceeding Rs. 10,00,000/- (Rupees Ten Lacs only) the same shall be subject to pre-clearance by the Compliance Officer as per the procedure described hereunder.
2. Any pre cleared trade not executed within 7 trading days of its pre clearance will require fresh pre-clearance.
3. An application for pre-clearance shall be made to the Compliance Officer in the form annexed to this Code as Annexure A.



4. The Compliance Officer may accord his approval/ dis-approval to any of the pre- clearance requests. In case of dis-approval the Compliance officer shall record the reasons for the same.

## **IX. DISCLOSURES**

### **a. Initial Disclosures**

- i. Every Promoter, key managerial personnel and director shall disclose his holding in the securities of the Company within 30 days of the implementation of these Regulations to the Compliance Officer in the Form A of the Regulations annexed to this Code as Annexure B.
- ii. Every person appointed as key managerial personnel or a director of the Company or upon becoming a Promoter shall within 7 days of such appointment or becoming a promoter, shall provide disclosure of his securities to the Company in the Form B of the Regulations annexed to this code as Annexure C.

### **b. Other Disclosure**

- i. Every Promoter, employee and director of the shall disclose to the Company, the number of securities acquired or disposed of within 2 trading days of such transaction if the value of securities traded, whether in one transaction or in series of transaction over any calendar quarter or after the prior disclosure made to the Company crosses the threshold limit as per Regulations i.e. aggregating to a traded value in excess of INR 1,000,000 in the Form C of the Regulations annexed to this Code as Annexure D.
- ii. Every 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.
- iii. Connected Person shall ensure that their employees/associates are not in possession of UPSI enter into any securities trading pertaining to the Company. Also, the Company may obtain the disclosure from the said Connected Person in the format as provided in Annexure E to the said Regulations. Further, if Connected Person enters into any trading, he shall disclose the same in Form D of the Regulations, annexed to this Code as Annexure F.



## **X. PENALTY FOR CONTRAVENTION**

- i. Any contravention of these Regulations shall be dealt with by SEBI in accordance with the SEBI Act, and rules made thereunder.
- ii. Any violation of the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension for future participation in employee stock option plan etc. Such disciplinary action shall be recommended by the Audit Committee and approved by the Board
- iii. The action by Company shall not preclude SEBI from taking any action in case of violation of Regulations.

## **XI. OTHER RESTRICTIONS**

- i. A Designated Person who is permitted to trade shall not execute a contra trade within 6 month of such trade in securities of the Company. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these Regulations.
- ii. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.
- iii. In case it is observed by the Board of Directors that there has been a violation of Regulations, the Compliance Officer, being authorized by the Board of Directors, shall promptly inform SEBI.

## **XII. REPORTING TO THE AUDIT COMMITTEE**

The Compliance Officer shall report to the Chairman of the Audit committee on a quarterly basis about the disclosures, pre-clearances or TP's received, if any, and action taken on the same. Further, the Audit Committee may update the Board and may seek advice on the matters, if it deems fit.



**XIII.AMENDMENT**

This Code and any subsequent amendment(s) thereto, shall be by way of a resolution by the Board of Directors and shall be circulated to Designated Persons as per the internal communication policy of the Company, if any.

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**APPLICATION FOR PRE-CLEARANCE FOR PURCHASE/SALE OF SECURITIES**

Date:

The Compliance Officer,  
Name and Address of the Company

Dear Sir,

**Sub: Application for Pre-clearance of purchase/sale of securities of the Company**

Pursuant to the Company's Code of Conduct for Prevention of Insider Trading, I seek your approval for purchase /sale of securities of the Company as under:

I intend to purchase / sell [Number of Securities] no. of securities of the Company, during the week ending \_\_\_\_ for which I seek your approval. The said securities will be bought / sold in the name as mentioned under:

Name of the Designated Person and / or Dependent Family Member	Type of securities	No. of securities held (with Folio/DP ID/ Client ID)

In this respect I do hereby confirm as under:

- a. I have no access to nor do I have any UPSI as defined in the Code up to the time of signing this undertaking;
- b. In the event that I have access to or receive any UPSI 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 until such information becomes public;

c. I have not contravened the Code as notified by the Company from time to time.

d. I have made a full and true disclosure in the matter.

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

Name: \_\_\_\_\_

Address

Mobile No. and Email id:



## Form A

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (a) read with Regulation 6 (2)]**

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & address with contact nos	Category of Person (Promoters/ KMP / Directors/ immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For e.g. – Shares, Warrants, Convertible Debentures Etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9

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

Signature:

Designation:

Date:

Place:

## FORM B

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/imm ediate Relatives /others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP	
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4		5	6		7	

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

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

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**FORM C**  
**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (2) read with Regulation 6(2)]**

Name of the Company: \_\_\_\_\_

ISIN of the Company: \_\_\_\_\_

Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No., CIN/DIN & address of connected persons, as identified by the company with contact nos.	Connection with company)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public/ rights/ preferential offer / off market/ Inter-se transfer etc.)	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell			
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	

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

Name:

Signature:

Date:

Place:

Annexure E

**Undertaking by the Connected Person**

This is to undertake that I, We, Mr./Ms./M/s \_\_\_\_\_ having registered office address or resident of \_\_\_\_\_ being an Insider to the Company will duly inform our concerned Team of the nature of work relationship and shall not undertake any said transaction in violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015

For \_\_\_\_\_ (Details of the Connected Person)

Authorized Person

## Form D (Indicative format)

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

## Regulation 7(3) – Transactions by Other connected persons as identified by the company

1	2	3		4		5		6	7	8	9	10	11	12	13				17		
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction								From	To	Trading in derivatives (Specify type of contract, Futures or Options etc)			Exchange on which the trade was executed	
																	Buy	Sell		Value	Number of units (contracts * lot size)

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

Name:

Signature:

Date:

Place: