

B C C FUBA INDIA LIMITED

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT INSIDER TRADING UNDER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

A. SHORT TITLE, APPLICABILITY AND COMMENCEMENT:

(i) This Code of Conduct may be called as 'The Code of Conduct to regulate, monitor and report Insider Trading' in respect of the equity shares of Bata India Limited ('the Company').

(ii) This Code of Conduct shall be applicable to all 'Directors', 'Key Managerial Personnel' and 'Designated Employees' of the Company, the 'Insiders' and 'Connected Persons' as defined in this Code.

(iii) This Code of Conduct shall come into force with effect from May 15, 2015.

(iv) This Code of Conduct may be modified by the Board of Directors from time to time to adopt best practices and to comply with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. (iii) This Code of Conduct shall come into force with effect from May 15, 2015.

(iv) This Code of Conduct may be modified by the Board of Directors from time to time to adopt best practices and to comply with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

B. DEFINITIONS:

In this Code, unless the context otherwise provides:

(i) "Act" means the Securities and Exchange Board of India Act, 1992, as amended from time to time and as applicable for the time being in force.

(ii) "Board" means the Board of Directors of B C C Fuba India Limited.

(iii) "Company" means B C C Fuba India Limited.

(iv) "Compliance Officer" means the Company Secretary or such other person who may be appointed by the Board as the Compliance Officer.

(v) "Connected Person" means 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

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, -

- an immediate relative of connected persons specified in clause (i); or
- a holding company or associate company or subsidiary company; or
- an intermediary as specified in section 12 of the Act or an employee or director thereof; or
- an investment company, trustee company, asset management company or an employee or director thereof; or

- an official of a stock exchange or of clearing house or corporation; or
- 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 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
- an official or an employee of a self-regulatory organization recognized or authorized by the Board; or a banker of the company; or
- a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;

(vi) "Designated Employees" means

- All employees in the grade of Senior Vice President, Vice President, Assistant Vice President and General Manager,
- Functional Heads of each Business Unit, each Manufacturing Unit and Corporate Human Resources, All Employees in the Departments of Corporate Finance, Corporate Secretarial and Corporate Legal functions and
- All Executive Assistants (EAs) and Personal Assistants (PAs) of the Executive Directors, Senior Vice Presidents, Vice Presidents and the Functional Heads.

The aforesaid definition of 'Designated Employees' shall also include any employee of the Company who is reasonably expected to have access to or could access Unpublished Price Sensitive information of the Company by virtue of any connection that would put them in position to access the same.

(vii) "Designated Persons" means any person who is either:

- Designated Employee
- Connected Person
- Any other employee who will have access to or possess Unpublished Price Sensitive Information.

(viii) "Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.

(ix) "Immediate Relative" means Spouse, parents, sibling, children who is either financially dependent on the Designated Persons/ Connected Persons or consults such person for dealing in the securities.

(x) "Insider" means any person who is:

- a connected person; or
- in possession of or having access to unpublished price sensitive information;

(xi) "Insider Trading" shall have the same meaning as mentioned in Explanation (a) to Section 195 of the Companies Act, 2013 and Rules framed there under, which presently reads as under:

"insider trading means –

(i) an act of subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell or deal in any securities by any director or key managerial personnel or any other officer of a company either

as principal or agent if such director or key managerial personnel or any other officer of the company is reasonably expected to have access to any non-public price sensitive information in respect of securities of the company; or

(ii) an act of counseling about procuring or communicating directly or indirectly any non-public price-sensitive information to any person.”

(xii) “Price Sensitive Information” shall have the same meaning as mentioned in Explanation (b) to Section 195 of the Companies Act, 2013 and Rules framed there under, which presently reads as under:

“price sensitive information” means any information which relates, directly or indirectly, to a company and which if published is likely to materially affect the price of securities of the company.”

(xiii) "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;

(xiv) "Specified" means specified by the Securities & Exchange Board of India in writing;

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

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

(xvii) “Trading Window” means a period to be specified by the Company in which trading of securities can be done by the Directors, Key Managerial Personnel and Designated Employees either directly or through their Dependants or Relatives.

(xviii) "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:

- a) financial results;
- b) dividends;
- c) change in capital structure;
- d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
- e) changes in key managerial personnel; and
- f) material events in accordance with the listing agreement which includes:-
 - i. Change in the general character or nature of business;
 - ii. Disruption of operations due to natural calamity.
 - iii. Commencement of Commercial Production/Commercial Operations.
 - iv. Developments with respect to pricing/realization arising out of change in the regulatory framework.
 - v. Litigation/dispute with a material impact.
 - vi. Revision in Ratings.
 - vii. Any other information having bearing on the operation/performance of the company as well as price sensitive information, which includes but not restricted to:
 - Issue of any class of securities.
 - Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off or selling divisions of the company, etc.

- Change in market lot of the company's shares, sub-division of equity shares of company.
- Voluntary delisting by the company from the stock exchange(s).
- Forfeiture of shares.
- Any action, which will result in alteration in, the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the company.
- Information regarding opening, closing of status of ADR, GDR, or any
- other class of securities to be issued. ☐ Cancellation of dividend/rights/bonus, etc.

C. ROLE OF THE COMPLIANCE OFFICER

The Compliance Officer shall report to the Board of Directors of the Company and shall provide reports on compliances of the SEBI (Prohibition of Insider Trading) Regulations, 2015 to the Chairman of the Audit Committee. The Reports shall be submitted to the Chairman of the Audit Committee at every quarterly meeting of the Committee.

The Compliance Officer shall provide clarifications sought for under the SEBI (Prohibition of Insider Trading) Regulations, 2015 to all concerned, to the extent possible.

The Compliance Officer shall preserve the disclosures received and submitted to the Stock Exchanges concerned for a minimum period of five years.

D. TRADING WINDOW

All designated persons shall deal in the equity shares of the Company only when the trading window is open. Designated Persons or immediate relatives of the designated persons shall not deal in equity shares of the Company when the Trading Window is closed. It is the duty of the Designated Persons to inform their immediate relatives the closure of Trading Window and ensure that they do not deal in the equity shares of the Company.

The Trading Window shall remain closed during the following periods: From the fifteenth day prior to the date of the Board Meeting to consider financial results of the Company for the quarter / half year / financial year till the second day after the date of said Board Meeting (which shall not be less than 48 hours from the time the results for the respective quarter / half year / financial year are submitted to the stock exchanges); From the fifteenth day prior to the date of the Board Meeting up to 48 hours after the date of the Board meeting where the proposal on any matter, which has a bearing on the price of the equity shares of the Company, is considered and the same becomes generally available information.

The Compliance officer will notify the Designated Persons about closure and opening of Trading Window and also inform the Stock Exchanges simultaneously.

The Trading Window to deal in equity shares of the Company shall also be applicable to any person having contractual or fiduciary relation with the Company, e.g., auditors, law firms, analysts, consultants, etc., assisting or advising the Company.

E. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

1. No Insider shall communicate, provide or allow access to any Unpublished Price Sensitive Information in respect of the Equity Shares of the Company to any person including other Insiders, except where such communication is in furtherance of legitimate purposes, performance of duties of legal obligations.

2. An Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:

--entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the company is of informed opinion that the proposed transaction is in the best interests of the Company;

-- not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that the proposed transaction is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine.

F. "CHINESE WALL" PROCEDURE

To prevent the misuse of confidential information, the Company shall adopt the "Chinese Wall" policy which separates those areas of the functions which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing/investment advice or other departments providing support services, considered "public areas".

The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area. The employees in inside area may be physically segregated from employees in public area.

In exceptional circumstances, employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the compliance officer.

G. TRADING IN EQUITY SHARES BY DESIGNATED PERSONS:

The Designated Persons may trade in equity shares of the Company subject to compliance of the following procedure:

The Designated Person (DP) may be of two types - (i) who possesses any Unpublished Price Sensitive Information and (ii) who doesn't have any Unpublished Price Sensitive Information. The DP who is in possession of any Unpublished Price Sensitive Information is prohibited from trading. In the event of DP not possessing any Unpublished Price Sensitive Information, trading is permitted. However, the DP shall require a pre-clearance from the Compliance Officer in case the quantum of trade exceeds Rs.10,00,000/- (Rupees Ten Lac only). The DP may submit a Trading Plan to the Compliance Officer in compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and upon approval thereof may execute the trade within seven trading days from the date of receipt of such approval.

The DP has to make an application to the Compliance officer asking for a pre- clearance, once received the Compliance officer needs to grant permission within two trading days.

The DP has to inform the Company about his/her transaction after receiving the pre-clearance approval within three days of execution of transaction. In case the DP doesn't trade he/she has to submit a NIL report stating reasons as to why no transaction was executed.

The DP can also trade without taking a pre-clearance from the Compliance Officer in case the trade value is below Rs,.10,00,000/-, but no contra trade shall be allowed in six months of the prior transaction.

Specimen copies of Pre-Clearance Application form and the format of Undertaking to be submitted by the DP are attached as Annexure 1 and Annexure 2, respectively.

Specimen copy of Disclosure of transaction, which needs to be furnished to the Compliance Officer within three trading days from the date of transaction, is attached as Annexure 3.

H. TRADING PLANS

A Designated Person or an Insider shall be entitled to formulate a 'Trading Plan' and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

Such Trading Plan shall:

- (i) not entail commencement of trading 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.

The Compliance Officer will review the Trading Plan to assess whether the Plan would have any potential for violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Compliance Officer will 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.

The Compliance Officer will endeavor to approve the trading plan within seven working days of receipt of the trading plan together with necessary undertakings and declarations.

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.

Implementation of the Trading Plan shall not be commenced if any unpublished price sensitive information in possession of the designated person / insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes generally available information so as to avoid a violation of the Act.

Upon approval of the Trading Plan, the Compliance Officer will notify the plan to the Stock Exchanges on which the equity shares of the Company are listed.

I. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES

1. Initial Disclosure

Every Promoter/ Key Managerial Personnel / Director / Officer / Designated Employees of the Company, within thirty days from the date of this Code becoming operational, shall forward to the Company the details of the equity shares in the Company presently held by them including the statement of holdings of dependent family members within thirty days from May 15, 2015, in the Form prescribed by SEBI.

Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his holding of equity shares in 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 the Form prescribed by SEBI.

2. Continual Disclosure

Every Promoter, employee and Director of the Company shall disclose to the Company the number of equity shares acquired or disposed of within two trading days of such transaction if the value of the equity shares traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs.1,000,000/- (Rupees Ten lac only) in the Form prescribed by SEBI. The disclosure shall be made within two trading days of:

- a. the receipt of intimation of allotment of shares, or
- b. the acquisition or sale of shares or voting rights, as the case may be.

3. Disclosures by other connected persons

The Company at its discretion may require any other connected person or class of connected persons to make disclosures of his holding and trading in equity shares of the Company in the Form prescribed by SEBI and at such frequency as determined by the Company.

J. VIOLATION OF THE CODE OF CONDUCT

- i. Contravention of the Code of Conduct would attract disciplinary actions including wage freeze, suspension etc., as may be imposed and decided by the Chairman of the Audit Committee.
- ii. It is the duty of the Compliance Officer to keep the Board informed regarding any non-compliance of this code of conduct.
