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**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY  
INSIDERS OF VASCON ENGINEERS LIMITED**

**1. PREAMBLE**

- (1) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations'), which come into force on 15 May 2015, require every listed company to have a Code of Conduct for its employees for the purpose of regulating, monitoring and reporting trading by them in the shares of Company.
- (2) Accordingly, this Code has been framed by the Company and it was approved by the Company's Board of Directors.

**2. APPLICABILITY**

- (1) This Code applies to the Designated Persons as defined below.

**3. DEFINITIONS**

- (a) **"Board"** means the Board of directors of the Company
- (b) **"Code"** means this code entitled **A Code of Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading by Insiders of ... Limited.**
- (c) **"Company"** means Vascon Engineers Limited and includes Indian and Overseas subsidiaries of the Company.
- (d) **"Designated Persons"** means:
- All Directors (executive, non-executive and independent)
  - Chief Executive Officer (CEO), Chief Financial Officer (CFO), Company Secretary & Compliance Officer, Chief Internal Auditor and all employees working in their offices;
  - Chief Operating Officer (COO) and Company Secretary (CS) or any such

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equivalent position and all employees working in their offices;

- All employees working in the offices of the Chairman, Managing Director and Whole-time Director of the Company.
- All Functional / Departmental Heads by whatever name called their personal assistants / secretaries; and
- All employees of the Company in the following grades and/or having the following designations:
  - Senior Manager- Accounts
  - Senior Manager- Finance
  - Deputy General Manager - Accounts
  - Deputy General Manager - Finance
  - General Manager - Accounts
  - General Manager - Finance
  - Vice President - Accounts
  - Vice President - Finance

(e) “**Securities**” means Equity Shares of the Company and Derivatives on shares of the Company.

(f) “**Trading day**” means a day on which the recognized stock exchanges are open for trading.

(g) “**Trading Window**” means a trading period for trading in the Company's Securities as specified by the Company from time to time. All days shall be the Trading Period except when the Trading Window is closed.

(h) “**UPSI**” means any unpublished price-sensitive information relating to the Company if such information is not in the public domain.

All the other terms used in the Insider Trading Code shall have the same meaning as assigned to them under the Regulations.

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### **3. COMPLIANCE OFFICER**

- (1) The Company Secretary shall be the Compliance Officer for the purpose of this Code, who shall be responsible for ensuring compliance with the Regulations and the Insider Trading Code.
- (2) The Compliance Officer shall report to the Board and provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board at such frequency as may be stipulated by the Board.
- (3) In case the Compliance Officer is not available for any reason for a period of 7 (seven) days or more, he shall delegate his authority to any executive as he may deem fit and appropriate who shall act as Compliance Officer during the period of his absence.

### **4. PROHIBITION TO TRADE IN SECURITIES OF THE COMPANY BY DESIGNATED PERSONS.**

- (1) Designated Persons of the Company who are in possession of any UPSI must not:
  - (a) trade in securities, either on their own behalf or on behalf of any other person, except provided otherwise;
  - (b) communicate, counsel, procure or allow access to any UPSI to/from any person, except in furtherance of a legitimate object or performance of duties legal obligations, without a written permission of the Compliance Officer;
  - (c) maintain the confidentiality of all price-sensitive information;
  - (d) pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities; and
  - (e) handle all price-sensitive information relating to the Company within the organisation strictly on a 'need-to-know' basis.

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## 5. TRADING WINDOW AND TRADING RESTRICTION

- (1) Designated Persons must not buy or sell securities of the Company during the closure of the Trading Window, i.e. the period during which trading in the securities of the Company is prohibited.
- (2) The Trading Window requirements under this Code 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.
- (3) Besides any other period notified by the Compliance Officer, the Trading Window shall be closed during the following periods:
  - From 15<sup>th</sup> April / 15<sup>th</sup> July / 15<sup>th</sup> October / 15<sup>th</sup> January of the Financial year till forty-eight hours after the announcement of the financial results for the relevant period to the Stock Exchanges.
  - From the date of circulation of the agenda for the meeting of the Board in which it is proposed to consider and decide any material price-sensitive and unpublished event, including the following:
    - (a) Issue of securities;
    - (b) Buyback and splitting of securities;
    - (c) Dividends;
    - (d) Significant expansion plans or new projects;
    - (e) Acquisition, amalgamation, merger, takeover of companies/ businesses;
    - (f) Disposal of whole or substantially the whole of the undertaking;
    - (g) Significant changes in plans or operations of the Company.
- (4) The Trading Window will open forty-eight hours after the close of the Board meeting at which decisions in respect of the above events is taken or after the information in respect of the above events is made public, whichever is later.

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## **6. PROCEDURE OF PRE-CLEARANCE**

- (1) Designated Persons must take from the Compliance Officer in respect of purchase or sale of securities of the Company, if the quantity of securities exceeds 10,000 in a month (either in one transaction or in a series of transactions) in the prescribed Form. Any purchase or sale of securities by the Compliance Officer must take pre-clearance from the Managing Director.
- (2) Purchase or sale transactions, for which pre-clearance has been obtained, must be executed within seven days after the pre-clearance is given, failing which a fresh pre-clearance must be obtained.
- (3) Designated Persons having obtained pre-clearance must file with the Compliance Officer the details of the transactions in prescribed Form within 30 (thirty) days of the exercise of the trade, even if the transaction has not been undertaken.
- (4) Designated Persons in possession of UPSI need not apply for any pre-clearance if the trading window is not closed.
  - (a) Before approving any trade, the Compliance Officer may seek a declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI.
  - (b) The Compliance Officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for preclearance of trades.

## **7. MINIMUM HOLDING PERIOD**

- (1) Designated Persons who buy or sell any number of securities of the Company must not enter into an opposite transaction i.e. sell or buy any number of securities during the next six months from the date of the prior transaction, except when the reasons are recorded by the Designated Persons in writing with the Compliance Officer and provided that such

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relaxation to enter into opposite transaction does not violate the Regulations.

- (2) If any opposite transaction is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India for credit to the Investor Protection and Education Fund administered by SEBI under the SEBI Act, 1992.

## **8. THRESHOLD LIMIT AND DISCLOSURES**

- (1) Designated Persons must make the following disclosures to the Compliance Officer concerning securities held by them in the Company:
- (a) the number of securities held and position taken in derivatives by Designated Persons in prescribed Form, within seven days of becoming a Designated Employee;
  - (b) annual disclosure of the number of securities held as on 31<sup>st</sup> March every year, including details of purchase or sale of shares, positions taken in derivatives during the financial year, within thirty days from the close of each financial year;
  - (c) the number of securities acquired or disposed of in prescribed Form 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 ten lakh rupees, within two trading days of such transaction.

## **9. RECORDS**

- (1) The Compliance Officer must maintain record of all the disclosures and declarations made in the appropriate form for a minimum period of five years.
- (2) The Compliance Officer shall also maintain record of the Designated Persons and any changes therein.

## **10. PENALTIES FOR CONTRAVENTION**

- (1) Designated Persons who trade in securities or communicate any information for trading in securities in contravention of the provisions of this Code shall be liable to an appropriate penal to be decided by the Compliance Officer in consultation with the Managing director.
- (2) Designated Persons who violate the provisions of this Code shall be subject to disciplinary action by the company which may include wage freeze, suspension, and ineligibility for future participation in Employees Stock Option Scheme etc.
- (3) Regardless of any penal action taken by the Company, it shall not in any way preclude SEBI from taking any action in violation of the Regulations.
- (4) Any material contravention of the Insider Code shall be placed before the Stakeholder's Grievance Committee and actions shall be initiated with due consultation with the Managing Director and Stakeholder's Grievance Committee of the Company.
- (5) The Compliance Officer shall inform SEBI promptly regarding any violation of the Regulations by any Designated Persons.

## **11. AUTHORITY TO MAKE ALTERATIONS**

- (1) The Board of Directors are authorized to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations.

## **12. MODIFICATIONS**

Any modification to this Code shall be made with the prior approval of the Board.