

NIIT

CODE OF CONDUCT

To

REGULATE, MONITOR AND REPORT  
TRADING BY **INSIDERS** DESIGNATED PERSONS  
(Version 1.~~1~~2)

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## VERSION HISTORY

<u>S. NO.</u>	<u>VER. NO.</u>	<u>PREPARED BY</u>	<u>APPROVED BY</u>	<u>RELEASE DATE</u>	<u>REASONS FOR NEW RELEASE</u>
<u>1</u>	<u>1.0</u>	<u>Legal Service Organisation</u>	<u>Board of Directors</u>	<u>30- July-2002</u>	<u>Baseline Version</u>
<u>2</u>	<u>1.0</u>	<u>Legal Service Organisation</u>	<u>Board of Directors</u>	<u>20-Jan-2009</u>	<u>Updation</u>
<u>3</u>	<u>1.0</u>	<u>Legal Service Organisation</u>	<u>Board of Directors</u>	<u>21-Oct-2011</u>	<u>Updation</u>
<u>4</u>	<u>1.0</u>	<u>Legal Service Organisation</u>	<u>Board of Directors</u>	<u>20-Jan-2016</u>	<u>Updation</u>
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## NIIT LIMITED

### NIIT CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY ~~INSIDERS~~ DESIGNATED PERSONS

The Company had initially introduced and implemented the NIIT Code of Conduct for Prevention of Insider Trading in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992. Thereafter, the Company introduced the NIIT Code of Conduct to Regulate, Monitor and Report Trading by Insiders ("the Code") to align itself to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ~~on January 15, 2015, which came into effect from May 15, 2015.~~

~~The Company has now adopted Pursuant to amendment in SEBI (Prohibition of Insider Trading) Regulations, 2015 this revised and amended NIIT Code has been adopted by the Board of Directors of the Company at its meeting held on March 28, 2019. This Code shall be effective from April 1, 2019.~~

~~This Code will supersede the Company's old Code of Conduct to regulate, monitor and report Trading by Insiders-, which was adopted by the Board of Directors at its meeting held on January 20, 2016.~~

In terms of this ~~NIIT Code of Conduct~~, every Insider of the Company has a duty to safeguard the confidentiality of all of 'Unpublished Price Sensitive Information' obtained in the course of his/her duty. No Insider ~~may~~ shall use his/her position or knowledge of Company to gain personal benefit or to provide benefit to any third party ~~on the basis of Unpublished Price Sensitive Information.~~

This Code is applicable to the Designated Persons and their immediate relatives.

This Code is only an internal Code of Conduct and one of the measures to avoid Insider Trading. It will be the responsibility of each person covered under the SEBI (Prohibition of Insider Trading) Regulations, 2015 to ensure compliance of the SEBI Act, Guidelines and other related statutes.

## CHAPTER- I

### 1. DEFINITIONS

1.1 **"Act"** means the Securities and Exchange Board of India Act, 1992.

1.2 **"Board"** means the Board of Directors of the Company.

1.3 **"CIRO"** shall mean Chief Investor Relation Officer as may be appointed by the Board.

1.4 **"Code"** or **"Code of Conduct"** or "NIIT Code of Conduct" shall mean the NIIT Code of Conduct ~~To~~ Regulate, Monitor And Report Trading By ~~Insiders~~ Designated Persons of the Company as amended from time to time.

1.5 **"Company"** means NIIT Limited.

1.6 **"Compliance Officer"** means company secretary or such other senior officer, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations designated so and reporting to the Board 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 the Company.

"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."

1.7 **"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 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 SEBI; or
  - i. a banker of the Company; or
  - j. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

#### **1.8 “Designated Person (s)” shall include :-**

**1.8 “Designated Person (s)”** means persons identified by the board of directors as designated persons in consultation with the compliance officer to be covered by this code of conduct on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation and shall include:-

**a.(i) Specified Person:-**

- ~~b. All employees of the Company, its subsidiary and holding company;  
Immediate Relatives of the persons specified in clause (b) above.~~

- (ii) Employees upto two levels below of Executive Directors and Chief Executive Officer of the Company and its material subsidiaries irrespective of their functional role or ability to have access to unpublished price sensitive information;
- (iii) All Departmental Heads of the Company (For e.g. Head of Internal Audit Department, Legal Department );
- (iv) Secretaries/Executive Assistants reporting to the Chairman or Managing Director/ Whole Time Director /CEO/CFO/CS;
- (v) All promoters and every member of promoter group of the Company;
- (vi) Any other person, on the basis of their functional role or access to unpublished price sensitive information, relating to the Company, to be decided by the Managing Director/Whole-Time Director/ CEO/ CFO/ Compliance Officer, on a case-to-case basis.

Designated Persons shall also include their immediate relatives.

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

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

1.11 **"Generally available Information"** means information that is accessible to the public on a non-discriminatory basis.

1.12 **"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

1.13 **"Insider"** means any person who is,

(i) ~~a Connected Person; or~~

(ii) in possession of or having access to Unpublished Price Sensitive Information–

~~1.14~~ **"Key Managerial Person"** means person as defined in Section 2(51) of the Companies Act, 2013

~~1.15~~ Listing Regulations means Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereto.

~~1.16~~ **"Material Financial Relationship"** as defined in the Regulations means, 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.

~~1.14~~~~1.17~~ **"Material Subsidiary"** shall have the meaning assigned under Listing Regulations, as amended from time to time.

~~1.15~~~~1.18~~ **"NRC"** shall mean Nomination and Remuneration Committee as constituted under Section 178 of the Companies Act, 2013;

~~1.16~~ ~~1.19~~ **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, ~~2009~~2018 or any modification thereof;

~~1.17~~ **"Securities"** shall mean the securities of the Company;

~~1.20~~ **"Promoter Group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

~~1.21~~ **"Securities"** shall have the meaning assigned to it under Securities Contracts (Regulation) Act, 1956 or any modification thereof, except units of a mutual fund.

~~1.18~~ ~~1.22~~ **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

~~1.19~~ ~~1.23~~ **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

~~1.20~~ ~~1.24~~ **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;

~~1.24~~ ~~1.25~~ **"Unpublished Price Sensitive Information or the UPSI"** means any information, relating to the 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; ~~and~~
- v. changes in key managerial personnel; ~~and~~
- vi. ~~material events in accordance with the listing agreement.~~

~~1.22~~ 1.26 **"Regulations"** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto; ~~and~~

~~1.23~~ 1.27 **"Specified Persons"** shall mean the Directors of the Company and directors of material subsidiary companies, all Key Managerial Persons of the Company and its material subsidiary companies, Compliance Officer and CRO of the Company and such senior managerial persons as specified by the Compliance Officer personnel of the Company from time to time. It is clarified that Specified Persons shall include their Immediate Relatives.

1.28 **"Senior Management personnel"** shall mean officers/personnel of the company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole time Director/Manager (including Chief Financial Officer/Manager, in case they are not part of the board) and shall specifically include Company secretary and Chief Financial Officer.

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

The Company Secretary shall be Compliance Officer for the purposes of these Regulations, who shall work subject to guidance of the Managing Director/ Chief Executive officer/Chief Financial Officer and/ or the Chairman and the Board of Directors. In the absence of Company Secretary or otherwise, the Board of Directors may appoint any other person as Compliance officer.

~~2.~~ 2.1 The Compliance Officer shall report to the Board and shall provide reports to the ~~Chairman~~Chairperson of the Audit Committee, if any, or to the ~~Chairman~~Chairperson of the Board every financial quarter.

~~3.2.2~~ 2.2 The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre-clearing the trades of ~~Insiders~~Designated Persons and their Immediate Relatives, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board of the Company.

~~3.2.3~~ 2.3 The Compliance Officer shall be responsible for assessment and grant of approvals to the Trading Plans as formulated by ~~an Insider~~ Designated Persons and monitoring of such Trading.

2.4 The Compliance Officer shall assist all the Insiders in providing any clarifications regarding the Regulations and this Code of Conduct.

2.5 Compliance Officer shall maintain records of all declaration, pre-clearance applications/Trading plans and decision thereon for a minimum period of five years.

## **3. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION:**

~~5.~~ 3.1 Insiders shall maintain confidentiality of all 'Unpublished Price Sensitive Information'.

3.2 The Insiders shall not pass on such ~~information~~ Unpublished Price Sensitive Information to any person directly or indirectly ~~or~~ by way of making a recommendation, for the purchase or sale of Securities of the Company based on the same.

## **4. NEED TO KNOW:**

~~6.4.1~~ 4.1 The Insiders who are privy to 'Unpublished Price Sensitive Information' shall handle the same

on a 'need to know' basis. Such 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 the information. No Unpublished Price Sensitive Information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties and discharge of legal obligations.

4.2 It will be the duty of the insider who is disclosing the UPSI on need to know basis, to communicate the name and designation of the person with whom the information has been shared, to the Compliance Officer, to help him maintain a list of designated persons.

4.3 However, 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 the Company is of informed opinion that the proposed transaction sharing of such information is in the best interests of the Company.

~~iii.~~ ii. not attract the obligation to make an open offer under the takeover regulations but where the Board of the Company is of informed opinion that the proposed transaction 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 may determine to be adequate and fair to cover all relevant and material facts.

4.4 However, the Board 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.

4.5 The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

~~7.~~ 4.6 All non-public price sensitive information directly received by any Designated ~~Persons~~ Person(s) should be reported to the head of his/her department/Compliance Officer.

## **5. LIMITED ACCESS TO CONFIDENTIAL INFORMATION:**

~~8.~~ 5.1 All physical files containing confidential information shall be kept secure under lock and key shall be in custody of officials having such information/ documents. Computer files shall have adequate security of login and passwords. Files containing confidential information should be deleted/destroyed after its use.

## **PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:**

### **6. CHINESE WALL**

9.6.1 To prevent the misuse of Unpublished Price Sensitive Information, the Company has adopted following norms for 'Chinese Wall' procedures which separates those departments which routinely have access to Unpublished Price Sensitive Information, considered as inside areas from those departments which deal with sale/marketing or other departments providing support services, considered as public areas:

- a. The Employees in the inside areas are not allowed to communicate any Unpublished Price Sensitive Information to anyone in the public areas.



- b. The Employees in inside area may be physically separated from the Employees in public area.
- c. The demarcation of various departments as inside area shall be determined by the ~~Compliance Officer~~ MD/ CEO/ CFO in consultation with ~~the Board~~ Compliance Officer.
- d. Only in exceptional circumstances, Employees from the public areas are brought over the wall and given Unpublished Price Sensitive Information on need to know basis under intimation to the Compliance Officer.

## 7. TRADING WINDOW

~~10.~~ 7.1 All ~~Insiders~~ Designated Person(s) shall be subject to certain trading restrictions as enumerated below :

- a. The Company has designated a 'Trading Window period' being the period during which transactions in the shares of the Company can be done by ~~Insiders~~ Designated Person(s) (hereinafter referred to as 'Trading Window') for trading in the Company's Securities;

~~b.~~ The trading window shall be closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. The designated persons or their relatives shall not trade in securities when the trading window is closed.

- ~~b.~~ c. The Trading Window shall be closed during any period as may be determined by the Compliance Officer and shall be closed at least seven (7) days prior to the happening of the event giving rise to Unpublished Price Sensitive Information and shall be re-opened at such time as may be determined by the Compliance Officer of the Company taking into account various factors, the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours (48) after the information becomes generally available.

The Compliance Officer may communicate to the ~~Insiders~~ designated person(s) about the closure of Trading Window for any other purpose/event, as he may deem fit, by way of e-mail in the Company's email system or posting on the staff portal or other means.

- ~~d.~~ The ~~Insiders~~ Designated Person(s) shall not trade in the Company's shares during the period when the Trading Window is closed and will have to forego the opportunity to trade in the Company's Securities during such period.
- ~~e.~~ All ~~Insiders~~ Designated Person(s) shall conduct ~~all~~ their Trading in the Securities of the Company only during the period when the Trading Window is open and shall not conduct any Trading of the Company's Securities during the periods when Trading Window is closed or during any other period as may be specified by the Company from time to time.-
- ~~e.~~ f. Exercise of stock options granted under any Employees Stock Option Plan of the Company is allowed in the period when the Trading Window is closed. However, sale of Securities allotted on exercise of stock options is not allowed when Trading Window is closed.

## 8. PRE-CLEARANCE OF TRADES:

~~11.~~ 8.1 All Designated Persons who intend to trade in the Securities of the Company (either in their own name or in any immediate relative's name) whose trade value exceeds Rs. 5,00,000/- in one or more transactions in a financial quarter shall get the transaction(s) pre-cleared in the manner enumerated below, provided that, no Designated Person shall be entitled to apply for pre-clearance of any proposed trade if such Designated Person is in possession of Unpublished Price Sensitive Information even if the Trading Window is not closed.

- ~~12.~~ 8.2 An application in the prescribed manner shall be made to the Compliance Officer by such Designated Persons specifying the number of Securities that such person intends to trade in, details of depository and such other information as may be prescribed by the Company (Proforma I );
- ~~13.~~ 8.3 Along with the application, the Designated Persons shall execute an undertaking (*Proforma II*) in favour of the Company incorporating *inter alia*, the following clauses that:
- ~~i)a)~~ he/she and his/her immediate relative(s) does not have any access or has not received 'Unpublished Price Sensitive Information' up to the date of signing the undertaking;
  - ~~ii)b)~~ in case he/she and his/her immediate relative(s) has access to or receives 'Unpublished Price Sensitive Information' after the signing of this undertaking but before the execution of the transaction, he/she shall inform the Compliance Officer of the change in his/her position and that he/she shall completely refrain from Trading in the Securities of the Company till such time such information becomes generally available ;
  - ~~iii)c)~~ he/she has not contravened the Code of Conduct as notified by the Company from time to time; and
  - ~~iv)d)~~ he/ she has made full and true disclosure in the matter.
- ~~14.~~ 8.4 The Compliance Officer shall assess the proposed transaction and approve or reject the application of the Designated Persons. The Compliance Officer shall also determine whether any such declaration is reasonably capable of being rendered inaccurate. Compliance Officer may also consult MD/CEO/CFO or Reporting Manager of the applicant for the purpose of pre-clearance of trade or any trading plan.
- 8.5 However, in the event Compliance Officer receives the application for pre-clearance of trades from:
- (a) Specified Persons; or
  - (b) Designated Persons who intend to trade in the Securities of the Company whose trade value exceeds Rs. 25,00,000, in one or more transactions in a financial year;
- ~~17.~~ the application along with the recommendation of the Compliance Officer shall be forwarded to the NRC along with the person's undertaking and additional information if any.
- 8.6 Only on receipt of the approval of the NRC, the Compliance Officer shall give the approval for the trades to the ~~(a) Specified Persons; and/or (b) Designated Persons who intend to trade in the Securities of the Company whose trade value exceeds Rs. 25,00,000, in one or more transactions in a financial year as contemplated in this Clause concerned applicant(s).~~  
The list of Designated Persons and Specified Persons shall be maintained by the Compliance Officer in co-ordination with Head Human Resources.
- ~~17.~~ 8.7 All Designated Persons shall execute their trades in respect of the Securities of the Company within seven (7) trading days after the pre-clearance approval is received. The date on which the trades are executed shall be intimated forthwith to the Compliance Officer in prescribed form within two trading days from the date of executing the order (Proforma III). If the trades are not executed within seven (7) trading days after the approval is given, the Designated Persons must pre-clear the transaction again.
- 8.8. In case Designated Person(s) or his/her immediate relative(s) has access to or receives 'Unpublished Price Sensitive Information' after the signing of the undertaking and before pre clearance of trading approval or before the execution of the transaction, he/she shall inform the Compliance Officer of the change in his/her position and that he/she shall completely refrain from Trading in the Securities of the Company on the basis of pre clearance.
- 8.9 The list of Designated Persons shall be maintained by the Compliance Officer in co-ordination with MD, CEO, CFO and Head-Human Resources.

8.10 Designated Persons shall provide requisite disclosures as required statutory and also for holding/trading in securities of the Company as may be required from time to time.

**9. TRADING PLAN:**

~~18.~~ ~~An Insider~~<sup>9.1</sup> The Designated Person may formulate a trading plan for Trading in Securities of the Company 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.

9.2 Trading Plan shall:

- i. not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
- ii. 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;
- iii. entail trading for a period of not less than twelve months;
- iv. not entail overlap of any period for which another Trading Plan is already in existence;
- v. 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
- vi. not entail Trading in Securities for market abuse.

9.3 It is recommended that ~~Insiders~~Designated Person(s) who are continuously handling Unpublished Price Sensitive Information and hence are unable to obtain preclearance, shall formulate a Trading Plan for Trading in Securities of the Company and present it to the Compliance Officer for approval.

9.4 The Compliance Officer shall consider and review the Trading Plan to assess whether the Trading Plan would have any potential for violation of NIIT Code of Conduct or the Regulations. However, the Compliance Officer shall be entitled to take express undertakings as may be necessary to enable the assessment of the plan and to approve and monitor the implementation of the plan as per the provisions of the Regulations.

9.5 Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan. Also trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

9.6 The Trading Plan once approved shall be irrevocable and the ~~Insider~~Designated Person(s) 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 at the time of formulation of the plan, the Insider is in possession of any Unpublished Price Sensitive Information and the said information has not become generally available at the time of the commencement of implementation:- The commencement of the Trading Plan shall be deferred until such Unpublished Price Sensitive Information becomes generally available information.

~~Further, the Insider shall also not be allowed to trade in Securities of the Company, if the date of Trading in Securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer. However, in such case the Insider can trade in Securities of the Company on that trading day on which the Trading Window is re-opened.~~

9.7 Upon approval of the Trading Plan, the Compliance Officer shall notify the plan to the concerned insider and stock exchanges on which the Securities are listed.

However, in the event Compliance Officer receives the Trading Plan from:

~~(b)~~(a) Specified Persons; or

~~(e)~~(b) Designated Persons who intend to trade in the Securities of the Company whose trade value exceeds Rs. 25,00,000 or involving trade of 25,000 shares or more, in one or more transactions in a financial year;

the Trading Plan along with the recommendation of the Compliance Officer shall be forwarded to the NRC and same shall be considered and approved by NRC.

#### **10. Institutional Mechanism for prevention of Insider Trading**

- 10.1 The Managing Director/ Chief Executive Officer/ CFO of the Company in consultation with the Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in this Code to prevent insider trading.
- 10.2 The Audit Committee shall review compliance with the provisions of this code and the regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- 10.3 Any employee shall report instance of leakage or suspected leakage of UPSI under whistle-blower policy of the Company.
- 10.4 The Company shall also have a policy for "Procedure on inquiry in case of leakage of UPSI or suspected leakage of UPSI".

#### **11. OTHER RESTRICTIONS:**

- ~~19.~~ 11.1 ~~All Insiders~~ Any designated person(s) who buy or sell Securities of the Company shall not execute a contra trade i.e. enter into an opposite transaction during the next six months following the prior transaction. Exercise of ESOPs and sale of shares so acquired under ESOPs shall not be considered as contra trade.
- ~~20.~~ 11.2 ~~Insiders~~ Designated Person(s) shall not take any position in derivative transactions in the ~~shares~~ Securities of the Company at any time.
- ~~21.~~ 11.3 In case any 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI.
- ~~22.~~ 11.4 In the case of subscription in the primary market (initial public offers), the ~~Insider~~ Designated Persons shall hold their investments for a minimum period of 30 days. The holding period would commence when the Securities are actually allotted by the Company.
- ~~23.~~ 11.5 The Compliance Officer may waive the holding period in cases where the sale of Securities is necessitated by personal emergency after recording his/her reasons in writing in this regard. Provided that such relaxation/waiver does not violate this code/regulations. An application in this regard shall be made to the Compliance Officer in the prescribed format (*Proforma IV*).

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## CHAPTER- II

### DISCLOSURE REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:

#### ~~24.~~ 12. General:

- ~~a.~~ 12.1 The disclosures to be made by any ~~person~~Designated Person(s) under this Chapter shall include those relating to Trading by such ~~person's~~Designated Person's Immediate Relatives, and by any other person for whom such person takes trading decisions.
- ~~b.~~ 12.2 The disclosures made under this Chapter shall be maintained for a period of five years.

#### ~~25.~~ 13. Initial Disclosure:

- ~~a.~~ 13.1 Every ~~Promoter, promoter, member of promoter group,~~ Key Managerial Personnel and Director of the Company shall disclose to the Company in the prescribed form, his holding of Securities of the Company, within thirty days of these regulations taking effect. (*Proforma V*);
- ~~b.~~ 13.2 Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter or member of the promoter group shall disclose to the Company in the prescribed form, his holding of Securities of the Company as on the date of appointment or becoming a promoter or member of promoter group, within 7 (seven) days of such appointment or becoming a promoter or member of promoter group (*Proforma VI*).

#### ~~26.~~ 14. Continual Disclosure:

- ~~a.~~ 14.1 Every promoter, ~~employee~~member of promoter group, Designated Person and director of the Company shall disclose to the Company in the prescribed form, 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.10,00,000. (*Proforma VII*).

Disclosure upon acquisition of ESOP shares is not required. However, value of ESOP shares shall be included along with the value of any other trade in a financial quarter for the purpose of aforesaid disclosure.

- ~~b.~~ 14.2 The Company shall notify the particulars of the trading to the stock exchange(s) on which the Securities of the Company are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

#### ~~27.~~ 15. Disclosures by Other Connected Persons:

- 15.1 The Compliance Officer may, at his/her discretion require any other connected person or class of connected persons to make disclosures of holdings and Trading in Securities of the Company in the prescribed form and at such frequency as may be deemed fit, in order to monitor compliance with the Regulations. (*Proforma VIII*)

- ~~28.~~ 15.2 Every financial quarter, the Compliance Officer shall furnish to the Chairman and Managing Director or a Committee specified by the Company all the details of the dealings in the Securities of the Company by Designated Persons and the accompanying documents such persons had executed under the pre-clearance procedure.

## **16. Disclosure by Designated Persons**

- 16.1 Designated persons shall disclose names and Permanent Account Number 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
- 16.2 Designated Person shall also disclose names of the educational institutions from which they have graduated and names of their past employers on one time basis.
- 16.3 Designated Person shall also provide any other information / disclosure as may be required from time to time.

## **CHAPTER - III**

### **29- 17. Principles of Fair Disclosure for purposes on Unpublished Price Sensitive Information**

- 17.1 The Company has also formulated a separate code namely "NIIT's Code of Practices and Procedures For Fair Disclosure of Unpublished Price Sensitive Information" in line with the requirements of Regulation 8(1) read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto and the same is posted on the website of the Company [www.niit.com](http://www.niit.com).
- 17.2 The Company has also formulated a policy for determination of "legitimate purposes" as a part of "NIIT's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information".

## **CHAPTER- IV**

### **18. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT:**

- ~~30-~~ 18.1 Any ~~Designated Persons Insider~~ who trades in Securities of the Company or communicates any information for Trading in the Securities of the Company, in contravention of the Code of Conduct shall be held guilty and penalized and appropriate action shall be taken by the Company, which may include wage freeze, suspension, recovery, claw back, etc.
- 18.2 The Compliance Officer shall in consultation of MD/CEO/CFO shall consider factors, such as knowledge of UPSI, Bonafideness, number of securities transacted, past events, nature of non-compliance i.e. procedural or substantive etc. for the purpose of determination of any contravention of Code of Conduct, levy of any penalty or any other action.
- ~~34-~~ 18.3 The penal action taken by the Company shall not preclude SEBI from taking any action in case of violation of the Regulations.

### **INFORMATION TO SEBI IN CASE OF VIOLATION:**

- ~~32-~~ 18.4 The Company shall inform SEBI cases of any violation of the Regulations so that appropriate action may be taken as per the law.

\*\*\*\*\* \*\* \*\*\*\*\* \*\* \*\*\*\*\* \*\* \*\*\*\*\*

## 1119. Amendments

- 19.1 The Managing Director / Chief Executive Officer of the Company may amend this Code with the approval of the Board of Directors of the Company to regulate, monitor and report trading by its designated persons and their immediate relatives towards achieving compliance with the Regulations and adopting the minimum standards set out in Schedule B of the Regulations, as may be amended from time to time, without diluting the provisions of the Regulations in any manner.

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**Application Form for Pre-Clearance of Trades in the Company's  
Securities**

**The Compliance Officer  
NIIT Limited  
New Delhi**

Dear Sir,

I intend to trade in the Securities of the Company as per the particulars furnished below:

Name of the person for whom the transaction is to be executed	
Relationship with the applicant	
No. of shares covered by the transaction	
Nature of transaction for which approval is Sought	<b>Purchase / Sale / Both *</b>
Depository I. D. No.	
Client I. D. No.	
Particulars of the broker through whom the transaction is to be executed	Name : Address : Phone No. :
Details of the transaction entered (including those by Immediate Relatives) during the preceding six months	
Nature of Transaction (Buy/ Sell)	
Mode of acquisition/ disposal	
Value of transaction	

\* - *strike out whichever is not applicable*

Pursuant to Clause 14 of the Code of Conduct, I enclose duly executed undertaking executed in favor of the Company, containing the prescribed particulars.

I request you to kindly pre-clear the above transaction at the earliest.

Thanking you,

Yours faithfully,

Signature:

Name of the Applicant:

Employee Code No. :

Department :

Name of Employer Company:

Date:

Place:

**Undertaking to be accompanied with every Pre-Clearance Application  
[Clause 14]**

**The Compliance Officer  
NIIT Limited  
New Delhi**

Dear Sir,

I, \_\_\_\_\_ being a Designated Person of the Company,  
am desirous of Trading in \_\_\_\_\_ shares of the Company as mentioned in my application dated  
\_\_\_\_\_ for pre-clearance of the transaction.

Pursuant to Clause 14 of the Code of Conduct, I hereby confirm:

- a. that I did not have any access or received 'Unpublished Price Sensitive Information' up to the date of signing this undertaking ;
- b. that in case I have access to or receive 'Unpublished Price Sensitive Information' after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I shall completely refrain from Trading in the Securities of the Company till such time such information becomes generally available;
- c. that this transaction shall not result into a contra-trade (i.e. it is not an opposite transaction to the transaction entered during the preceding six months). No Securities allotted on exercise of stock options shall be sold when the Trading Window is closed.
- d. that I have not contravened the Code of Conduct to Regulate, Monitor and report Trading by Insiders as notified by the Company from time to time; and
- e. that I have made full and true disclosure in the matter.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name of Designated Person:

Employee Code No.:

Division:

Department:

Location:

Place:

Date:

**Confirmation of date of Completion of  
Transaction [Clause 17]**

**The Compliance Officer  
NIIT Limited  
New Delhi**

Dear Sir,

Sub: **Date of completion of transaction**

I hereby confirm that the transaction for trading in the Securities of the Company for which pre-clearance was granted on \_\_\_\_\_, was completed on \_\_\_\_\_ by purchasing \* / selling \* \_\_\_\_\_ (nos.) equity shares of the Company.

Thanking you,

Yours faithfully,

\_\_\_\_\_

(Signature)

\_\_\_\_\_  
Name of Designated Person:

Employee Code No.:

Division:

Department:

Location:

Place:

Date:

\* - strike out whichever is not applicable

**Application for Waiver of Minimum Holding Period  
[Clause 23]**

**The Compliance Officer  
NIIT Limited  
New Delhi**

Dear Sir,

Sub : **Waiver of minimum holding period**

I request you to grant me waiver of the minimum holding period of six months as required under Clause 23 of the Code of Conduct to Regulate, Monitor and report trading by Insiders with respect to \_\_\_\_\_ (nos.) equity shares of the Company held by me / \_\_\_\_\_

(name of dependent), acquired by me on \_\_\_\_\_ (date). I propose to trade in the said shares on account of \_\_\_\_\_

Thanking you,

Yours faithfully,

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Name of Designated Person:

Employee Code No.:

Division:

Department:

Location :

Place:

Date:

**FORM A**  
**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (a) read with Regulation 6 (2)-Initial Disclosure to the Company]**

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, CIN/DIN & address with contact nos.	Category of Person (Promoters/KMP / Directors/immediate relative to /others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

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

**Details of Open Interest (OI) in derivatives of the Company held by Promoter, Key Managerial Personnel (KMP), Director and other such person mentioned in Regulation 6(2).**

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		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

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

Name & Signature: \_\_\_\_\_

Designation:  
 Date:  
 Place:

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

Name of the company: \_\_\_\_\_

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, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relative to /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
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5	6

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

\*The term ‘such persons’ shall include immediate relatives, and any other person for whom he/she takes trading decisions.

**Details of Open Interest (OI) in derivatives of the Company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such person mentioned in Regulation 6(2).**

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		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

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

Name & Signature: \_\_\_\_\_

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

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

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

## FORM C

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

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, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relative to/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post to acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of Acquisition/ disposal(on market/ public rights/ preferential offer / off market/ Inter-se Transfer, ESOPs etc.
		Type of Security (For eg. – Shares, Warrants ,Convertible Debentures etc.)	No. and % of Shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge/Revoked/Invoke)	Type of security (For eg. – Shares, Warrants ,Convertible Debentures etc.)	No. and % of Shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

\*The term 'such persons' shall include immediate relatives, and any other person for whom he/she takes trading decisions.

**Details of trading in derivatives of the Company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives(Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract Specifications	Buy		Sell		
		Notional Value	Number of units(contracts* lot size)	Notional Value	Number of units(contracts* lot size)	
15	16	17	18	19	20	21

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

Name & Signature:  
Designation:  
Date:  
Place:



**Form D (Indicative format)**  
**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**Regulation 7(3) – Transactions by Other connected persons as identified by the company**

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

Name, PAN, CIN/DIN, & address With contact nos. of by Other connected persons as identified by the company	Connection with the Company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held Post acquisition/disposal		Date of allotment advice / acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of Acquisition/disposal (on market/ public rights/ preferential offer / off market/ Inter-se Transfer, ESOPs etc.
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of Shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/ Pledge/Revoke/Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of Shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

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

Trading in derivatives(Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract Specifications	Buy		Sell		
		Notional Value	Number of units(contracts* lot size)	Notional Value	Number of units(contracts* lot size)	
15	16	17	18	19	20	21

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

Name & Signature:  
Designation:

Date:  
Place: