

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

PREAMBLE

In terms of Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of every listed company and market intermediary shall formulate a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with these regulations, adopting the minimum standards set out in Schedule B to the said regulations, without diluting the provisions of these regulations in any manner.

THE CODE AND OBLIGATIONS

To achieve the objectives of this Code, M/s. Focce India Limited (hereinafter referred to as “the Company”) hereby notifies that this code of conduct shall be followed by all promoters, directors, key managerial personnel, employees and connected persons.

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every promoter, director, key managerial personnel, employee of the Company and any connected person has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the company. No such person may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

PART A

DEFINITIONS

‘Insider Trading’: When insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions, the action is referred to as insider trading;

‘Insider’ means any person who is:

i) a connected person; or

ii) in possession of or having access to unpublished price sensitive information;

'Company' means Foce India Limited; 'Compliance Officer' means the Company Secretary of the Company;

'Connected Persons' 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

(h). 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;

"Generally available information" means information that is accessible to the public on a non-discriminatory basis;

“Immediate relative” 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;

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

“Trading day” means a day on which the recognized stock exchanges are open for trading;

"Unpublished price sensitive information" 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: –

1. financial results;
2. dividends;
3. change in capital structure;
4. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
5. changes in key managerial personnel; and
6. material events in accordance with the listing agreement.

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

‘Officer’ means and includes any employee of the Company in the rank of Senior Manager and above and includes statutory and internal auditors of the Company;

‘Designated Persons’ shall mean:

- (i) Managing and Whole-time Directors;
- (ii) General Managers; and
- iii) Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.

PART B

1. Compliance Officer

The Company has appointed the Company Secretary as Compliance Officer who shall administer the code of conduct and other requirements under these regulations.

The Compliance Officer shall report 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.

2. Preservation of "Unpublished Price Sensitive Information"

All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.

All the Employees and connected persons designated on the basis of their functional role ("designated persons") in the organization shall be governed by an internal code of conduct governing dealing in securities. The board of directors shall in consultation with the compliance officer specify the designated persons to be covered under the code on the basis of their role and function in the organization.

3.1 Need to know

Unpublished Price Sensitive Information is to be handled on a "need to know" basis, i.e., Unpublished Price Sensitive Information should be disclosed only to those within the company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

3.2 Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

4. Restrictions on Communication and Trading by Insiders

(i) No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

(ii) No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

(iii) Notwithstanding anything contained in this regulation, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:—

(a) 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 the proposed transaction is in the best interests of the company;

(b) 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 the proposed transaction is in the best interests of the company and the information that constitute unpublished price sensitive information 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.

(iv) For purposes of sub-regulation (3), 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 sub-clause (iii), and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

5. Trading when in possession of unpublished price sensitive information.

(i) No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Provided that the insider may prove his innocence by demonstrating the circumstances including the following:

(a) the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision;

(b) 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;

(c) the trades were pursuant to a trading plan set up in accordance with regulation 5.

In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.

The Board may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of these regulations.

6. Trading Plans

(i) An insider 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.

(ii) Such trading plan shall:—

(a) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;

(b) not entail trading for the 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 issuer of the securities and the second trading day after the disclosure of such financial results;

(c) entail trading for a period of not less than twelve months;

(d) not entail overlap of any period for which another trading plan is already in existence;

(e) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and

(f) not entail trading in securities for market abuse.

(iii) The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these 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.

(iv) 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.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider 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 so as to avoid a violation of sub-clause (i) of clause 5.

(v) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

7. Trading Restrictions

All directors, key managerial personnel and designated persons of the Company shall be subject to trading restrictions as enumerated below :-

7.1 Trading Window

The period prior to declaration of unpublished price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Key Managerial Personnel and Designated Persons will, during that period, often possess unpublished price sensitive information.

The period prior to declaration of unpublished price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Key Managerial Personnel and Designated Persons will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Directors, Key Managerial Personnel and Designated Persons will have to forego the opportunity of trading in the Company's securities.

The Directors, Key Managerial Personnel and Designated Persons of the Company and their immediate relatives shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

(i) The trading window shall be, inter alia, closed at the time of :-

(a) Declaration of Financial results (quarterly, half-yearly and annual)

(b) Declaration of dividends (interim and final)

(c) Issue of securities by way of public/ rights/bonus, etc.

(d) Any major expansion plans or execution of new projects

(e) Amalgamation, mergers, takeovers and buy-back

(f) Disposal of whole or substantially whole of the undertaking

(g) Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;

(h) Commencement of any new commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;

(i) Developments with respect to changes in pricing / realization on services arising out of changes in government policy;

(j) Litigation / dispute with a material impact;

(k) Revision of credit ratings assigned to any debt or equity instrument of the Company;

(l) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

(ii) The period of closure shall be effective from the date of announcement of the meeting of the Board of Directors up to 48 hours after the information is submitted to the Stock Exchange.

8. Pre-clearance of trades