Allsec Technologies Limited

CODE OF CONDUCT FOR TRADING BY INSIDERS

(Pursuant to Securities Exchange Board of India, (Prohibition of Insider Trading) Regulations, 2015)

OBJECTIVE OF THE CODE

This Code of Conduct ("Code") is intended to prevent misuse of Unpublished Price Sensitive Information ("UPSI") by Insiders.

The existing Code of Conduct approved by the Board of Directors and currently in vogue will be replaced by the this Code, effective from May 15, 2015.

BACKGROUND

The Board of Directors of the Company have formulated and adopted this Code in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Regulation").

1 DEFINITIONS

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

b) "**Board**" means the Board of Directors of the Company.

c) **"Company"** means M/s. Allsec Technologies Limited.

d) "**Compliance Officer**" means the Company Secretary of the Company, who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and implementation of the code under the overall supervision of the Board.

e) **"Connected Person**" means,-

(i) any person who is or has during the 6 months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with office/ employees 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/herself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to UPSI or is reasonably expected to allow such access.

(ii) In addition to the above, the following category of persons shall be deemed to be connected persons unless the contrary is established:

i. an immediate relative of connected persons specified in clause (i); or

ii. a holding company or associate company or subsidiary company ; or

iii. an intermediary as specified in section 12 of the Act or an employee or director thereof; or

iv. an investment company, trustee company, asset management company or an employee or director thereof; or

v. an official of a stock exchange or of clearing house or corporation; or

vi. 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

vii. a member of the board or an employee, of a public financial institution as defined in section 2 (72) of the Act; or

viii. an official or an employee of a self-regulatory organization recognised or authorized by the board; or

ix. a banker of the company; or

x. 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 10% of the holding or interest.

f) **"Employee"** means every employee of the Company (whether working in India or abroad), including directors in the employment of the Company.

g) **"Designated Person"** of the Company shall mean and include

(i) every employee in the grade of General Manager and above in the Company

(ii) every employee in sales, finance, accounts, secretarial and legal departments of the Company

(iii) Any other person as may be determined and identified by the Compliance Officer from time to time for this purpose.

h) **"Director"** means and includes every director on the Board of the Company.

i) **"Generally Available Information"** means information that is accessible to the public on a non-discriminatory basis. Information published on the website of a stock exchange, would ordinarily be considered generally available.

j) **"Immediate Relative"** means:

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.

k) **"Insider**" means any person who is:

i. a connected person; or

ii. in possession of or having access to UPSI.

l) **"Key Managerial Personnel"** shall include the following personnel:

- Managing Director, Chief Executive Officer;
- Company Secretary
- Whole-time Director; and
- Chief Financial Officer.

m) **"Listing Agreement"** means the Agreement entered into between the Company and stock exchanges and as amended from time to time as per directions of SEBI.

n) **"Non- Trading Period"** means:

(i) the period, i.e., the number of working days, before and after the date of a meeting of the Board or shareholders of the Company where 'UPSI' (as defined in point (x) below) is to be considered as provided under Clause 5.3 of the Code; or

(ii) Such other period(s) as may be decided and notified by the Compliance Officer.

o) **"Promoter"** means a person defined as a Promoter under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.

p) **"Securities and Exchange Board of India"("SEBI")** means the regulatory body established under section 3 of the Act.

q) **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof.

r) **"Stock Exchanges"** shall include BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) where the securities of the Company are currently listed.

s) **"Takeover Regulations"** means the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

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

u) **"Trading Day"** means a day on which the recognized stock exchanges are open for Trading.

v) **"Trading Plan"** shall mean a plan for trades to be executed in the future by persons who have perpetual access to the UPSI.

w) **"Trading Window"** shall mean the window available for Trading in the securities of the Company.

x) **"Unpublished Price Sensitive Information"("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 include but not restricted to, information relating to the following: –

(i) Financial results;

(ii) Dividends;

(iii) Change in capital structure;

(iv) Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;

(v) Changes in Key Managerial Personnel; and

(vi) Material events in accordance with the listing agreement.

2. TRADING BY INSIDERS – COMMUNICATION/RESTRICTIONS/EXEMPTIONS

2.1 Communication of UPSI:

2.1.1 No Insider shall communicate, provide or allow access to UPSI, relating to the Company or its 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.

2.1.2 No person shall procure from or cause the communication by any Insider of UPSI, relating to the Company or its Securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.1.3 The Insiders who are in possession of UPSI are required to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis.

3. COMPLIANCE OFFICER

3.1 The Company Secretary is the Compliance Officer who shall report to the Board and shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the Board.

3.2 The Compliance Officer shall prior to approving any trade, be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI. He/she shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

3.3 Trading Plan:

3.3.1 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.

3.3.2 Trading shall be commenced only after six months from the public disclosure of the Trading Plan.

3.3.3 The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the Regulation.

3.3.4 The Compliance Officer shall have the right to seek specific information and/or undertakings to enable assessment of the trading plan and approve the same.

3.3.5 The trading plan once approved shall be irrevocable and the Insider shall mandatorily implement without any deviation.

3.3.6 The implementation of the trading plan shall not be commenced, if the Insider is in possession of UPSI at the time of formulation of the plan and such UPSI has not become generally available at the time of the commencement of implementation. In such event, the Compliance Officer shall confirm that the commencement ought to be deferred until such UPSI becomes generally available information.

3.3.7 The trading plan shall not overlap any period for which another trading plan is already in execution.

3.3.8 The trading plan shall state the following:

- Value of trade / number of securities;
- Nature of trade;
- Intervals / dates of effecting such trades

3.3.9 The trading plan shall not entail trading in securities for market abuse.

3.4 Disclosure of Trading Plan:

3.4.1 Upon approval of the trading plan, the Compliance Officer shall notify the trading plan to the Stock Exchanges.

3.5 Pre- Clearance of Trade:

3.5.1 All Designated Persons shall when the Trading Window is open, trade only subject to pre- clearance by the Compliance Officer, by sending the request for approval, if the proposed trading involves more than 5000 equity shares of the Company in a month. The request can be sent by email to mohan.kumar@allsectech.com as per the Format provided in Annexure –A. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of UPSI even if the trading window is not closed.

3.5.2 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.

3.5.3 The Compliance Officer shall have the authority to ask for further information, and it shall be obligatory for the designated person to immediately furnish such information to the satisfaction of the Compliance Officer.

3.5.4 Prior to approving any trade, the Compliance Officer shall be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI. He/she shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

3.5.5 The trades that have been pre-cleared shall be executed in not more than seven trading days by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.

3.5.6 Designated persons who have obtained the pre- clearance are required to submit a report of the transactions done (including a NIL report, if no transaction is done within 9 days) within seven days from the expiry of the specified time period to Compliance Officer.

3.6 Other Restrictions:

3.6.1 All Designated Persons who buy or sell Securities of the Company shall not enter into an opposite transaction (contra trade) i.e. sell or buy Securities during the six months period post the previous buy/sell.

3.6.2 The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing, provided that such relaxation does not violate the Regulation.

3.6.3 If an opposite transaction (contra trade) 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act as per the applicable SEBI Regulations.

4. TRADING OF SECURITIES OF THE COMPANY

4.1 Trading while in possession of UPSI:

4.1.1 No Insider shall trade in securities of the Company when in possession of UPSI, provided that the Insider may prove his/her innocence by demonstrating the circumstances including the following:

- The transaction is an off-market inter-se transfer between Promoters who were in possession of the same UPSI without being in breach of restrictions imposed on communication and trading by Insiders and both parties had made a conscious and informed trade decision.

- In case of non- individual Insiders :

  a) The individuals who were in possession of such UPSI were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such UPSI when they took the decision to trade; and

  b) Appropriate and adequate arrangements were in place to ensure that the Regulation is not violated and no UPSI 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.

- The trades were pursuant to a trading plan set up in accordance with the Regulation/Code.

4.1.2 In the case of Connected Persons the onus of establishing, that they were not in possession of UPSI, shall be on such Connected Persons and in other cases, the onus would be on SEBI.

5. CLOSURE OF TRADING WINDOW

5.1 The Company shall specify a period, to be called 'Non-Trading Period" and close the window for trading in the Company's Securities. Any other period shall be trading period for the purpose of this Code. **Designated persons and their immediate relatives** shall not trade in Company's securities during the closure of window.

5.2 The Compliance Officer shall by way of e- mail or through generally accepted means of communication communicate the period of window closure to the designated persons. It shall be the onus of the designated persons to communicate the non- trading period to their immediate relatives.

5.3 The following shall be deemed to be UPSI

- Financial results;
- Dividends;
- Change in capital structure; mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- Changes in key managerial personnel; and
- Any other material events, developments in accordance with the Listing Agreement.

"Non- Trading Period" may either be pre-determined in advance or may be determined from time to time on the occurrence or likelihood of occurrence of any special event, which may include any of the aforesaid events as specified in 5.3.

5.3.1 The following period is hereby notified as **Pre- determined Non-Trading period:**

Period between 14 days prior to the day on which any quarterly or annual financial results of the Company are approved by the Board and 2 days after the disclosure of such financial results.

5.3.2 Apart from the pre-determined non-trading period as defined in Clause 5.3.1 above, if the Company takes up for consideration any of the items pertaining to clause 5.3 or any other item that has material impact on the price of the securities of the Company, the same shall be intimated to the Designated Persons and Insiders (as applicable) that such event(s) shall be considered for the ascertainment of non - trading period.

6 DISCLOSURE OF TRADING BY INSIDERS

6.1 General provisions:

6.1.1 Every public disclosure under this Clause shall be made in such form as may be specified by SEBI from time to time.

6.1.2 The disclosures to be made by any person shall include those relating to trading by such person, immediate relatives, and by any other person for whom such person takes trading decisions.

6.1.3 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 the purposes of arriving at the value of trade, subject to trading of such Derivatives is permitted by any law for the time being in force.

6.2 Disclosure by certain persons:

6.2.1 Every promoter, key managerial personnel, and director of the Company shall disclose his/her holding of Securities of the Company as on the date of the Regulation taking effect i.e. May 15, 2015 or such other date(s) as may be notified by SEBI, to the Company within 30 days of the Regulation taking effect.

6.2.2 Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose his/her holding of securities of the Company as on the date of appointment or becoming a Promoter, to the Company within 7 days of such appointment or becoming a Promoter.

6.2.3 Company, at its discretion shall require any other Connected Person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with the Regulations.

6.3 Continual Disclosure:

Every promoter, employee and director of the Company shall disclose to the Company the number of 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 or such other value as may be specified.

6.4 Disclosure by the Company:

Company shall notify the particulars of Trading specified in Clause 6.3 above to the Stock Exchanges within two trading days of receipt of the disclosure or from becoming aware of such information.

All designated employees should report their level of holdings in securities on an annual basis as per the format prescribed by the Company.

7 PENALTY FOR CONTRAVENTION OF THE CODE

7.1 Any Employee 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.

7.2 Employees of the Company who violate this Code shall also be subject to disciplinary action by the Company, which may include monetary fine, wage freeze, suspension, ineligibility for future participation in ESOP, etc. at the sole discretion of the Company.

7.3 The penalty provisions for violation or non - compliance of the Code are given in ***Annexure D***. The action taken by the Company in terms of the penalty provisions shall not preclude SEBI from taking any action in case of violation of the Regulation.

8 INFORMATION TO SEBI IN CASE OF VIOLATION AND CONSEQUENCES OF DEFAULT UNDER SEBI REGULATIONS

8.1 In case it is observed by the Compliance Officer that there has been a violation of this Code by any person, then the violation shall be informed by the Compliance Officer to SEBI promptly.

8.2 Under Section 15G of the SEBI Act, 1992, any Insider who indulges in Insider Trading in contravention of regulation 3 of the Regulation, is liable to a penalty of upto Rs.25 Crore or three times the amount of profits made out of Insider Trading whichever is higher (or such amount as may be amended from time to time by SEBI) that may be imposed by SEBI.

9 REPORTING

The Compliance Officer will submit a report to the Chairman of Audit Committee, instances of violation of the Code or the Regulation by any person and on the disclosures, Trading Plans and pre- clearances approved and rejected on the basis of information furnished at a frequency as may be stipulated by the Board.

10 AMENDMENT

The Board of the Company reserves its right to amend or modify this Code in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the concerned unless the same is notified in writing.

11 CONCLUSION

All Designated Persons are advised to familiarize themselves with the SEBI Regulations and comply with the same, as well as with this Code; both in letter and in spirit. Designated Persons are also advised to ensure compliance by their Immediate Relatives.

For any assistance or clarifications, kindly contact the Compliance Officer of the Company at investorcontact@allsectech.com or at the following address M/s Allsec Technologies Limited No 46C ,Velachery Main road, Velachery , Chennai -600042.

ANNEXURE A

A. Application - Cum Undertaking for Pre Clearance of Trades

Date:

The Compliance Officer
Allsec Technologies Ltd
46b Velachery Main road
Chennai 600 042

From:
Designation

With reference to the Code of Conduct of ALLSEC for Prevention of Insider Trading, I hereby give notice that I propose to carry out the following transaction in the shares of ALLSEC for Myself / As Joint Holder / My immediate relative.

Transaction (Sale/Purchase)	Type of Security	Number of Security

I hereby declare that:

(a) I do not have any access nor have I received or possess "Unpublished Price Sensitive Information" upto the time of signing the undertaking.
(b) That in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction. I shall inform the Compliance Officer of the change in my position and that I would completely refrain from trading in the securities of ALLSEC till the time such information becomes public.
(c) That I have not contravened the code of conduct for prevention of insider trading as notified by ALLSEC from time to time.
(d) That I have made a full and true disclosure in the matter.

Signature of the Employee/Director _____

B. Authorization to Trade

The above transaction has been authorised. Your trading must be completed within 7 trading days from _____.

Please confirm this by completing the section below and returning this Form to us within 7 days of completion of transaction.

Date:

Compliance Officer

C. Confirmation of Trades

The Compliance Officer
Allsec Technologies
Limited

I confirm the trading in the aforesaid securities was completed on _____.

Date:

Signature of the Employee/Director

ANNEXURE B

INITIAL REPORTING ON HOLDING PURSUANT TO ALLSEC INSIDER TRADING CODE

Date:

The Compliance
Officer,
Allsec Technologies Ltd
46b Velachery Main road
Chennai 600 042

Dear Sir,

DISCLOSURE UNDER THE CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN ALLSEC

With reference to the abovementioned Code of Conduct, I hereby furnish the requisite information relating to my holdings in ALLSEC securities.

Name of the Director/ Employee/ Promoter	
PAN number	
Date of Birth	
Designation of the Director / Employee	
Department, if applicable	
Name of the Dependent & relation with the Director/Employee, in case this declaration is made for dependent	

Type & Number of units of Securities held as first holder	
Folio No. / DP ID No. & Client ID No.	
Type & Number of units of Securities held as second/third holder	
Folio No. / DP ID No. & Client ID No.	

_____
Signature of the Director / Employee

Notes:

1) Separate disclosures should be made in respect of the immediate relatives. Immediate relatives may include the spouse of a person, a parent, sibling, and child of such person or their spouse, any of whom is either dependent financially on them, or consults them in taking decisions relating to trading in securities.
2) This declaration will include separate details of shares held in the first name, joint names or as a guardian.

ANNEXURE C

HALF YEARLY REPORTING OF HOLDINGS OF ALLSEC PURSUANT TO ALLSEC INSIDER TRADING CODE OF CONDUCT

[THIS DISCLOSURE IS REQUIRED TO BE GIVEN WITHIN 7 DAYS FROM THE CLOSE OF THE HALF YEAR (Mar or Sep), IN CASE THERE IS ANY CHANGE IN HOLDINGS SINCE PREVIOUS HALF YEAR]

The Compliance Officer,
Allsec Technologies Ltd
46b Velachery Main road
Chennai 600 042

Dear Sir,

DISCLOSURE UNDER THE INSIDER TRADING CODE OF CONDUCT

With reference to the Code of Conduct in ALLSEC for Prevention of Insider Trading, I hereby furnish the requisite information relating to my holdings in Allsec Technologies Ltd.

Name	
PAN No	
Designation	
Company/Department	

Type of security	Held in (First name / joint name/ Immediate Relative's name)	Folio / DP ID & Client ID	No. of Securities as at beginning of the Half Year (Indicate month & year)	Securities * acquired (+) / sold (-) during the Half year ended	No. of Securities as at end of the Half Year ended	Date of Approval obtained, if applicable

* including shares acquired / sold under exercise of stock options.

_____
Signature of the Director / Employee

Notes:

1. Disclosures to include trading by immediate relatives also. Immediate relatives may include a person's spouse, parent, sibling, or child or any such relative of their spouse, who is either dependent financially on them, or consults them in taking decisions relating to trading in securities.

2. This declaration to include separate details of shares held in first name, joint names or as guardian.

ANNEXURE D

PENALTY FOR CONTRAVENTION OF CODE OF INTERNAL PROCEDURES & CONDUCT FOR PREVENTION OF INSIDER TRADING OF THE COMPANY

The Code requires designated persons and their immediate relatives to seek prior approval for any transaction in the securities of the Company, report such transaction(s) and submit certain periodic reports and documentation. The Code also prohibits any transaction in securities during Non-Trading period. It is strongly recommended that the employees go through and strictly adhere to the Code and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code inter-alia requires:

1. Obtaining pre-clearance for certain transactions.
2. Reporting / declaring transactions in securities of the Company within a stipulated time period.
3. Prohibition on trading in securities during Non-Trading Period.

Penal provisions

In terms of the Code, the Company will take appropriate disciplinary action against the defaulters for not complying with the Code. Please note that the following action shall be taken for any non-compliance with the code in addition to the actions that may be taken by SEBI or other authorities.

1.	**Not obtaining pre-clearance for trading (buying/selling) in the Securities*** First instance: Warning Second instance: A fine of upto 5% of the gross value of the transaction Third instance: A fine of upto 10% of the gross value of the transaction Fourth instance: Action as may be decided by the Board or Committee of Directors *(* this includes trading in Securities above the approved limits)*
2.	**Delay in reporting / declaring transactions (buy/sell) in the Securities within the stipulated time (including a 'nil' report):** First instance: Warning Second instance: A fine of Rs. 1,000/- per day of default upto the first 10 days of default Third instance: A fine of Rs. 2,000/- per day of default upto the first 10 days of default Fourth instance: Action as may be decided by the Board of Directors *Note: The amount of fine payable for any delay under this category beyond the first 10 days of default would be decided by the Board or Committee of Directors.*
3.	**Trading during non-trading period (when the trading window is closed)** First instance: Warning Second instance: A fine of 10% of the gross value of transaction Third instance: A fine of 20% of the gross value of transaction Fourth instance: Action as may be decided by the Board or Committee of Directors
4.	**Any other non-compliance with the Code:** Appropriate action as may be decided by Board or Committee of Directors.

The fine is payable to the Company and the modalities for paying the fine would be separately communicated by the Compliance Officer to the concerned person.

In case of any doubt or dispute with regard to the interpretation or applicability or otherwise of the provisions of the Code or related provisions, the decision of the Board or Committee of Directors shall be final.

In case the Board or Committee of Directors are required to review any transaction or impose penalties on one of its own members, the concerned member would excuse himself from the Board on that matter and not participate.