



**NEXOME CAPITAL MARKETS LIMITED**  
**(FORMERLY SMIFS CAPITAL MARKETS LIMITED)**

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**Code of Conduct for Prevention of Insider Trading**

[Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended)  
[approved by the Board of Directors on June 04, 2025]

**Regd. Office: Vaibhav, 4F, 4 Lee Road, Kolkata- 700020**

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**Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited)**  
**- Code of Conduct for Prevention of Insider Trading**

**1. Background and objective of the Code**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**SEBI Regulations**”) came into force on 15<sup>th</sup> May, 2015 and has been amended from time to time. These regulations provide legal and regulatory framework for communication and dealing with Unpublished Price Sensitive Information (“**UPSI**”) related to listed companies in India and trading in securities of listed entities.

The Board of Directors have adopted this Code of Conduct for Prevention of Insider Trading (the “**Code**”), to regulate, monitor and report trading in securities and handling of Unpublished Price Sensitive Information (“**UPSI**”) related to the Company or its securities, pursuant to the SEBI Regulations. The objective of the Code is to lay down guidance for UPSI Recipients, Designated Persons and their Immediate Relatives, to understand their obligations under the SEBI Regulations, including the procedures to be followed at the time of trading in the securities of and dealing with UPSI related to the Company or its securities. The Code also defines the responsibilities of various stakeholders including the management for ensuring compliance with the SEBI Regulations.

This Code is in addition to the SEBI Regulations, and the UPSI Recipients, Designated Persons and their Immediate Relatives should be aware of and comply with the provisions of the SEBI Regulations and this Code.

**2. Important definitions**

*Words and expressions used but not defined in the Code, shall have the meaning ascribed to such terms in the Securities and Exchange Board of India Act, 1992, Securities Contracts (Regulation) Act, 1956, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), the SEBI Regulations, Depositories Act, 1996, the Companies Act, 2013 and the rules and regulations made thereunder (as amended from time to time).*

For the purpose of this Code:

- a) “**Board**” means the board of directors of the Company.
- b) “**Company**” means ‘Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited)’.
- c) “**Compliance Officer**” means the Company Secretary appointed by the Company and designated for the purpose of the Code, by the Board.
- d) “**Designated Person**” means person specified in Clause 3 of this Code.
- e) “**Immediate Relative**” means spouse of a person, and includes parents, siblings, and children 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.

Explanation - Spouse is a deemed immediate relative irrespective of the fact whether he/she is financially independent.

- f) “**Material Subsidiary**” means a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

- g) **“Project Owner”** means an employee of the Company or its subsidiaries, who is leading the information/event constituting UPSI and is responsible for making entries in the Structured Digital Database. Only a Designated Person or UPSI Recipient shall be a Project Owner.
- h) **“Share Based Employee Benefit Scheme”** includes stock options and/or ESARs and/or any other schemes or benefit granted by the Company under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- i) **“Unpublished Price Sensitive Information (UPSI)”** means any information, directly or indirectly related to the Company or its securities, that is not generally available to the public, and which upon becoming generally available, is likely to materially affect the price of the securities. The term UPSI shall, ordinarily include, but not be restricted to, information relating to the following:
- i. financial results;
  - ii. dividends;
  - iii. change in capital structure i.e. buy back, bonus issue, rights issue, split of shares, preferential allotment, FPO etc.;
  - iv. mergers, de-mergers, acquisitions, delisting, disposals, business transfers, expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
  - v. changes in key managerial personnel other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
  - vi. change in rating(s), other than ESG rating(s);
  - vii. fund raising proposed to be undertaken;
  - viii. agreements, by whatever name called, which may impact the management or control of the Company;
  - ix. fraud or defaults by the Company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the Company, whether occurred within India or abroad;
  - x. resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
  - xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the Company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
  - xii. initiation of forensic audit, by whatever name called, by the Company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
  - xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, promoter or subsidiary, in relation to the Company;
  - xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the Company;
  - xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the Company not in the normal course of business;
  - xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1- For the purpose of sub-clause (ix):

- a. ‘Fraud’ shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- b. ‘Default’ shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of

Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2- For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred in paragraph A of Part A of Schedule III of the SEBI Listing Regulations as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the SEBI Listing Regulations shall be applicable.

Explanation 3 -

- (a) Beside the application of quantitative criteria as may be applicable, the Monitoring Committee shall also qualitatively evaluate the information and conclude the same as UPSI, only if such information upon becoming generally available, is likely to materially affect the price of the securities of the Company.
- (b) Change in Ratings will be treated as UPSI only in case the rating agency sends its report or draft report in advance to the Company. In case the rating agency directly disseminates the relevant report on its website and simultaneously sends the same to the Company, it will be considered as generally available and will not be treated as UPSI.
- (c) Under para [h(ix) and h(xiii)], the information will be treated as UPSI only if it exceeds the limits specified under regulation 30(4) of the Listing Regulations read with Policy for determination of materiality of events or information of the Company, as applicable.
- (d) Key licenses or regulatory approvals referred to in para h(xvi) should be read as to mean licenses and approval which are required to run key factories (or factories which materially contribute to the revenue of the Company) or significant business operations.
- (e) While applying the guidelines of materiality provided under Regulation 30(4) of the SEBI Listing Regulations, the principles of *Reddendo Singula Singulis* shall be applied.
- j) **“UPSI Recipient”** means the employee of Company or its subsidiaries, who is in possession of UPSI or with whom UPSI is shared. A UPSI recipient may or may not be a Designated Person.

In this Code:

- (i) The singular includes the plural and vice-versa; and
- (ii) References to any gender includes masculine, feminine and other gender.

### 3. Applicability of the Code

3.1. The Code is applicable to all UPSI Recipients, Designated Persons and their Immediate Relatives.

3.2. The term **Designated Persons** includes:

- i. Promoters and members of the Promoter group of the Company;
- ii. Directors of the Company;
- iii. Managing Director and Chief Executive Officer of the Company ('MD'), and employees up to two levels below the Managing Director and Chief Executive Officer of the Company, irrespective of (a) their functional role in the Company, and (b) possession of, or the ability to have access to UPSI;
- iv. Management Council members and their executive assistants;
- v. All employees in Nexome Capital Markets Limited( Formerly SMIFS Capital Markets Limited);
- vi. Chief Executive Officer ('CEO') or any equivalent officer and employees up to two levels below the CEO of the material subsidiaries irrespective of their functional role in the material subsidiary

- or (b) their ability to have access to unpublished price sensitive information;
- vii. All employees of the Company in corporate secretarial, corporate accounts, taxation (Direct Tax), corporate treasury, corporate FP&A, investor relations, corporate strategy, legal (except compliance function) and corporate communication function;
- viii. Support staff, including employees of IT function, who have access to UPSI, or who can reasonably, be expected to have access to UPSI.

Explanation 1- Employees covered under Clause 3.2 from point (v) to (viii), shall be identified as Designated Person only upon approval from any one of the MD, Chief Financial Officer('CFO') and the Compliance Officer. The date of such approval will be considered as the date of becoming Designated Person.

Explanation 2- The term 'Level' means applicable position (band, level or designations) of the employee in the organisational hierarchy in the respective entity. At present, in case of the Company, Band H and Band G shall be considered as two level below the MD for determination of coverage under para 3.1. The reporting structure will not be relevant.

Explanation 3- In case material subsidiary does not have Managing Director or CEO or any equivalent position, for compliance of subclause vi of Clause 3.2, level shall be considered from the position of the BU CEO (who is responsible for the operations of the respective entity and who may not necessarily be on the payroll of that entity) and employees upto two levels in that respective entity below such BU CEO shall be considered for coverage under para 3.2.

- 3.3. Based on the role and function of an employee in the Company or its material subsidiaries, the Monitoring Committee can classify any other employees / categories of employees as Designated Persons.

#### **4. Handling of UPSI**

##### **1. Trading Window Closure**

- 4.1. Trading Window Closure means the period when the Designated Persons or UPSI recipients and their Immediate Relatives are not allowed to trade in securities of the Company, directly or indirectly. The Company can close the trading window generally for all Designated Person and UPSI Recipients or selectively for only those Designated Person and UPSI Recipients, who are in possession of the UPSI or have access to the UPSI.

The Company has the following Trading Window Closure periods:

##### **4.1.1. Standard Trading Window Closure**

For the declaration of financial results, the trading window shall be closed from the end of every calendar quarter. The trading window shall re-open 48 (forty-eight) hours after the declaration of the financial results. The compliance officer shall send specific communication of Trading Window Closure to the Designated Person and UPSI Recipients in such cases.

##### **4.1.2 Event Specific Trading Window Closure**

Additionally, the trading window may be closed in respect of UPSIs other than the event specified in para 4.1.1. The Compliance Officer shall send specific communication of Trading Window Closure to the Designated Person and UPSI Recipients in such cases.

##### **4.1.3 Automatic Trading Window Closure**

In the event any Designated Person or UPSI recipient comes into possession of any UPSI, the trading window shall be deemed closed for them with immediate effect, regardless of any communication regarding its closure.

- 4.2 The trading window in above cases shall reopen, not earlier than 48 (forty-eight) hours after the relevant UPSI becomes generally available or becomes irrelevant.
- 4.3 The restrictions under trading window closure will not be applicable: (i) for exercise of stock options / stock appreciation rights under Company's Share Based Employee Benefit Schemes; or (ii) for the transactions specified in the SEBI Regulations from time to time, as exceptions to restrictions on trading while in possession of UPSI.
- 4.4 The trading window closure applies to trades by the Designated Persons directly, or indirectly through Immediate Relatives or portfolio manager / wealth manager or under any similar arrangement. It will be the responsibility of the Designated Persons to communicate the trading window closure period to their Immediate Relatives, portfolio manager, wealth manager, etc. to avoid non-compliance. In the event, a trade is executed by immediate relative, by a portfolio manager, wealth manager etc. on behalf of a Designated Person and/or their Immediate Relatives in violation of this Code, then respective Designated Person will be responsible for any non-compliance under the provisions of the Code.
- 4.5 Trading window closure is not required in case the UPSI is not emanating from within the Company.

## II. Structured Digital Database ('SDD')

- 4.6 The Company shall maintain SDD in compliance with the requirements of the SEBI Regulations with respect to the UPSI. The Compliance Officer shall be responsible to provide all infrastructure, set up processes, format for maintenance of the SDD, preservation of the SDD and other compliances relating to maintenance of the SDD. The Project Owner shall be responsible for making entries in the SDD, which shall include requisite details such as the nature of UPSI, names of such persons who have shared the information and also the names of such persons with whom information is shared along with PAN or any other identifier authorised by law where such PAN is not available, and such other additional details as may be deemed necessary.
- 4.7 The Project Owner generally shall be the head of function who is leading the information/event constituting UPSI. The Project Owner can delegate the administrative responsibility to make entries in the SDD to any other employee, who may or may not be UPSI recipient or designated person. It is clarified that in such case the accountability to ensure compliance will continue to remain on the Project Owner.
- 4.8 The Compliance Officer shall preserve the SDD as per the SEBI Regulations. The SDD shall be preserved for such period as stated in the SEBI Regulations and on completion of the statutory period, will be dealt as per Company's internal policy and process.
- 4.9 The SDD shall be maintained internally with adequate internal controls, time stamping and audit trails to ensure non-tampering of the data.

## III. Chinese Wall

- 4.10 Employees who are not identified as Designated Persons can be given access to UPSI or brought

'inside' on sensitive transactions, strictly on a need-to-know basis and in furtherance of legitimate purposes. Such Employees will be considered as UPSI Recipients.

- 4.11 While dealing with or handling UPSI, the Designated Person and/or UPSI Recipient shall take reasonable steps to prevent inadvertent leakage, spread or misuse of UPSI and shall maintain appropriate Chinese wall.
- 4.12 A Designated Person and/or UPSI Recipient in possession of UPSI has the responsibility to ensure that the Chinese Wall is not breached deliberately or inadvertently. Any known or suspected breach of the Chinese Wall must be reported to the Compliance Officer / Monitoring Committee, immediately.
- 4.13 A Designated Person and/or UPSI Recipient may cross the Chinese Wall and share the UPSI, strictly on need-to-know basis, in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as permitted under the SEBI Regulations.
- 4.14 Every Designated Person and/or UPSI Recipient, who further disseminates such UPSI information will be responsible to inform the recipient that such information is UPSI and needs to be maintained under strict confidentiality and also the liability that would arise on misuse or unwarranted use of such information.

## **5. Dealing in Company's securities**

### **5.1 Prohibited transactions**

Designated Persons and their Immediate Relatives shall not directly or indirectly:

- i. Trade in securities of the Company when the trading window is closed.
- ii. Trade in securities, either on their own account, or on behalf of any other person, while in possession of UPSI, except in compliance with the provisions of this Code and SEBI Regulations.

Provided that, exercise of stock options / stock appreciation rights under the Company's Share Based Employee Benefit Schemes, shall not be considered as trading or purchase of securities, except for disclosure requirements as stipulated under clause 6.1 of this Code.

- iii. Execute a contra trade (e.g. intra-day, intra-week trading) within six months from the earlier trade. The contra-trade restrictions would be applicable to designated person and their immediate relatives collectively.

Provided that the restriction of contra trade shall not be applicable on exercise of stock options / stock appreciation rights under Share Based Employee Benefit Schemes of the Company.

Provided further that the approving authority (mentioned in Clause 5.2.2(iii)) may, at their discretion, waive the restriction of contra- trade, in case of extreme urgency upon receiving a written undertaking from the Designated Persons or their Immediate Relatives that they are not in possession of any UPSI, provided such relaxation does not violate the SEBI Regulations or this Code.

Provided further that undertaking a contra trade in securities acquired through buy back offers, open offers, rights issues, further public offer, bonus offers, exit offers etc., as permitted by SEBI Regulations shall be permitted.

- iv. Deal in derivatives [F&O trades] related to the securities at any time. It is clarified that, any trade in index futures or such other derivative where the scrip of Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited) is part of it, is not restricted under the terms of this Clause 5.1 of this Code or under the other provisions herein.
- v. Advise any person to trade or not to trade in the securities when in possession of any UPSI.

## 5.2 Permitted Transactions

Designated Persons (includes their Immediate Relatives) are permitted to trade in securities, through either of the following ways, after complying with the other conditions of this Code and the SEBI Regulations.

### 5.2.1 Trading where Pre-clearance is not mandatory

Designated Persons can enter into one transaction or a series of transactions in the securities of the Company for an aggregated traded value of up to Rs. 10 (ten) lakhs in a calendar quarter, without obtaining any pre-clearance for the transactions, subject to the satisfaction of the following conditions:

- The trading window is open; and
- The Designated Persons are not in possession of any UPSI.

### 5.2.2 Trading through Pre-clearance Route i.e. prior approval route, when not in possession of UPSI

- i. If a Designated Person intends to trade in the securities of the Company, whether in one transaction or a series of transactions, for an aggregated traded value of above Rs. 10 (ten) lakhs, in a calendar quarter, (calendar quarter means Jan-Mar, Apr-Jun, July-Sep, Oct-Dec), the Designated Person shall obtain pre-clearance for undertaking the proposed trades in the securities of the Company.
- ii. An application for pre-clearance along with an undertaking, shall be made by the Designated Person in the prescribed format, to the Compliance Officer through an online software implemented by the Company in this regard or any other mode as may be permitted. While submitting the application for pre-clearance, the Designated Person shall not be in possession of any UPSI.
- iii. The Compliance Officer shall process the pre-clearance request as per the approval matrix as under:

Dealing by	Clearance by
Promoter, promoter group and their immediate relatives	Jointly by the MD and the CFO
Directors and their immediate relatives	Any one of the Non-Executive Non-Independent Directors or the MD jointly with the CFO
MD and immediate relatives	Jointly by any one of the Non-Executive Non-Independent Directors and the CFO
CFO and immediate relatives	Any one of the Non-Executive Non-Independent Directors or the MD
Compliance Officer and immediate relatives	Any one of the MD or the CFO
DPs above 25000 shares and their Immediate Relatives	

DPs and their immediate relatives upto 25000 shares	Any one of the MD, the CFO or the Compliance Officer
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- iv. The approved pre-clearance of trades will be valid for 7 (seven) trading days or such lesser period as may be approved by the approving authority. If trade(s) are not executed within the approval period after the receipt of pre-clearance, the Designated Person shall again obtain the new / fresh pre- clearance for the trade.
- v. In case the Designated Person procures or comes in possession of UPSI before execution of the trade during the subsistence of the pre-clearance sought, he / she shall refrain from executing the trades.
- vi. The Designated Person shall submit the details of the transaction(s) undertaken by him/ her and/or his/her Immediate Relative, in Form COT / through an online software or in any other format as may be prescribed/permitted by SEBI / the Company in this regard, within 2 trading days, from the date of trading.
- vii. In case the Designated Person and/or his/ her Immediate Relative does not trade after securing pre-clearance, the Designated Person shall inform the Compliance Officer in Form NET or through an online software or in any other format as may be prescribed/permitted by SEBI / the Company, regarding non-execution of trade, within two trading days of the expiry of validity of the pre-clearance. If in a calendar quarter, pre-clearance has been taken twice but the trade has not been executed, then such Designated Person will not be allowed to trade in the securities of the Company during the entire calendar quarter.
- viii. It is clarified that the procedure laid down for pre-clearance of trades in securities of the Company shall apply *mutatis mutandis* to trades proposed to be carried out by Immediate Relatives of Designated Persons, provided that the obligations requiring communication with the Compliance Officer or through online software implemented by the Company shall continue to be upon the Designated Person.

### 5.2.3 Trading Plan Route

- i. The trading plan route is intended to give an option to a Designated Person, who may perpetually be in possession of UPSI, and enable him and/or his Immediate Relatives to trade in securities, in a compliant manner. This route enables formulation of a trading plan by a Designated Person, to enable trades to be executed in future, so that such trades, which he had pre-decided before the UPSI came into being, are not prohibited.
- ii. Designated Person shall be entitled to formulate a trading plan and present it to the Compliance Officer, for approval. Such Designated Person, who opts for trading plan route, shall not be allowed to trade through Pre-clearance route during the pendency of a trading plan.
- iii. The Compliance Officer shall review the trading plan of the Designated Person to assess whether the plan would have any potential for violation of the SEBI Regulations and this Code and can seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the trading plan.
- iv. The trading plan shall be approved as per the approval matrix provided under Clause 5.2.2 (iii), within two trading days of receipt of the trading plan and notified by the Compliance Officer to the Stock Exchanges.

- v. Any modification in the number of securities or change in the price limit to the approved trading plan, due to any corporate actions such as bonus or stock-split, shall be approved as per the approval matrix provided under Clause 5.2.2 (iii) and notified on the Stock by the Compliance Officer.
- vi. Pre-clearance of trade, is not required for a trade, executed as per an approved trading plan. Mandatory conditions to be followed with respect to trading plan:
  - No multiple / overlapping trading plans are permitted.
  - Under the trading plan route, trading is permitted after 120 calendar days from the date of submission of the trading plan to the stock exchange.
  - The trading plan (once approved) will be irrevocable and has to be mandatorily implemented.
  - Any deviation from the trading plan (except due to permanent incapacity or bankruptcy or operation of law) or trading outside the scope of the trading plan, is not permitted.
  - The trading plan shall not be used as a tool for market abuse.
  - The trading plan must set out the following parameters for each trade to be executed:
    - a. value of trade or number of securities to be traded;\*
    - b. nature of the trade; i.e., buy, sell, etc.\*
    - c. specific date or time period not exceeding five consecutive trading days;\*
    - d. price limit, i.e. an upper price limit for a buy trade or a lower price limit for a sell trade, subject to the range as specified below:^\$
      - For a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and upto 20% higher than such closing price;
      - For a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and upto 20% lower than such closing price.

*\* Mandatory parameter*

*^Optional parameter*

*^\$ To be rounded off to the nearest numeral*

- Implementation of the trading plan shall not be commenced in case the Designated Person is in possession of UPSI at the time of formulation of the trading plan, and such UPSI is not made generally available or does not cease to be UPSI in accordance with the Code and SEBI Regulations.
- In case the Designated Person has set a price limit for a trade, the trade shall be executed, only if, the execution price of the security is within the price limit.
- In case of non-implementation (full/partial) of trading plan due to (i) permanent incapacity; (ii) bankruptcy or operation of law; (iii) failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:
  - i. The Designated Person shall intimate non-implementation (full/partial) of trading plan to the compliance officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.
  - ii. Upon receipt of information from the Designated Person, the compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not.
  - iii. The decision of the Audit Committee shall be notified by the Compliance Officer on the same day to the stock exchanges on which the securities are listed.

- iv. In case the Audit Committee does not accept the submissions made by the Designated Person, then the Compliance Officer shall take action as per the Code of Conduct.
- The Designated Person shall be required to make requisite disclosures of the trade(s) executed pursuant to the trading plan as per the provisions of the Code.

## 6. Disclosure & Reporting

6.1 The following disclosures / reporting shall be made to the Compliance Officer, in such manner, as would be notified from time to time:

- i. Every promoter, member of the promoter group, KMP and director of the Company is required to disclose their holding of securities in the Company, within 7 (seven) days from the date of becoming a promoter or appointment as a KMP / Director, in Form B.
- ii. A Designated Person is required to submit an initial declaration in the format prescribed by the Company, which shall *inter alia* contain the following details of the Designated Person and shall immediately update the same in case of any change in the information:
  - (a) name of educational institution, from which the Designated Person graduated,
  - (b) name of all his past employers,
  - (c) Permanent Account Number or in the absence of Permanent Account Number any other identifier permitted by law and mobile numbers. These details shall be submitted by Designated Person for himself and also, for the following persons:
    - Immediate Relatives; and
    - Persons with whom such Designated Person shares a material financial relationship, where '*material financial relationship*' refers to a relationship, in which one person is a recipient of any kind of payment (such as by way of a loan or gift) during the immediately preceding 12 (twelve) months, equivalent to at least 25% of such payer's annual income, but excludes relationships in which the payment is based on arm's length transactions.
- iii. Designated Person shall, on an annual basis, confirm the details under sub-clause (ii) above, and update the same, in the event of any change. The annual confirmation as of 31<sup>st</sup> March, shall be provided by 30<sup>th</sup> April of each year, in the format and in the manner prescribed by the Company. The Monitoring Committee, at its discretion, may extend or curtail the aforesaid period.

6.2 In case of any Designated Persons and/or their Immediate Relatives who are not covered under the System Driven Disclosure and who have obtained pre-clearance, the Designated Person must file with the Compliance Officer the details of the transactions in the format provided in Form C or any format specified by SEBI within 2 trading days from the date of trading where the traded value whether in one transaction or a series of transactions, exceeds the threshold of Rs. 10 (ten) Lakhs in a calendar quarter.

6.3 The Company may at its discretion require any other connected Person or deemed to be connected person to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as he deems fit in order to monitor compliance with this code and the SEBI Regulations.

6.4 The responsibility for disclosure and other obligations of the Designated Person, including those relating to trades by his/ her Immediate Relatives, is upon the said Designated Person.

## 7. Roles and Responsibilities under this Code

## 7.1 Designated Person

No Designated Person shall:

- a) Communicate, provide, or allow access to any UPSI to any person (including other Designated Persons), except in furtherance of legitimate purpose, performance of duties, or discharge of legal obligation(s) as defined under the SEBI Regulations.
- b) Procure from, or cause communication, by any Designated Person, of UPSI except in furtherance of legitimate purpose, performance of duties or discharge of legal obligation(s) as defined under the SEBI Regulations.

Provided that the Designated Person may communicate, provide, or allow access to any UPSI only on need-to-know basis, in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as permitted under the SEBI Regulations.

Determination of legitimate purposes forms part of the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The decision of the Company on what constitutes 'legitimate purpose' / 'fair disclosure' shall be final and binding.

- c) Trade in the securities of the Company directly or indirectly (includes trading by Immediate Relatives or through portfolio manager / wealth manager etc.) or under any arrangement in violation of the Code or the SEBI PIT Regulations.

While sharing any UPSI, the Designated Persons shall (i) sensitize the recipient of such UPSI that such information is UPSI and needs to be maintained under strict confidentiality and (ii) inform the Project Owner for updating the entry of sharing the UPSI in the SDD of the Company.

- d) It will be the responsibility of the Designated Persons to inform their Immediate Relatives of the trading window closure.

## 7.2 UPSI recipient

- i. To intimate the Project Owner about sharing of UPSI and provide requisite information under Clause 4.8 to enable the Project Owner to make entries in the SDD.
- ii. Responsibility mentioned under main Clause 4(III) and under Clause 7.1 shall apply mutatis- mutandis.

## 7.3 Project Owner

- i. Make entries in the SDD in compliance with the SEBI Regulations
- ii. Ensure other compliances under the SEBI Regulations / the Code based on the categorisation as UPSI Recipient or Designated Person.
- iii. Responsibility mentioned under main Clause 4(III) and under Clause 7.1 shall apply mutatis- mutandis

## 7.4 Compliance Officer

- i. Implement this Code under the guidance and directions of the Monitoring Committee.
- ii. Review and approve pre-clearance request(s) for trade(s) and trading plan(s), as applicable, under the Code.
- iii. Maintain and preserve the records under this Code as per SEBI Regulations,

- iv. Clarify issues regarding the Code and redress the grievances of the Designated Persons.
- v. Notify the closure and re-opening of trading window.
- vi. Send periodic reports on Insider Trading compliances under this Code to the Audit Committee Chairman and the Audit Committee.

#### 7.5 Human Resource Department

The Human Resource Department shall be responsible to:

- i. Provide update in the list of Designated Persons as per the Code to the Compliance Officer, from time to time.
- ii. Provide training to the new joiners, for familiarization with the Code, their obligations and responsibilities under the Code and the SEBI's regulations and the liabilities attached to misuse/ unwarranted use of UPSI and insider trading.

#### 7.6 Monitoring Committee

- i. Monitor and administer this Code.
- ii. Periodically Review the definition of Designated Person, List of designated persons and coverage of employees as DP and identify additional categories of employees to be classified as Designated Persons to be covered under the Code, on the basis of their role and function in the Company or its material subsidiaries. Present an update to the Board/ Audit Committee for noting
- iii. Put in place Chinese wall procedures to prevent leakage of UPSI.
- iv. Review, implement and update the consequence management guidelines, internal processes, training or familiarization programmes, for effective implementation of this Code

7.7 The Compliance Officer and/ or the Monitoring Committee is authorized under this Code to seek any information / document from UPSI Recipients, Designated Persons, and/or his/ her Immediate Relatives, for the purpose of enforcing the provisions of the Code and SEBI Regulations. It shall be a mandatory obligation of a Designated Person, to provide the same forthwith. Failure or refusal to co-operate in such enquiries shall be deemed to be a serious violation under this Code and would entail penal consequences.

### **8. Mechanism for prevention of Insider trading**

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of this Code and the SEBI Regulations, including prescribing guidelines and sanctions, to deal with any instances of non-compliance with the Code or the SEBI Regulations. The governance system includes the following:

#### 8.1 Monitoring Committee

8.1.1 Under the Code, a Monitoring Committee has been constituted, comprising of the following officials:

- i. MD
- ii. CFO
- iii. Compliance Officer

8.1.2 The Monitoring Committee shall meet on a periodic basis. The Monitoring Committee shall report to the Audit Committee.

## 8.2 Internal Auditor

The Internal Auditor shall annually review process for compliance of the SEBI Regulations and assess the adequacy and effectiveness of internal controls around communication/procurement of UPSI and insider trading. A report (“Internal Audit Report”) covering the assessment will be submitted to the Audit Committee.

## 8.3 Audit Committee

- 8.3.1 The Compliance Officer shall send a report on compliance of the Code and the regulations to the Chairman of Audit Committee and shall also place it before the Audit Committee, on a quarterly basis. The Report shall cover compliance status, coverage of Designated Persons, violations of the Code, if any, action taken in such violation cases, details of trades undertaken by a Designated Person and/or his/ her Immediate Relative(s).
- 8.3.2 The Audit Committee of the Company shall review the Internal Audit Report and the report on compliance of the Code and the regulations and assess the adequacy and effectiveness of internal controls around communication/procurement of UPSI and insider trading.
- 8.3.3 The Audit Committee shall determine whether non-implementation of the trading plan (fully or partially) was bona fide or not.

## 8.4 Inquiry in case of leakage of UPSI

- 8.4.1 The Company has formulated written policies and procedures for inquiry, in case of an alleged leak or misuse of UPSI.
- 8.4.2 Leak or suspected leak of UPSI shall be dealt in accordance with the Policy on Inquiry in case of Leak / Suspected Leak of UPSI and the Whistle Blower Policy. These policies entail the process and enable employees to report leak of UPSI.
- 8.4.3 Additionally, employees can raise concerns against any alleged leak, or suspected attempt to leak UPSI, or unethical use of UPSI, in accordance with informant mechanism introduced by SEBI, or as per the procedure prescribed under Company’s Whistle Blower Policy.
- 8.4.4 Retaliation for reporting suspected violations, is strictly prohibited under the Code and the Company’s Whistle Blower Policy. An employee who reports alleged violations of insider trading laws will be protected against any direct or indirect, discharge, discrimination, termination, demotion, suspension, threats, harassment.

## 9. **Penal Consequences**

### 9.1 By the Company

- 9.1.1 In case any Designated Person or UPSI recipient, and/ or their Immediate Relatives violates any of the provision of the Code, the Designated Person or the UPSI Recipient will be liable for penal consequences such as disciplinary action, monetary penalties, salary suspension, wage freeze, suspension, termination, ineligibility for future participation in the Company’s Share Based Employee Benefit Schemes, cancellation of stock options or ESARs etc.

- 9.1.2 In case an UPSI recipients or Designated Person and/ or their Immediate Relatives,

contravenes any of the provisions of this Code and/or SEBI Regulations, the Company shall

report such contravention and action taken by the Company for such contravention to the stock exchanges or such other authority as may be required under the SEBI Regulations.

- 9.1.3 Any amount collected as a penalty shall be remitted to the SEBI Investor Protection and Education Fund or to any other fund / account that may be specified by SEBI.

## 9.2 By the Regulators

- 9.2.1 In case a Designated Person and/ or his/ her Immediate Relative, executes a contra trade within a period of six months, profit from such trade shall be deposited by the defaulting Designated Person and/ or his/ her Immediate Relatives, in the SEBI Investor Protection and Education Fund or to any other fund / account that may be specified by SEBI.
- 9.2.2 In addition, if any UPSI Recipient and/ or Designated Person and/ or their Immediate Relatives contravenes any of the provisions of the Code and/or SEBI Regulations, such UPSI Recipient, Designated Person and/or his/ her Immediate Relatives may also be liable for appropriate penal actions in accordance with the provisions of the Securities and Exchange Board of India Act, 1992 and the SEBI Regulations.

## 10. Miscellaneous

- 10.1 The Audit Committee shall monitor and periodically review the Code and recommend changes if any, to the Board, for its approval.
- 10.2 The CFO and the Compliance Officer are jointly authorised to give effect to any amendments notified by the regulatory authorities. The revised code incorporating amended provisions shall be placed before the Audit Committee/ Board for noting and ratification.
- 10.3 All communications, queries, matters and issues in relation to the Code, shall be addressed to the Compliance Officer and sent to the designated e-mail ID: ncml@nexomegroup.com.
- 10.4 The CFO and the Compliance Officer are jointly authorised to issue any clarification regarding the interpretation of this Code (including clarification in case of any ambiguity w.r.t to any term or provision), and their views shall be final and binding.

## 11. Appendix

Requisite forms are enclosed.

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### **FORM B**

#### **SEBI (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]**

Name of the Company: **NEXOME CAPITAL MARKETS LIMITED (FORMERLY SMIFS CAPITAL MARKETS LIMITED)** ISIN of the Company: **INE641A01013**

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN / DIN & address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / <del>OR</del> <del>Date of becoming Promoter/ member of the promoter group</del>	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of share holding
			Type of securities (For eg. - shares securities, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
(1)	(2)	(3)	(4)	(5)	(6)
Name: PAN: DIN: Address: Contact No.					

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
Contract specifications	No. of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	No. of units (contracts* lot size)	Notional value in Rupee terms
(7)	(8)	(9)	(10)	(11)	(12)

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Signature:

Date

Name & Designation:

Place:

**FORM C**

**Continual Disclosure**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(2) read with Regulation 6(2)]**

Name of the company: **NEXOME CAPITAL MARKETS LIMITED  
(FORMERLY SMIFS CAPITAL MARKETS LIMITED)**

ISIN of the company: **INE641A01013**

**Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN, & addresses with contact nos.	Category of Person (Promoter/member of the promoter group/designated person/Director s/immediate relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice /acquisition of shares/securities/sale of shares securitie s specify		Date of intimation to company	Mode of acquisition /disposal (on-market/public/rights/preferential offer/off market / Inter-se transfer, ESOPs, etc.)	Exchange on which the trade was executed
		Type of securities (For eg. – shares/securities, Warrants, Convertible debentures, Rights entitlements etc.)	No. and % of shareholding	Type of securities (For eg. – shares/securities, Warrants, Convertible Debenture s, Rights entitlement, etc.)	No.	Value	Transaction Type (Purchase/sale Pledge/ Revocation/ Invocation/ Others- please specify)	Type of securities (For eg. – shares/securities Warrants, Convertible Debenture s, Rights entitlement, etc.)	No. and % of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Name: PAN: Address : Contact No:														

*Note: (1) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

*(2) Value of transaction excludes taxes/brokerage/any other charges*

**Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22
-	-	-	-	-	-	-

*Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.*

**Signature:**

**Date:**

**Name & Designation:**

**Place:**

**FORM PCT**  
**APPLICATION CUM UNDERTAKING FOR PRE-CLEARANCE OF TRADE**

To  
The Compliance Officer,  
Nexome Capital Markets Limited  
(Formerly SMIFS Capital Markets Limited)  
Kolkata

I, the undersigned, hereby seek your approval to Trade in the Securities of Nexome Capital Markets Limited (Formerly SMIFS Capital Markets Limited) as per details given below

<b>S.N.</b>	<b>Particulars</b>	<b>Remarks</b>
1.	Name of the person proposing to trade	
2.	PAN of the person proposing to trade	
3.	Relationship with Designated Person (in case the person executing the trade is not the designated person)	-
4.	Total No. of Securities held	
5.	Nature of Transaction — Purchase / Sale / Gift / Pledge	
6.	Number & value of Securities to be purchased / sold (approx.)	
7.	Tel. No.	
8.	Email	
9.	DP ID / Client ID	
10.	Nature of last trade executed	<input type="checkbox"/> Buy <input type="checkbox"/> Sell <input type="checkbox"/> Not Applicable
11.	Value of last trade executed	

I hereby confirm and undertake to not execute any opposite transaction for 6 (six) months from the date of last transaction as per the Code.

I hereby further declare and undertake that:

- a. I do not have any access nor have I received "Unpublished Price Sensitive Information" (UPSI) upto the date of this application.
- b. In the event of me having access to or receiving UPSI after the date of signing this application but before the execution of the transaction, I undertake to inform the Compliance Officer of the change in this position and shall completely refrain from Trading in Nexome Capital Markets Limited's (Formerly SMIFS Capital Markets Limited) Securities till the time such information becomes public

Date:

Name:

Employee No.:

**Approval/ Rejection of Pre-clearance of Trade**

Approval / Rejection No.	Approved / Rejected	No. of shares securities	Effective Date	Validity

Name:

**FORM- COT**

**REPORTING / CONFIRMATION OF EXECUTION OF PRE-CLEARED TRADE**

**To:**

The Compliance Officer,  
Nexome Capital Markets Limited  
(Formerly SMIFS Capital Markets Limited) Limited,  
Kolkata

I, \_\_\_\_\_ (name) have executed the following  
transaction pursuant to approval number dated \_\_\_\_\_.

Number of <del>shares</del> securities purchased / sold	
Price per <del>share</del> security	Rs.
Amount	Rs.
Date of Trade	
Off Market / On Market (name of Stock Exchange)	

\_\_\_\_\_  
Designated Person

Date: \_\_\_\_\_

**FORM - NET**

**REPORTING OF NON-EXECUTION OF PRE-CLEARED TRADE**

**To:**

The Compliance Officer,  
Nexome Capital Markets Limited  
(Formerly SMIFS Capital Markets Limited)  
Kolkata

Please note that I have not used the approval number \_\_\_\_\_ dated \_\_\_\_\_.

\_\_\_\_\_  
Designated Person

Date: \_\_\_\_\_