

Bansal Wire Industries Limited

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons

1.0 INTRODUCTION & OBJECTIVE

- 1.1 Securities and Exchange Board of India (SEBI) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**the Regulations**”) to put in place a framework for prohibition of insider trading in Securities, and to strengthen the legal framework thereof.
- 1.2 Bansal Wire Industries Limited (“**Company**”) has framed this ‘Code of Conduct to Regulate, Monitor and Report Trading by all Designated Persons and Immediate Relatives of Designated Persons as defined in this Code (“**Code**”) to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (“**SEBI Regulations**”).
- 1.3 This Code shall be applicable to the Designated Persons (“**DP**”) and the Immediate Relatives of Designated Persons as defined in this Code.
- 1.4 The SEBI Regulations prohibit the Trading (*as defined below*) in the Securities of a company listed on any stock exchange when in possession of any UPSI (*as defined below*)

2.0 CODE OF CONDUCT

2.1 CODE

The Code shall be called “Code for Trading in the Securities of Bansal Wire Industries Limited. The Code will come into force with immediate effect.

2.2 DEFINITIONS

| Term | Reference |
|---|---|
| <i>Compliance Officer</i> | 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 codes specified under the SEBI Regulations under the overall supervision of the Board. |
| <i>Designated Persons</i> | i. Promoters and members of the Promoter Group of the Company. ii. Directors and Key Managerial Personnel of the Company. |
| <i>Generally Available Information</i> | Information that is accessible to the public on a non-discriminatory basis and for this purpose information available on the website of Stock Exchange(s) would be considered generally available. |
| <i>Immediate Relatives</i> | ✓ Spouse of the person; and ✓ Includes parent(s), sibling(s), and child of such person or of the spouse <i>any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in Securities</i> |

| | |
|--|--|
| <i>Unpublished Price Sensitive Information ("UPSI")</i> | 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 Board of Directors or key managerial personnel. (vi) Such other matters that the Company may decide. |
| <i>Securities</i> | As defined under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof. |
| <i>Trading</i> | Means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Company's Securities, and "trade" shall be construed accordingly |
| <i>Trading Window</i> | Designated Persons and their Immediate Relatives can engage in Trading or otherwise deal in Securities of the Company during the period when the 'Trading Window' is open or is not closed |
| <i>Trading Day</i> | A day on which the recognized stock exchanges are open for Trading |

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

PART 'A'

PROHIBITION ON COMMUNICATION OR PROCURING OF UPSI

3.0 Restrictions on Communication or procurement of Unpublished Price Sensitive Information

Unpublished Price Sensitive Information ("UPSI") shall be handled on a "need to know" basis, i.e. UPSI shall be disclosed only to those persons within the Company, whose discharge of official duties warrant such information. Further, files containing confidential information including UPSI shall be kept secure and computer files must have adequate security of log-in and password.

- 3.1** No Designated Person and their immediate relatives shall not communicate, provide, or allow access to any UPSI, relating to the Company or its Securities, to any person (including other insiders) except where such communication is in furtherance of 'legitimate purpose' (as defined hereinafter), performance of duties or discharge of legal obligations.
- 3.2** Designated Person and their immediate relatives shall not procure from or cause the communication by any Insider of UPSI, relating to the Company or its Securities, except in furtherance of legitimate purpose, performance of duties or discharge of legal obligations.

- 3.3 'Legitimate purpose' shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations."

PART 'B'

TRADING RESTRICTIONS

- 4.1 The Designated Person and their immediate relatives shall not trade in Securities of the Company when in possession of UPSI.
- 4.2 The Designated Person and their immediate relatives cannot trade in Securities of the Company during the period when the Trading Window is closed pursuant to a notice issued by the Compliance Officer except exercise of Options granted under the Stock Option Scheme of the Company, in force from time to time. However, sale of Securities acquired upon exercise of Options shall not be allowed when Trading Window is closed.
- 4.3 If proposed trading of Securities by the Designated Persons and their Immediate Relatives exceeds the limits provided in para 4.5.1 below, pre-clearance of the transaction will be required.

4.4 TRADING WINDOW

- 4.4.1 Compliance Officer shall specify closure of the Trading Window by way of notice, during which time, trading in the Securities of the Company will not be permissible for Designated Persons and their Immediate Relatives. The notice may be given by way of e-mail addressed to the official e-mail Ids of Designated Persons and their immediate relatives or by any other permissible mode.

Normally, Trading Window will be closed on the following lines:

| <i>Event</i> | <i>Trading Window closure period</i> |
|--|---|
| (a) Declaration of unaudited/audited financial results (quarterly, half-yearly and annually) | From first day of the month following the end of quarter / half-year / year (i.e. from 1 st July, 1 st October, 1 st January and 1 st April, <i>as the case may be</i>) and would be in force till 48 hours after the said financial results is made public by the Company |
| (b) Declaration of dividend including interim dividend | Trading Window shall be closed when the Compliance Officer determines that Designated Person(s) can reasonably be expected to have possession of Unpublished Price Sensitive Information, and would be in force not earlier than 48 hours after the information becomes generally available. |
| (c) Change in capital structure | |
| (d) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions | |
| (e) Changes in Board of Directors or Key Managerial Personnel | |
| (f) Any other information, which if made generally available is likely to materially affect the price of Securities of the Company | |

- 4.4.2 Restrictions on trading in Securities of the Company when Trading Window is closed, shall not apply in respect of -
- (i) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub- regulation (1) of regulation 4 of the Regulations, and in respect of pledge of Securities for a bonafide purpose such as raising of funds, subject to pre- clearance by the Compliance Officer and compliance of the related regulations made by SEBI in this regard; and
 - (ii) transactions, which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buyback offer, open offer, delisting offer.

4.5 PRE-CLEARANCE OF TRADES

- 4.5.1 The Designated Persons and their Immediate Relatives who are not in possession of UPSI, are required to seek pre-clearance of transactions for Trading in Securities of the Company as per the procedure described hereunder, if the said transaction of the Securities is in excess of:

- Rs. 10,00,000/- (Transaction value) whether in one or more tranches.

It is clarified that pre-clearance of trades shall be given only during the time Trading Window is not closed.

- 4.5.2 The concerned person shall make application in the format set out in **Annexure I** to the Compliance Officer and also declare that the applicant is not in possession of UPSI as per **Annexure II**.
- 4.5.3 The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
- 4.5.4 The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
- 4.5.5 The Board of Directors of the Company shall be the approving authority for the pre-clearance application of Compliance Officer.
- 4.5.6 The Designated Person shall, within two trading days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per **Annexure III**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
- 4.5.7 If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.
- 4.5.8 Pre-clearance of Trades shall not be required for a trade executed as per an approved trading plan.
- 4.5.9 A Designated Person who Trades in securities of the Company without complying with the pre clearance procedure as envisaged in the code or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the preclearance procedure shall be subjected to the penalties as envisaged in these Rules.

5.0 TRADING PLAN

- 5.1 A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (“Trading Plan”) and present it to the Compliance Officer for approval and public disclosure. The Trading Plan may be executed only after the plan is approved by the Compliance officer and disclosed to the stock exchanges on which the Securities of the Company are listed.
- 5.2 The designated Person shall not exercise any influence over the amount of Securities to be Traded, the price at which they are to be Traded, or the date of the trade. Designated Person may delegate discretionary authority to his/her broker, but in no event Designated Person may consult with the broker regarding executing transactions, or otherwise disclose information to the broker concerning the Company that might influence the execution of transactions, under the Trading Plan after it commences.
- 5.3 The Trading Plan once approved shall be irrevocable and the Designated Person 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. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available information at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

6.0 PENALTY FOR NON-ADHERENCE TO THE CODE

- 6.1 If any non-adherence to the Code is noticed, the Board of Directors shall cause an internal enquiry to be conducted and on establishing proof of non-adherence, take appropriate action including but not limited to wage freeze, suspension etc.. In addition, non-adherence to the Code shall also be reported to SEBI.
- 6.2 The stock exchanges or any other appropriate regulatory authority may also be informed of the violation of this Code / Regulations in such form and such manner as may be specified by SEBI from time to time, so that appropriate action maybe taken.
- 6.3 Any amount collected as penalty under this Code shall be credited to the Investor Protection and Education Fund administered by SEBI.
- 6.4 The penalty provisions for violation or non-compliance of the Code are given in **Annexure IV**.

7.0 MECHANISM FOR PREVENTION OF INSIDER TRADING

- 7.1 The CEO, Managing Director (“MD”) or such other analogous person of the Company shall, in consultation with the Compliance Officer and other relevant members of the Company’s senior management, shall put in place and take steps to maintain adequate and effective system of internal controls in place for compliance with SEBI Regulations, including periodic process review to evaluate the effectiveness of such internal controls and other matters stated therein.
- 7.2 The Board shall ensure that the CEO/MD and other members of Company’s senior management referred above have taken steps to comply with requirements of these rules.

8.0 MISCELLANEOUS

- 8.1 The Board of Directors shall be empowered to amend, modify, interpret this code and such code shall be effective from such date that the Board may notify in this behalf.
- 8.2 The Compliance Officer shall provide the Audit Committee of the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.
- 8.3 The Compliance Officer shall maintain :
- i. updated list of Designated Persons,
 - ii. records of disclosures and pre-clearance applications and undertakings for a period of five years and
 - iii. a confidential list of any 'restricted securities' which includes equity shares or any other securities convertible into equity shares of the Company to which the Compliance Officer may require Designated Persons to seek pre-clearance before Trading in such 'restricted securities'.
- 8.4 The Company shall require all Connected Persons to formulate and adhere to a code of conduct to achieve compliance with the code. In case such persons observe that there has been a violation, then they shall inform the Board of Directors / Compliance Officer of the Company promptly.
- 8.5 The policy and procedure for inquiry in case of Leak of UPSI or suspected Leak of UPSI is enclosed as **Annexure-V** and forms integral part of this Code.

12.0 LIMITATION, REVIEW AND AMENDMENT

In the event of any conflict between the provisions of this Code and of the SEBI Regulations or any other legal requirement ("Applicable Law"), the provisions of Applicable Law shall prevail over this Code. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Code.

The Board may review and amend this Code from time to time, as may be deemed necessary.

ANNEXURE I

APPLICATION FOR PRE-TRADING APPROVAL

To,
The Compliance Officer,
Bansal Wire Industries Limited.

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Internal Code of Conduct for Prohibition of Insider Trading, I seek approval to purchase / sell / subscribe equity shares/ American depositary shares of the Company as per details given below:

| | | |
|----|---|--|
| 1. | Name of the applicant | |
| 2. | Designation | |
| 2A | Relationship with the Applicant (Self/Immediate Relative) | |
| 3. | Number of securities held as on date | |
| 4. | Folio No. / DP ID / Client ID No. | |
| 5. | The proposal is for | (a) Purchase of securities (b) Subscription to securities (c) Sale of securities (d) Pledge |
| 6. | Proposed date of trading in securities | |
| 7. | Estimated number of securities proposed to be purchased/subscribed/sold/pledge | |
| 8. | Current market price (as on date of application) | |
| 9. | Whether the proposed transaction will be through stock exchange or off-market trade | |
| 10 | Folio No. / DP ID / Client ID No. where the securities will be credited / debited | |

I enclose herewith the undertaking signed by me.

Signature :

Name:

Date:

ANNEXURE II

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

To,
The Compliance Officer,
Bansal Wire Industries Limited("Company")

I,_____being a designated person of the company as per the Rules for Trading in thesecurities of the Company residing at_____, am desirous of trading in_____shares of the Company as mentioned in my application dated_____pre-clearance transaction.

I further declare that I am not in possession of any unpublished price sensitive information ("UPSI")up to the time of signing this undertaking. In the event that I have access to or receive any UPSI after signing of this undertaking but before executing the transaction for which approval is sought,I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Rules as notified by the Company fromtime to time.

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expensesincurred in any investigation, defense, crisis management or public relations activity in relation tothis transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the Securities and Exchange Board of India ("SEBI") for creditof the Investor Protection and Education Fund administered by theSEBI.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failingwhich I shall seek pre-clearance afresh. I declare that I have made full and true disclosure in thematter.

Signature :

Name:

Date:

ANNEXURE III

DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,
The Compliance Officer,
Bansal Wire Industries Limited(“Company”)

I hereby inform that I

- i) have not bought / sold/ subscribed any securities of the Company
- ii) have bought/sold/subscribed to_____securities as mentioned below on____(date)
(strike out whichever is not applicable)

| Name of holder | No. of securities traded | Bought / sold /subscribed | DP ID / ClientID | Price (Rs.) |
|-----------------------|---------------------------------|----------------------------------|-------------------------|--------------------|
| | | | | |
| | | | | |
| | | | | |

I declare that the above information is correct and that no provisions of the Company’s Rules and/or applicable laws/regulations have been contravened for effecting the above said Transactions(s).

Signature :

Name:

Date:

ANNEXURE IV

PENALTY FOR CONTRAVENTION OF COMPANY'S CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING

The Board of Directors of the Company has formulated the code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and Report trading by Designated Persons and their immediate Relative. The Code requires Designated Persons and their Immediate Relatives to seek prior approval for transactions in the Securities of the Company exceeding the threshold prescribed therein, report such transaction(s) and submit certain periodic reports along with documentation.

The Code also prohibits any transaction in Securities during Non-Trading Period and also restricts contra trade. It is strongly recommended that the employees go through and strictly adhere to the Codes and the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations"). 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. Prohibits trading in securities during Non-Trading Period.
4. Restricts entering into a Contra trade.
5. Prohibits sharing of Unpublished Price Sensitive Information (UPSI) except in furtherance of legitimate purposes.

Penal provisions

In terms of the Code, the Company will take appropriate disciplinary action against designated persons for violation of the Code and the provisions of SEBI PIT Regulations.

Considering the criticality of the offence of violation of SEBI PIT Regulations, designated persons are expected to comply with the requirement of the Code and SEBI PIT Regulations.

| | |
|----|---|
| 1. | Not obtaining pre-clearance for trading (buying/selling) in the Securities* First instance: Warning letter Second instance: A fine of upto 1% of the gross value of the transaction Third instance: A fine of upto 3% of the gross value of the transaction (*trading in Securities above the threshold limits prescribed in the Code) |
| 2. | Delay in reporting / declaring transactions (buy/sell) in the Securities within the stipulated time (including a 'NIL' report): First instance: Warning letter 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 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 of Directors. |
| 3. | Trading during non-trading period (when the trading window is closed) First instance: A fine of Rs. 50,000 Second instance: A fine of 1% of the gross value of transaction Third instance: A fine of 3% of the gross value of transaction Note : The restriction of trade for a period of Six months from the end of the month in which purchase of shares are made in all the above instances. |
| 4. | Entering Contra trade: First instance: Warning letter Second instance: A fine of 1% of the gross value of transaction |

| | |
|-----------|---|
| | Third instance: A fine of 3% of the gross value of transaction |
| 5. | Any other non-compliance with the Code: Appropriate action as may be decided by Board of Directors. |

The fine stated hereinabove is payable to the Company and the modalities for paying the fine would be separately communicated by the Compliance Officer to the concerned person. The Company will remit the amount collected to the Investor Protection and Education Fund of Securities and Exchange Board of India.

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 of Directors shall be final.

In case the Board of Directors is 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.

Further, in case it is observed by the Compliance Officer that there has been a violation of SEBI PIT Regulations, the Company shall inform SEBI of such violation.

POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Preamble

This Policy is framed with an aim to implement a structured procedure for investigation in case of leak or suspected leak of UPSI.

Applicability

This policy shall apply to all Designated Persons and their immediate relative and any other persons as assigned by law from time to time.

Process of inquiry in case of leak of UPSI or suspected leak of UPSI

1. Information (written or oral or electronic) regarding a leak or suspected leak of UPSI may be received by the Company from the following sources:
 - a. Internal:
 - i. Whistleblower vide the whistleblower process as illustrated in the Bansal Wire Industries Limited's Whistleblower Policy;
 - ii. Any leak or suspected leak of UPSI detected through the internal controls implemented by the Company.
 - b. External: Any entity, including Registrar and Share Transfer Agent, Depository, Stock Exchange, Regional Director, Registrar of Companies, regulatory / statutory authority or any other department of Central or State Government, whether based on the complaint received from a whistleblower or otherwise (above information shall be collectively referred to as "Complaint(s) for the purpose of this Policy")
2. The Compliance Officer or the Company Secretary shall report the Complaint to the Audit Committee within a reasonable time from the date of receipt of the Complaint;

The Audit Committee shall review the Complaint and shall discuss with the Compliance Officer and Company Secretary on potential next steps including but not limited to seek additional information to consider an investigation, disclosure requirements to the regulatory authorities, appointment of an investigation panel consisting of internal employees or external agencies. If the Complaint implicates the Compliance Officer, then they shall recuse themselves from the said inquiry process;

3. If the Audit Committee mandates an investigation, then the identified panel of investigators shall conduct the investigation into the Complaint(s) and present their findings to the Compliance Officer. The executive summary of the investigation shall be reported to the Audit Committee by the Compliance Officer;
4. Based on the update provided by the Compliance Officer, the Audit Committee shall put forward its recommendation to the Board. The Board, on receipt of such recommendation and after due review/deliberations, shall decide on the next steps.

5. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.
6. Words and expressions used and not defined in this Policy but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.