

**METAL COATINGS (INDIA) LIMITED**

Registered Office: 912, Hemkunt Chambers, 89, Nehru Place, New Delhi, Delhi-110019

CIN: L74899DL1994PLC063387

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

**AND**

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION**

## **METAL COATINGS (INDIA) LIMITED**

### **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES OF THE COMPANY**

**[Under Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended  
by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]**

#### **PREAMBLE**

Insider trading means dealing in securities of a Company by its Directors, Employees or other Insiders based on Unpublished Price Sensitive Information. Such dealing by Insiders erodes the investors' confidence in the integrity of the management and is unhealthy for the capital markets.

The Securities and Exchange Board of India ("SEBI") has, in order to protect the interests of investors in general and to put in place a framework for prohibition of insider trading in securities of the Company and to strengthen the legal framework thereof, issued the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018 ("**the Regulations**") pursuant to the powers conferred on it under section 30 of the Securities and Exchange Board of India Act, 1992 ("SEBI Act"). The Regulations has come into force with effect from 15<sup>th</sup> May 2015 and the amendments has come into force with effect from 1<sup>st</sup> April, 2019 and the same are applicable to all companies whose shares are listed on any recognised stock exchange.

The Regulations provides that every listed company shall frame (a) Code of Conduct, to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons. (b) Code of Practices and Procedures, for fair disclosure of unpublished price sensitive information, towards achieving compliance with the Regulations.

This document embodies

- (a) the Code of Conduct for regulating, monitoring and reporting of trades by designated persons and immediate relatives of designated persons, and
- (b) the Code of Practices and Procedures, for fair disclosure of unpublished price sensitive information, as provided under the Regulations. This Code applies to all Designated Persons and Connected Persons, as defined in the Code.

#### **THE POLICY AND OBLIGATIONS**

The Company endeavors to preserve the confidentiality of un-published 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 insider (Promoter/ Directors/ Employees, etc.) of the Company who deals with unpublished price sensitive information has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the company. There shall be no selective disclosure of information and the

Company and insider shall endeavor to ensure equal accessibility of unpublished price sensitive information to all the stakeholders associated with the Company.

To achieve these objectives, Metal Coatings (India) Limited (hereinafter referred to as "the Company") hereby notifies that this code of conduct is to be followed by all directors, officers, designated employees, Key Managerial personnel and connected persons.

## **1. DEFINITIONS**

In this Code, unless the context otherwise requires, the following words, expression and derivations therefrom shall have the meanings assigned to them, as under:

- 1.1 **“Act”** means the Securities and Exchange Board of India Act, 1992 and includes any statutory modifications or amendments thereto from time to time in force.
- 1.2 **“Board”** means the Board of Directors of the Company.
- 1.3 **“Chinese Walls”** shall have the meaning assigned thereto in clause 6(1) of this Code.
- 1.4 **“Chief Investor Relations Officer”** shall have the meaning assigned to it in clause 3 of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
- 1.5 **“Code” or “Code of Conduct”** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Metal Coatings (India) Limited as amended from time to time.
- 1.6 **“Company”** means Metal Coatings (India) Limited.
- 1.7 **“Compliance Officer”** means Company Secretary or such other senior officer designated so and reporting to the Board of Directors and named as compliance officer to regulated bodies, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

[Explanation – For the purpose of this regulation, “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.]

- 1.8 **“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 recognised 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 the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

1.9 **“Contra Trade”** shall have the meaning assigned to it in Clause 5 of this Code.

1.10 **“Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

1.11 **“Dependent”** with respect to any person, means the parents, siblings, spouse, children, children of the spouse (whether minors or adults) of such person who are either financially dependent on such person or consult with such person while taking decisions relating to trading in securities.

1.12 **“Designated Persons”** means:-

- (i) All Directors of Company and their Executive Secretaries;
- (ii) All Directors of Material Subsidiaries
- (iii) Every employee in the grade of Assistant General Managers and above
- (iv) Every employee in Finance, Secretarial, Legal Department; and those involved in typesetting and printing of results in the operations team.
- (v) Promoters of the Company
- (vi) Promoter of intermediaries (intermediaries as defined in Section 12 of Securities Exchange Board of India Act, 1992) and promoter of fiduciaries.

- (vii) Every employee of Company, intermediary or fiduciary as may be designated by them for assisting or advising the Company, who has access to Unpublished Price Sensitive Information of the Company.
- (viii) Chief-Executive Officer and employees upto two levels below Chief Executive Officer of the company irrespective of their functional role in the company or ability to have access to unpublished price sensitive information.
- (ix) All other persons, being in any contractual, fiduciary or employment relationship with the Company or material subsidiaries, 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;
- (x) Such other persons as may be specified by the Board in consultation with the Compliance Officer; and
- (xi) Any other persons designated as such by the Compliance Officer in consultation with the Chairman of the Board / Chief Executive Officer / Chief Financial Officer keeping in mind the objectives of the Code.

1.13 **“Director”** means a member of the Board of Directors of the Company.

1.14 **“Employee”** means every employee of the Company including the Directors in the employment of the Company.

1.15 **“Fiduciary”** includes Statutory Auditors, Internal Auditors, Secretarial Auditors, Retainers, lawyers and other advisors of the Company.

1.16 **“Generally available Information”** means information that is accessible to the public on a non-discriminatory basis.

1.17 **“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.

1.18 **“Insider”** means any person who is,

(i) connected person; or

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

1.19 **“Insider Areas”** and **“Public Areas”** shall have the meanings respectively assigned to them in clause 6(ii) of this Code.

1.20 **“Key Managerial Person”** means person as defined in Section 2(51) of the Companies Act, 2013.

1.21 **“Legitimate Purpose”** shall include sharing of unpublished price sensitive information 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 Regulations.

1.22 **“Need to Know”** means Price Sensitive Information 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 the information.

- 1.23 **“Promoter” and “Promoter Group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- 1.24 **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- 1.25 **“SEBI Takeover regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- 1.26 **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- 1.27 **“Trading Day”** means a day on which the recognized stock exchanges are open for trading;
- 1.28 **“Trading Window”** shall have the meaning assigned to it in Clause 9(a) of this Code.
- 1.29 **“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:
- I. Financial Results
  - II. dividends;
  - III. change in capital structure;
  - IV. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions
  - V. changes in key managerial personnel.

Words and expressions used in this code and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

## **2. ROLE OF COMPLIANCE OFFICER**

- 2.1 The Company has appointed the person holding the position of Company Secretary / Compliance Officer, as the Compliance Officer for the purposes of this Code and the Regulations. The Compliance Officer shall make best endeavours to ensure compliance with, and effective implementation of, the Regulations and the Code by Designated Persons.
- 2.2 The Compliance Officer shall report to the Board at least once in a year and in particular, shall provide report to the Chairman of the Audit Committee or to the Chairman of the Board, at such

frequency, as may be stipulated by the Board. Further, the Compliance Officer shall, at all times, abide by any directions and instructions that may be issued by the Board.

- 2.3 The Compliance Officer shall be responsible for:
- (i) setting forth policies in consultation with the Chairman /Chief Executive Officer/ Chief Financial Officer as and when required;
  - (ii) prescribing procedures in connection with the Code;
  - (iii) monitoring adherence to the rules specified in the Code for the preservation of Unpublished Price Sensitive Information;
  - (iv) pre-clearing approvals, either directly or through heads of various departments as decided by the Board, to dealings in the Company's Securities by the Designated Persons and Dependent and monitoring of such dealings;
  - (v) implementation of this Code under the overall supervision of the Board.
- 2.4 The Compliance Officer shall maintain a records of all the Designated Persons and immediate relatives of designated persons and changes to the list from time to time.
- 2.5 The Compliance Officer shall maintain records of all declarations and disclosures received by him under the Code for a minimum period of five (5) years.
- 2.6 The Compliance Officer shall be responsible for the approval of Trading Plans. The Compliance Officer shall also be responsible for notifying the Trading Plans to the stock exchanges on which Securities are listed.
- 2.7 The Compliance Officer shall maintain a record of trading window from time to time.
- 2.8 The Compliance Officer shall assist the employees in addressing any clarifications regarding the Regulations and this Code.

### **3. PRESERVATION OF “PRICE SENSITIVE INFORMATION”**

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

Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which entails:

- 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; or
- not attracting 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.

However, 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 limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

### 3.2 Need to Know:

- (i) Designated Persons and Connected Persons who are reasonably expected to have access to Unpublished Price Sensitive Information or who have received or have had access to such information, shall handle the same on a “**need to know**” basis and no unpublished price sensitive information shall be communicated to any person in furtherance of his / her legitimate purposes, performance of duties or discharge of legal obligations.
- (j) All non-public information directly received by any employee should immediately be reported to the head of the department.

### 3.3 Limited access to confidential information

Designated Persons and Connected Persons, who are reasonably expected to have access to Unpublished Price Sensitive Information or who have received or have had access to such information, shall ensure that:

- (a) files containing Unpublished Price Sensitive Information are kept secure;
- (b) computer files have adequate security of login through a password; and
- (c) follow the guidelines for maintenance of electronic records and systems as prescribed within the Company from time to time in consultation with the person in charge of the information technology function.

### 3.4 Communication to Media/Public

The Compliance Officer shall be consulted in advance, before any communication is made to the media / public on behalf of the Company, which may have impact on the price movement in the Company’s scrip.

## **4. RESTRICTIONS ON DESIGNATED PERSONS & CONNECTED PERSONS FOR TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

### 4.1 No Designated Person and Connected Person shall–

- (a) either on his own behalf, or on behalf of any other person, trade in securities when in possession of any Unpublished Price Sensitive Information unless made in accordance with the Trading Plan as enumerated in this Code;
- (b) advice any person to trade in the Securities while being in possession, control or knowledge of Unpublished Price Sensitive Information. For avoidance of any doubt it is clarified that “advice” shall mean to include recommendations, communications or counseling.



Each Designated Person and Connected Person shall ensure that their respective wealth managers, portfolio managers or similar persons do not trade in the Securities of the Company on behalf of any designated person and connected person unless such insider is permitted to trade in the Securities of the Company in accordance with this Code. Insiders/Designated Person/Connected Person in the organisation shall be governed by an internal code of conduct governing dealing in securities.

4.2 When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession, provided that the insider may prove his innocence by demonstrating the circumstances including the following: –

(i) the transaction is an off-market *inter-se* transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of Regulation 3 of SEBI(Prohibition of Insider Trading) Regulations, 2015 and both parties had made a conscious and informed trade decision.

Provided that such unpublished price sensitive information was not obtained under sub-regulation (3) of regulation 3 of SEBI(Prohibition of Insider Trading) Regulations, 2015.

Provided further that such off-market trades shall be reported by the insiders to the company within two working days. The company shall notify the particulars of such trades to the stock exchange within two trading days from receipt of the disclosure or from becoming aware of such information.

(ii) the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 of SEBI(Prohibition of Insider Trading) Regulations, 2015, and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(iii) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.

(iv) 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.

(v) In the case of non-individual insiders: –

(a) 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

(b) 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;

(vi) the trades were pursuant to a trading plan set up in accordance with regulation 5 of SEBI(Prohibition of Insider Trading) Regulations, 2015.

4.3 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 SEBI.

## **5. RESTRICTIONS ON OPPOSITE TRANSACTIONS AND SHORTSELLING**

### **Contra Trade**

- (i) All Designated Persons who buy or sell any number of Securities of the Company shall not enter into an opposite trade– if any, in the Securities of the Company at any time. This restriction on opposite trade shall not apply to ESOPs – if any, allotted to the Designated Persons provided the minimum period of holding is complied.
- (ii) If a Designated Person intends to enter into a Contra Trade before the expiry of next 6 months of the prior transaction, such Contra Trade may be made only with prior approval of the Compliance Officer. The Compliance Officer while approving such exception, shall record in writing the reasons for which such exception was granted and why such exception would not be in violation of the Code or the Regulations.
- (iii) In the event that a Contra Trade has been executed before the expiry of next 6 months without prior approval of the Compliance Officer, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

Provided that contra trade shall not be applicable for trades pursuant to exercise of stock options.

### **Short Selling**

- (iv) opposite transaction i.e. sell or buy any number of Securities during the next six months following the prior transaction (“**Contra Trade**”). All Designated Persons shall also not take positions in derivative transactions. No Designated Person shall directly or indirectly sell any Security if such Designated Person (i) does not own the Security sold; or (2) owns the Security but does not deliver such Security against such sale within the acceptable settlement cycle (“short sale”).

## **6. CHINESE WALLS**

- (i) Additionally, while dealing with or handling Unpublished Price Sensitive Information within the Company, the Company shall establish policies, procedures and physical arrangements (collectively “**Chinese Walls**”) designed to manage confidential information and prevent the inadvertent spread and misuse of Unpublished Price Sensitive Information, or the appearance thereof.
- (ii) Chinese Walls shall be used to separate areas that have access to Unpublished Price Sensitive Information (“**Insider Areas**”) from those who do not have such access (“**Public Areas**”) within the Company.
- (iii) Where Chinese Walls arrangements are in place, Designated Persons working within an Insider Area are prohibited from communicating any confidential or Unpublished Price Sensitive Information to anyone in Public Areas without the prior approval of the Compliance Officer.
- (iv) Designated Persons within a Chinese Wall have a responsibility to ensure the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately.
- (v) A Designated Person may cross the Chinese Wall to enter the Insider Areas only with the prior approval of the Compliance Officer, and would be subject to all restrictions that apply to such areas.
- (vi) The establishment of Chinese Walls does not mean or imply that Unpublished Price Sensitive Information can circulate freely within Insider Areas.

## **7. PRE-CLEARANCE OF TRADES**

- 7.1 Every Designated Person and immediate relatives of designated persons who intends to deal in the securities of the Company when the trading window is open should pre-clear the transaction, by making an application in **Form I** to the Compliance Officer where the aggregate of the securities to be acquired/sold/dealt in during a calendar month exceeds 25,000 in number or where the market value of the securities to be acquired/sold/dealt in a calendar month exceeds Rs. 10,00,000 (Rupees Ten Lakhs) in value, whichever is lower.
- 7.2 While seeking pre-clearance all designated persons and immediate relatives of designated persons shall submit a declaration in **Form II** to the Compliance Officer confirming that he/she does not stand in possession of any unpublished price sensitive information. However, the Compliance Officer shall have the authority to seek further information/clarification to ensure that the subject declaration is accurate.
- 7.3 The Compliance Officer shall give Pre dealing approval letter as per **Form III**. However, no approval for trading in the securities of the Company shall be granted when the trading window is closed.

- 7.4 All Specified persons shall execute their transaction which has been pre- cleared, within seven trading days after the approval of such pre-clearance. However, a fresh pre - clearance shall be required in case the transaction which has been pre- cleared earlier was not executed within the prescribed time frame of seven (7) trading days.
- 7.5 The Specified Persons after executing the transaction for which the pre clearance approval was obtained shall submit a report of the trades as executed in **Form IV** within a period of seven (7) working days from the date of execution of the transaction to the Compliance Officer.
- 7.6 In the event of absence of the Compliance Officer, the Board may delegate performance of the duties and responsibilities referred to in this paragraph to any head of department of the Company.
- 7.7 All transactions involving the Compliance Officer shall be approved by the Chairman of the Audit Committee/ Chief Executive Officer / Chief Financial Officer.

## **8. TRADING PLAN**

Such person(s) who may perpetually be in possession of unpublished price sensitive information may opt for trading in the securities of the company by way of formulation of “Trading plan” which shall enable such persons to trade in securities in a compliant manner and plan for trades to be executed in future.

The distinct features of the Trading Plan are detailed herein below:

- (i) An insider may formulate a Trading Plan and present it to the compliance officer in the attached **Form V** for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- (ii) Pursuant to the Trading Plan, such an insider:-
  - (a) shall not commence trading for a period of 6 months from the date of public disclosure of the plan.
  - (b) cannot trade from the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company i.e. 20 trading days before June 30, Sept 30, Dec 31 and March 31 and upto 2 trading days after the disclosure of the financial results for such period.
  - (c) shall submit a trading plan for atleast 12 months.
  - (d) cannot submit a trading plan for a period during which another trading plan in existence overlaps.
  - (e) shall not use the trading plan for market manipulation, abuse or any unfair trade practice in the securities market.
- (iii) Such Trading Plan shall 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;

- (iv) The compliance officer upon receipt of such trading plan shall review the trading plan to assess whether the plan will 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.

Thus for the said purpose, the Compliance Officer shall have the authority to seek such declaration(s) from the insider that the insider is not in possession of Unpublished Price Sensitive Information or that he would ensure that any Unpublished Price Sensitive Information in his possession becomes generally available before the insider commences executing the trades.

- (v) 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. However, 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 inform the insider that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- (vi) Whenever trading as per the trading plan is executed by such person(s), the details of such executed trade must be submitted to the Compliance Officer in **Form V**.
- (vi) Upon approval, the Compliance Officer shall notify the Trading Plan to the stock exchanges on which the securities of the Company are listed.

## **9. TRADING WINDOW AND WINDOW CLOSURE**

- 9.1 (i) The trading period, i.e. the trading period of the stock exchanges, called “trading window”, is available for trading in the Company’s securities.
- (ii) The trading window shall be, inter alia, closed 7 days prior to and during the time the unpublished price sensitive information is published.  
Further, trading restriction period shall be applicable from the end of every quarter till 48 hours after the declaration of financial results.
  - (iii) When the trading window is closed, every Designated Person and immediate relatives of designated persons shall not trade in the Company’s securities in such period.
  - (iv) All Specified Persons shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the Company’s securities during the periods when the trading window is closed, as referred to in Point No. (ii) above or during any other period as may be specified by the Company from time to time.

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

9.2 The trading window shall be, inter alia, closed at the time:

- (i) Declaration of Financial results (quarterly, half-yearly and annual)
- (ii) Declaration of dividends (interim and final)
- (iii) Issue of securities by way of public/ rights/bonus, etc.
- (iv) Any major expansion plans or execution of new projects
- (v) Amalgamation, mergers, takeovers and buy-back
- (vi) Disposal of whole or substantially whole of the undertaking
- (vii) Any changes in policies, plans or operations of the Company disruption of
- (viii) operations due to natural calamities;

9.3 The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.

9.4 The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.

9.5 The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

9.6 In addition to the above, the Compliance Officer may in consultation with the Chairman / Chief Executive Officer / Chief Financial Officer, declare the Trading Window closed, on an “as-needed” basis for any reason.

## **10. OTHER RESTRICTIONS**

10.1 The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

10.2 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.

10.3 The disclosures made under this Code shall be maintained for a period of five years.

## **11. DISCLOSURE OF INTEREST AND DECLARATION BY DESIGNATED PERSONS / CONNECTED PERSONS**

### **11.1 Initial Disclosure**

- (a) Every promoter, member of the promoter group, Key Managerial Personnel and Director of the Company shall disclose his holding of securities of the Company and that of his/ her immediate relatives as on date of the Insider Trading regulations taking effect i.e. 15<sup>th</sup> May, 2015, to the Company within thirty days of these regulations taking effect in **Form VI**.
- (b) Every person on appointment as a keymanagerial 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 **Form VII**.
- (c) Every Designated person shall disclose the names of educational institutions from which they have graduated and names of their past employers on a one time basis.

### **11.2 Continual Disclosure**

- (a) Every promoter, member of the promoter group, designated person and director of the Company shall disclose 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 transactions over any calendar quarter, aggregates to a traded value in excess of Rs. Ten lakhs or such other value as may be specified in **Form VIII**.
- (b) The Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed within two trading days of receipt of the disclosure or becoming aware of such information in **Form VIII**.
- (c) Every Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Company on an annual basis and as and when the information changes:
  - a. Immediate relatives
  - b. Persons with whom such designated person(s) shares a material financial relationship
  - c. Phone, mobile and cell numbers which are used by them.

[Explanation – the term “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 during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.]

### **11.3 Disclosure by other connected persons**

The Compliance Officer may require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in **Form IX** and at such frequency as may be determined by the company.

## **12. DISSEMINATION OF PRICE SENSITIVE INFORMATION**

- 12.1 No information shall be passed by Specified Persons by way of making a recommendation for the purchase or sale of securities of the Company.
- 12.2 Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed while dealing with analysts and institutional investors

- Only public information to be provided.
- At least two Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

## **13. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT**

- 13.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- 13.2 Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
- 13.3 Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.
- 13.4 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

## **14. CLARIFICATIONS**

For any queries concerning this Code, the Designated Persons may contact the Compliance Officer.

## **15. AMENDMENTS**

The Board may, at any time, modify, alter or amend the provisions of this Code by giving notice of such modification, alteration or amendment to the Designated Persons.

## **16. OTHERS**

- 16.1 Any two Directors and the Compliance Officer are authorized to make minor modifications to this Code which would remove ambiguities, enhance clarity on the provisions of the Code etc. However, any major modification to the Code will require authorization by the Board.
- 16.2 Where the Company engages a service provider who is a Connected Person, the head of the



department of the Company which engages such Connected Person is responsible for communicating the requirements of this Code to such Connected Person & verify whether such Connected Person has a similar code of conduct applicable to its employees to prevent such persons from misusing Unpublished Price Sensitive Information of the Company, as well as the efficacy of implementation of such code by those Connected Persons.

- 16.3 The Managing Director or CFO or Company Secretary or Compliance Officer in consultation with Chairman of Audit Committee shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in regulations to prevent insider trading.
- 16.4 The Board of Directors of the Company shall ensure that the Managing Director, Compliance Officer, Chief Financial Officer shall ensure compliance with Regulation 9 and sub regulation (1) and (2) of the regulations.
- 16.5 Audit Committee of the Company shall review compliance with the provisions of these regulations atleast once in a financial year and shall verify that the systems for internal control are adequate and operating effectively.

## **17. DISCLAIMER**

The Code is the internal policy of the Company to prevent Designated Persons and Connected Persons who are considered by the Company to be Insiders for the purposes of this Code and the Regulations, for prevention of insider trading. It is however the responsibility of each Designated Person and Connected Person to ensure compliance with the provisions of this Code or the Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or Connected Person, of this Code and the Regulations or other related laws.

## **METAL COATINGS (INDIA) LIMITED**

### **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information [Pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

#### **Principles of Fair Disclosure**

1. The Company shall make prompt public disclosure of unpublished price sensitive information in relation to the Company that would impact price discovery of the securities of the Company no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company shall ensure uniform and universal dissemination of unpublished price sensitive information in relation to the Company via stock exchanges where the securities of the Company are listed and in order to avoid selective disclosure.
3. The designated Company Secretary shall act as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information in relation to the Company.
4. The Company shall make efforts to promptly disseminate any unpublished price sensitive information in relation to the Company that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company shall endeavor to provide appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information in relation to the Company.
7. The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website [www.mcilindia.net](http://www.mcilindia.net) to ensure official confirmation and documentation of disclosures made. Details of quarterly concall and concall transcript, if any, with analysts and relating to investor relation conferences will be made available on the Company's website.
8. The Company executives shall handle all unpublished price sensitive information in relation to the Company on a need-to-know basis.

**Sharing of Information for Legitimate Purposes:** No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities 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.

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

The policy for determination of Legitimate Purposes as mentioned in detail in **Annexure-A** to this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

**Policy for Determination of “Legitimate Purposes”**

**[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

1. Legitimate purpose shall include sharing of unpublished price sensitive information 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 Regulations.
2. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an "insider" for purposes of the SEBI (PIT) Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations. Such person is also required to ensure the confidentiality of unpublished price sensitive information shared with him / her, in compliance with the Regulations.
3. An unpublished price sensitive information 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 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 to be adequate and fair to cover all relevant and material facts.
  - (iii) For the purpose of (i) and (ii) as mentioned 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 (i) and (ii) above, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.
4. Unpublished Price Sensitive Information, such as Financial Results, declaration of Dividends, change in Capital Structure, Open Offer, proposal of Corporate Restructuring which includes mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions, diversification, expansion acquisition in the stake of other entities or Change in Key Managerial Personnel or such other information as may be considered by the Board as Unpublished Price Sensitive Information, which shall be handled within the Company on a need-to-know basis, and the same should be disclosed only to those who need such information for

legitimate purpose and to discharge their duties or legal obligations by virtue of their respective role and function, whose possession of such information will not give rise to a conflict of interest or appearance of misuse of such information, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

5. A structured digital database shall be maintained containing the names of such persons or entities, as the case may be, with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to secure such database. Documents containing confidential information shall be kept secured. Computer files must have adequate security login and password, etc.
6. No insider shall trade in the securities of the Company who are in possession of Unpublished Price Sensitive Information for Legitimate Purposes. When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

**Form I**

**Form I (Refer Clause 7 of the Code of Conduct for Prohibition of Insider Trading)**

**Application for Pre-clearance**

(For use by Designated Person and immediate relatives of designated persons who intends to deal in the securities of Company above minimum of 25,000 shares or Rs.10,00,000 in a calendar month)

To,  
The Compliance Officer  
**Metal Coatings (India) Limited**

Dear Sir,

I / my immediate relative am desirous of dealing in the below-mentioned securities of the Company in my own name or on behalf of my immediate relative.....(write name of family member and relationship) and seek your approval to acquire/ purchase/ sell them.

Type of Security	No. of Shares	Market Price on date of Application (To give last trading day's closing price)	Nature of Trade Buy / Sell	Date by which trade is proposed to be executed	Folio No./ DP ID No./ Client ID No. along with the name of depository	Present Holding (No. of Shares)	
						Physical	Demat
Equity Shares							

My undertaking for the purpose of pre-clearance is attached herewith. I/ my immediate relative is aware that if the order is not executed within seven trading days after the approval is given, I would have to pre-clear the transaction again.

I have made full and true disclosure in this application.

Signature:

Name:

Designation:

Department:

Location:

Form II

FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-DEALING  
UNDERTAKING

Undertaking

In compliance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the ..... Code for Prohibition of Insider Trading, I, \_\_\_\_\_ (Name of the Designated Person) hereby undertake/declare that:

1. I do not have any access to or have not received any "Price Sensitive Information" upto the time of signing this undertaking.
2. In case I have access to or receive any "Price Sensitive Information" after the signing of this undertaking but before the execution of the deal, I shall inform the Compliance Office of the change in the position and that I would completely refrain from dealing in Securities till the time such information is made available to public by Company.
3. I have not contravened the Code as notified by the company from time to time.
4. I have made full and true disclosure in the matter.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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

Name:

Designation:

Department:

Location

Form III

FORMAT FOR PRE-DEALING APPROVAL LETTER

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

Approval No: \_\_\_ of \_\_\_

To,

Mr. /Mrs. \_\_\_\_\_

Emp No. : \_\_\_\_\_

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

PRE-DEALING APPROVAL/DISAPPROVAL -Your application Dtd. \_\_\_\_\_

Dear Mr. /Mrs. \_\_\_\_\_

With reference to your above application seeking approval for undertaking certain transactions in Securities of the Company detailed therein, please be informed that you are hereby authorised/not authorised to undertake the transaction(s) as detailed in your said application.

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said application. This approval letter is valid till \_\_\_\_\_ (i.e. for {7 trading days}). If you do not execute the approved transaction /deal on or before this date you would have to seek fresh pre-dealing approval before executing any transaction/deal in the Securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within four {4} days from the date of transaction/deal. In case the transaction is not undertaken a "Nil" report shall be necessary.

Yours truly,

Compliance Officer

**Form IV**  
 Format for Confirmation of Trades executed, pursuant to pre clearance

From:  
 Name:  
 Designation:

To  
 The Compliance Officer

\_\_\_\_\_

Dear Sir,

Pursuant to your pre clearance dated .....I / my immediate relative have dealt in the below-mentioned securities of the Company in my own name or on behalf of my immediate relative..... (write name of family member and relationship)

Type of Security	No. of Shares	Price at which transacted	Nature of Trade Buy / Sell	Date on which executed	Folio No./ DP ID No./Client ID No. Along with the name of depository	Present Holding (No. of Shares)	
						Physical	Demat
<i>Equity shares</i>							

I hereby confirm that I did not have have any access to or have not received any "Price Sensitive Information" upto the time of execution of this transaction.

I have made full and true disclosure in the matter.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
 Signature:  
 Name:  
 Designation:  
 Department:  
 Location



FORM V  
TRADING PLAN

From;  
Shri/Smt: \_\_\_\_\_  
Designation \_\_\_\_\_  
Employee No.: \_\_\_\_\_

To,  
The Compliance Officer  
Metal Coatings (India) Limited  
New Delhi

Dear Sir,

I would like to submit the following Trading Plan for the period 01.04..... to 31.03 .....I request you to kindly approve the same:

Date	Number of Shares to be Purchased	Number of Shares to be Sold

I undertake

- a. not to trade for a period of six months from the public disclosure of the plan
- b. not to trade 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. does not overlap of any period for which another trading plan is already in existence;
- d. not to use the trading plan for market abuse.

Name:  
Signature:  
Date:  
Place

**Form VI**

**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 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 VII**  
**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: \_\_\_\_\_

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP/ Directors/immediate 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/appointme nt of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointme nt 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	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 VIII**

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 Promoter/ Employee / Director with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relatives/ others etc.)	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.*

Signature:

Designation:

Date:

Place:

**FORM IX**

**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**

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: