

### Document Configuration Items

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**Revision History**

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## 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. “**Code**” or “**Code of Conduct**” shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of FCS Software Solutions Limited as amended from time to time.
- 1.4. “**Company**” means FCS Software Solutions Limited.
- 1.5. “**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 of Directors and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.
- 1.6. “**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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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

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- d. an investment company, trustee company, asset management company or an employee or director thereof; or
  - e. an official of a stock exchange or of clearing house or corporation; or
  - f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - g. a member of the Board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - i. 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.
- 1.7. **“Dealing in Securities”** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.
- 1.8. **Designated Employee(s)** shall include :
- i. every employee in the grade of Assistant General Managers and above;
  - ii. every employee in the finance, accounts, secretarial and legal department as may be determined and informed by the Compliance Officer; and
  - iii. any other employee as may be determined and informed by the Compliance Officer from time to time.
- 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.

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- 1.13. “**Insider**” means any person who,
- 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. “**Promoter**” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- 1.16. “**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- 1.17. “**Takeover regulations**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- 1.18. “**Trading**” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly;
- 1.19. “**Trading Day**” means a day on which the recognized stock exchanges are open for trading;
- 1.20. “**Unpublished Price Sensitive Information**” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
- i. financial results;
  - ii. dividends;
  - iii. change in capital structure;
  - iv. mergers, de-mergers, acquisitions, delisting, 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

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- 1.21. “**Regulations**” shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- 1.22. “**Specified Persons**” means the Directors, connected persons, the insiders, the Designated Employees and the promoters and immediate relatives are collectively referred to as Specified Persons.

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

## 2. Role of Compliance Officer

- 2.1. The Compliance Officer shall report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors.
- 2.2. The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company’s Code of Conduct.

## 3. Preservation of “Price Sensitive Information”

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

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

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

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

However, the Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

### 3.2. **Need to Know:**

- i. “need to know” basis means that Unpublished Price Sensitive 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.
- ii. All non-public information directly received by any employee should immediately be reported to the head of the department.

### 3.3. **Limited access to confidential information**

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files

## **4. Prohibition on Dealing, Communicating or Counseling on Matters Relating To Insider Trading.**

No Insider shall –

- i. Either on his own behalf, or on behalf of any other person, deal in securities of the company when in the possession of any unpublished price sensitive information;



- ii. Communicate, counsel or procure, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

## 5. Trading Restrictions

All directors/ officers and designated employees of the company shall be subject to trading restrictions as enumerated below: -

### 5.1. Trading Window

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information. During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities. The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

### 5.2. The trading window shall be, inter alia, closed at the time of: -

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

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- viii. Commencement of any new commercial production/commercial operations where the contribution there from is likely to exceed 5% of the total turnover of the Company during that financial year;
  - ix. Developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
  - x. Litigation/dispute with a material impact;
  - xi. Revision of credit ratings assigned to any debt or equity instrument of the Company;
  - xii. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;
- 5.3. The period of closure shall be effective from 1st day of the month in which the meeting of the Board of Directors is proposed to be held or from the date of circulation of agenda papers pertaining to the subject referred above, whichever is longer, upto 24 hours after the information is submitted to the Stock Exchange.**
- 5.4. The Prohibited Period in case of declaration of financial results shall be as under:**

<b>Nature of financial results</b>	<b>Date of declaration</b>	<b>Commencement of Prohibited Period</b>
Unaudited Results for the first quarter	On or before July 31	July 1
Unaudited Results for the second quarter/Half year	On or before October 31	October 1
Unaudited Results for the third quarter	On or before January 31	January 1
Audited Results for the financial year	On or before June 30	June 1

- 5.5. The trading window shall be opened 24 hours after the information referred in 5.3 and 5.4 is made public.**
- 5.6. All Directors, Officers, Designated Employees of the company shall conduct all their dealings in the securities of the Company only during**

**the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.**

- 5.7. As and when applicable, in case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.**

## **6. Pre-clearance of trades**

All Directors, Officers, Designated Employees of the company who intend to deal in the securities of the company in excess of 500 equity shares in number shall pre-clear the transactions as per the pre-dealing procedure as described hereunder. However, 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 and hence he shall not be allowed to trade.

### **6.1. Pre-dealing Procedure**

An application for pre-clearance of trade may be made to the Compliance Officer. An undertaking shall be executed in favour of the company by such Designated Employee, Director, Officer incorporating, inter alia, the following clauses, as may be applicable:

- i. That the employee/ director/officer does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
- ii. That in case the Designated Employee, Director, Officer has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he or she shall inform the Compliance officer of the change in his position and that he or she would completely refrain from dealing in the securities of the company till the time such information becomes public.
- iii. That he or she has not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
- iv. That he or she has made a full and true disclosure in the matter

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The Compliance Officer shall on receiving an application provide the Director, Officer, and Designated Employee with an acknowledgement on the duplicate of the application. The Compliance Officer shall grant approval within 2 days from the date of acknowledgement. The Compliance Officer shall retain copies of all applications and acknowledgements. In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent. If so requested by the Compliance Officer, Director, Officer, Designated Employee must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

## 7. Other Restrictions

- 7.1. All Directors, Officers and Designated Employees shall execute their order in respect of securities of the company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the Directors, Officers and Designated Employees must pre clear the transaction again.
- 7.2. All Directors, Officers and Designated Employees shall hold their investments in securities for a minimum period of 30 days irrespective of mode of acquisition in order to be considered as being held for investment purposes. In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer.

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