

## Chapter. 3 (Manual. 2)

### Powers and Duties of Officers and Employees

The powers and duties of the Company's Directors are governed by Articles of Association of the Company with appropriate delegation from the Board of Directors to Chairman & Managing Director. Depending on the requirement powers are in turn sub-delegated from Chairman & Managing Director to Plant Heads, Regional Office Heads and to certain functional Heads with Financial Limits. The duties of Senior Officers of the Company are also governed by ITI Code of Business Conduct and Ethics.

### ITI CODE OF BUSINESS CONDUCT AND ETHICS

#### I. INTRODUCTION

This Code of Business Conduct and Ethics helps ensure compliance with legal requirements and our standards of business conduct. All Company employees and trainees are expected to read and understand this Code of Business Conduct and Ethics, uphold these standards in day-to-day activities, comply with all applicable policies and procedures, and ensure that all agents and contractors are aware of, understand and adhere to these standards.

Because the principles described in this Code of Business Conduct and Ethics are general in nature, you should also review all applicable Company policies and procedures and the Employee CDA Rules / Standing Orders, when adopted for your location for more specific instruction. You can also contact the Personnel & Administration / Secretarial Department if you have any questions.

Nothing in this Code of Business Conduct and Ethics, in any company policies and procedures or in other related communications (verbal or written) shall constitute and shall not be construed to constitute a contract of employment for a definite term or a guarantee of confirmed employment.

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code of Business Conduct and Ethics is subject to modification. This Code of Business Conduct and Ethics supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal representations to the extent they are inconsistent. The Company may update the code from time to time.

Please sign the acknowledgment form at the end of this Code of Business Conduct and Ethics and return the form to the Personnel & Administration / Secretarial Department indicating that you have received, read, understand and agree to comply with the Code of Business Conduct and Ethics. The signed acknowledgment form will be located in your personnel file. Each year as part of your annual review you will be asked to sign an acknowledgment indicating your continued understanding of the Code of Business Conduct and Ethics.

#### II. COMPLIANCE IS EVERYONE'S BUSINESS

Ethical business conduct is critical to our business. As an employee, your responsibility is to respect and adhere to these practices. Many of these practices reflect legal or regulatory requirements. Violations of these laws and regulations can create significant liability for you, the Company, its directors, officers, and other employees.

Part of your job and ethical responsibility is to help enforce this Code of Business Conduct and Ethics. You should be alert to possible violations and report possible violations to the Personnel & Administration / Secretarial Department. You must cooperate in any internal or external investigations of possible violations. Reprisal, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, this Code of Business Conduct or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

Violations of law, this Code of Business Conduct and Ethics, or other Company policies or procedures should be reported to the Personnel & Administration / Secretarial Department.

If you find or have concerns related to questionable accounting, accounting controls, auditing matters, OR reporting of fraudulent financial information to our shareholders, government or the financial markets, OR of serious Misconduct, i.e., conduct which results in a violation of law by the Company or in a substantial mismanagement of company resources and if proven constitutes a criminal offence or reasonable grounds for dismissal of the person engaging in such conduct, OR conduct which is otherwise in violation of any law or the Company's policies, you should promptly contact any of the following:

- \* Corporate Personnel & Administration / Secretarial Department;
- \* Your Immediate Supervisor;

You may also report your concerns anonymously by e-mailing the Company's e-mail id for this purpose at or by sending an anonymous letter to the Corporate Personnel & Administration/ Secretarial Department. If you have reason to believe that both of those individuals are involved in these matters, you should report those facts to the Audit Committee of the Company's Board of Directors.

Violations of law, this Code of Business Conduct and Ethics or other Company policies or procedures by Company employees can lead to disciplinary action up to and including termination.

In all cases, if you are unsure about the appropriateness of an event or action, please seek assistance in interpreting the requirements of these practices by contacting the Corporate Personnel & Administration / Secretarial Department.

### III. YOUR RESPONSIBILITIES TO THE COMPANY AND ITS STOCKHOLDERS

#### General Standards of Conduct

The Company expects all employees, agents and contractors to exercise good judgment to ensure the safety and welfare of employees, agents and contractors and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization. These standards apply while working on our premises, at offsite locations where our business is being conducted, at Company sponsored business and social events, or at any other place where you are a representative of the Company. In addition, on client locations, you may be required to adhere to the Clients' code of conduct as well. Employees, agents or contractors who engage in misconduct or whose performance is unsatisfactory may be subject to corrective action, up to and including termination.

#### A1. Workplace free of Harassment

The Company is committed to providing a work environment free of unlawful harassment. Company policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other basis protected by any applicable law, rules or ordinance or regulations. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company towards other ITI employees including supervisors, outside vendors, clients. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. If you believe that you have been unlawfully harassed, submit a complaint to your own or any other company supervisor.

If you have any questions relating to what constitutes discrimination or harassment, or if you have any other questions or concerns pertaining to discrimination or harassment, contact the Corporate Personnel & Administration / Secretarial Department.

## A2. Drug and Alcohol Abuse

To meet our responsibilities to employees, customers and investors, the Company must maintain a healthy and productive work environment. Misusing controlled substances, or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs and alcohol on the job is absolutely prohibited.

## A3. Safety in Workplace

The safety of people in the Workplace is a primary concern of the Company. Each of us must comply with all applicable health and safety policies. We maintain compliance with all applicable laws to maintain secure and healthy work surroundings. Questions about these laws and guidelines should be directed to the Personnel & Administration / Secretarial Department.

## A4. Dress Code and other personal standards

Because each of us is a representative of the Company in the eyes of the public, we must report to work properly groomed and wearing appropriate clothing. Employees are expected to dress neatly and in a manner consistent with the nature of the work performed.

## A5. Expense Claims

All business related expense claims must be authorized by the manager of the employee before the incurrence. The reimbursement of expense incurred must be claimed within 30 days of incurring the expenditure. Expense claims post the expiry of 30 days will be deemed to be unauthorized. Personal expense will not be reimbursed by the company. To know the individual business expenditure limit employees should contact the Personnel & Administration / Secretarial Department.

## B. Applicable Laws

All Company employees, agents and contractors must comply with all applicable laws, regulations, rules and regulatory orders. Each employee, agent and contractor must acquire appropriate knowledge of the requirements relating to his or her duties sufficient to enable him or her to recognize potential dangers and to know when to seek advice from the Secretarial Department on specific Company policies and procedures. Violations of laws, regulations, rules and orders may subject the employee, agent or contractor to individual criminal or civil liability, as well as to discipline by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of business.

## C. Conflicts of Interest

Each of us has a responsibility to the Company, our stockholders and each other. Although this duty does not prevent us from engaging in personal transactions and investments, it does demand that we avoid situations where a conflict of interest might occur or appear to occur. The Company is subject to scrutiny from many different individuals and organizations. We should always strive to avoid even the appearance of impropriety.

All employees must avoid situations involving actual or potential conflict of interest. Personal involvement with a competitor, supplier, or subordinate employee of the company, which impairs an employee's ability to exercise good judgment on behalf of the Company, creates an actual or potential conflict of interest. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

## Meaning of conflict of interest

A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

- i) **Employment/ Outside Employment.** In consideration of your employment with the Company, you are expected to devote your full attention to the business interests of the Company. You are prohibited from engaging in any activity that interferes with your performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit any employee from accepting simultaneous employment with a Company supplier, customer, developer or competitor, or from taking part in any activity that enhances or supports a competitor's position. Additionally, you must disclose to the Company any interest that you have that may conflict with the business of the Company. If you have any questions on this requirement, you should contact your supervisor or the Personnel & Administration / Secretarial Department.
- ii) **Business Interests.** If you are considering investing in a Company customer, supplier, developer or competitor, you must first take great care to ensure that these investments do not compromise your responsibilities to the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.
- iii) **Related Parties.** As a general rule, you should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws. If such a related party transaction is unavoidable, you must fully disclose the nature of the related party transaction to the Company's Chief Financial Officer / Director (Finance). If determined to be material to the Company by the Chief Financial Officer / Director (Finance), the Company's Audit Committee must review and approve in writing in advance such related party transactions. The most significant related party transactions, particularly those involving the Company's Directors or Executive officers, must be reviewed and approved in writing in advance by the Company's Board of Directors. The Company must report all such material related party transactions under applicable accounting rules, SEBI, Companies Act, 1956. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to this business.

The Company discourages the employment of relatives in positions or assignments within the same department and prohibits the employment of such individuals in positions that have a financial or other dependence or influence (e.g., an auditing or control relationship, or a supervisor/subordinate relationship). The purpose of this policy is to prevent the organizational impairment and conflicts that are a likely outcome of the employment of relatives or significant others, especially in a supervisor/subordinate relationship. If a question arises about whether a relationship is covered by this policy, the Personnel & Administration / Secretarial Department is Responsible for determining whether an applicant's or transferee's acknowledged relationship is covered by this policy and the decision. The Personnel & Administration/ Secretarial Department shall advise all affected applicants and transferees of this policy. Willful withholding of information regarding a prohibited relationship/reporting arrangement will be subject to corrective action, up to and including termination. If a prohibited relationship exists or develops between two employees, the employee in the senior position must bring this to the attention of his/her supervisor. The Company retains the prerogative to separate the individuals at the earliest possible time, either by reassignment or by termination, if necessary.

- (iv) **Other Situations.** Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts in your mind you should consult the Personnel & Administration / Secretarial Department.

## D. Corporate Opportunities

Employees, officers and Directors may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity.

## E. Protecting the Company's Confidential Information

The Company's confidential information is a valuable asset. The Company's confidential information includes product architectures; source codes; product plans and road maps; names and lists of customers, dealers, and employees; and financial information. This information is the property of the Company and may be protected by patent, trademark, copyright and trade secret laws. All confidential information must be used for Company business purposes only. Every employee, agent and contractor must safeguard it. This responsibility includes not disclosing the Company confidential information such as information regarding the Company's services or business over the internet. You are also responsible for properly labeling any and all documentation shared with or correspondence sent to the Company's other Departments as "Strictly Confidential". This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on Maintaining and Managing Records. This obligation extends to confidential information of third parties, which the Company has rightfully received under Non-Disclosure Agreements.

## F. Obligations Under Securities Laws-"Insider" Trading

In the normal course of business, officers, directors, employees, agents, contractors and consultants of the Company may come into possession of significant, Price sensitive information. This information is the property of the Company.

You may not profit from it by buying or selling securities yourself. Further you are not to tip others to enable them to profit or for them to profit on your behalf.

The purpose of this policy is both to inform you of your legal responsibilities and to make clear to you that the misuse of sensitive information is contrary to Company policy and applicable laws.

Insider trading is a crime, penalized by fines and imprisonment for individuals. In addition, the regulators [SEBI] may seek the imposition of a civil penalty of up to three times the profits made or losses avoided from the trading. Insider trading rules are strictly enforced, even in instances when the financial transactions seem small. For more details, you should read the Insider Trading Rules carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/or disciplinary action for insider trading violations. You should comply with the Company's Insider Trading Rules, follow the pre-clearance procedures for trading and trade only during a trading window.

Employees, agents and contractors of the Company who violate this Policy will also be subject to disciplinary action by the Company, which may include termination of employment or of business relationship. All questions regarding the Company's Insider Trading Rules should be directed to the Secretarial Department.

## G. Use of Company's Assets:

- i) General. Protecting the Company's assets is a key responsibility of every employee, agent and contractor. Care should be taken to ensure that assets are not misappropriated, loaned to others, or sold or donated, without appropriate authorization. All Company employees, agents and contractors are responsible for the proper use of Company assets, and must safeguard such assets against loss, damage, misuse or theft. Employees, agents or contractors who violate any aspect of this policy or who demonstrate poor judgment in the manner in which they use any Company asset may be subject to disciplinary action, up to and including termination of employment or business relationship at the Company's sole discretion. Company equipment and assets are to be used for Company business purposes only. Employees, agents and contractors may not use Company assets for personal use, nor may they allow any other person to use Company assets. Employees who have any questions regarding this policy should bring them to the attention of the Company's Corporate Personnel & Administration / Secretarial Department.
- ii) Company Brand and Logo. are registered trademarks of the Company in India. They should be conspicuously marked with the designation or with a notation that they are registered trademarks of the Company whenever they are first used in any medium, presentation or other promotional context. For information on correct usage of the company's trademarks contact the Corporate Marketing Department.

- iii) **Company Funds.** Every Company employee is personally responsible for all Company funds over which he or she exercises control. Company agents and contractors should not be allowed to exercise control over Company funds. Company funds must be used only for Company business purposes. Every Company employee, agent and contractor must take reasonable steps to ensure that the Company receives good value for Company funds spent, and must maintain accurate and timely records of each and every expenditure. Expense reports must be accurate and submitted in a timely manner. Company employees, agents and contractors must not use Company funds for any personal purpose.
- iv) **Computers and Other Equipment.** The Company strives to furnish employees with the equipment necessary to efficiently and effectively do their jobs. You must care for that equipment and to use it responsibly only for Company business purposes. If you use Company equipment at your home or off site, take precautions to protect it from theft or damage, just as if it were your own. If the Company no longer employs you, you must immediately return all Company equipment. While computers and other electronic devices are made accessible to employees to assist them to perform their jobs and to promote Company's interests, all such computers and electronic devices, must remain fully accessible to the Company and, to the maximum extent permitted by law, will remain the sole and exclusive property of the Company. Employees, agents and contractors should not maintain any expectation of privacy with respect to information transmitted over, received by, or stored in any electronic communications device owned, leased, or operated in whole or in part by or on behalf of the Company. To the extent permitted by applicable law, the Company retains the right to gain access to any information received by, transmitted by, or stored in any such electronic communications device, by and through its employees, agents, contractors, or representatives, at any time, either with or without an employee's or third party's knowledge, consent or approval.
- v) **Software.** All software used by employees to conduct Company business must be appropriately licensed. Never make or use illegal or unauthorized copies of any software, whether in the office, at home, or on the road, since doing so may constitute copyright infringement and may expose you and the Company to potential civil and criminal liability. In addition, use of illegal or unauthorized copies of software may subject the employee to disciplinary action, up to and including termination.
- vi) **Electronic Usage.** The purpose of this policy is to make certain that employees utilize electronic communication devices in a legal, ethical, and appropriate manner. This policy addresses the Company's responsibilities and concerns regarding the fair and proper use of all electronic communications devices within the organization, including computers, e-mail, connections to the Internet, intranet and extranet and any other public or private networks, voice mail, video conferencing, facsimiles, and telephones. Posting or discussing information concerning the Company's services or business on the Internet without the prior written consent of the Company's CFO / Director (Finance) is prohibited. Any other form of electronic communication used by employees currently or in the future is also intended to be encompassed under this policy. It is not possible to identify every standard and rule applicable to the use of electronic communications devices. Employees are therefore encouraged to use sound judgment whenever using any feature of our communications systems.

#### H. Maintaining and Managing Records

The purpose of this policy is to set forth and convey the Company's business and legal requirements in managing records, including all recorded information regardless of medium or characteristics. Records include paper documents, CDs, computer hard disks, email, floppy disks, microfiche, microfilm or all other media. The Company is required by local, state, federal, foreign and other applicable laws, rules and regulations to retain certain records and to follow specific guidelines in managing its records. Civil and criminal penalties for failure to comply with such guidelines can be severe for employees, agents, contractors and the Company, and failure to comply with such guidelines may subject the employee, agent or contractor to disciplinary action, up to and including termination of employment or business relationship.

## I. Payment Practices

- (i) **Accounting Practices.** The Company's responsibilities to its stockholders and the investing public require that all transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation and approval are strictly prohibited and violate Company policy and the law. There shall be no willful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank accounts and funds. Any willful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. Additionally, all documentation supporting a transaction should fully and accurately describe the nature of the transaction and be processed in a timely fashion.
- (ii) **Political Contributions.** The Company reserves the right to communicate its position on important issues to elected representatives and other government officials. It is the Company's policy to comply fully with all local, state, federal, foreign and other applicable laws, rules and regulations regarding political contributions. The Company's funds or assets must not be used for, or be contributed to, political campaigns or political practices under any circumstances without the prior written approval of the Company's Board of Directors.
- (iii) **Prohibition of Inducements.** Under no circumstances may employees, agents or contractors offer to pay, make payment, promise to pay, or issue authorization to pay any money, gift, or anything of value to customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to improperly influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud.

## IV. RESPONSIBILITIES TO OUR CUSTOMERS AND OUR SUPPLIERS

### A. Customer Relationships

If your job puts you in contact with any Company customers or potential customers, it is critical for you to remember that you represent the Company to the people with whom you are dealing. Act in a manner that creates value for our customers and helps to build a relationship based upon trust. The Company and its employees have provided services for many years and have built up significant goodwill over that time. This goodwill is one of our most important assets, and the Company employees, agents and contractors must act to preserve and enhance our reputation.

### B. Payments or Gifts from Others

Under no circumstances may employees, agents or contractors accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud.

Gifts given by the Company to suppliers or customers or received from suppliers or customers should always be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety. The nature and cost must always be accurately recorded in the Company's books and records.

### C. Publications of Others

The Company subscribes to many publications that help employees do their jobs better. These include newsletters, reference works, online reference services, magazines, books, and other digital and printed works. Copyright law generally protects these works, and their unauthorized copying and distribution constitute copyright infringement. You must first obtain the consent of the publisher of a publication before copying publications or significant parts of them. When in doubt about whether you may copy a publication, consult the Secretarial Department.

#### D. Handling the Confidential Information of Others

The Company has many kinds of business relationships with many companies and individuals. Sometimes, they will volunteer confidential information about their products or business plans to induce the Company to enter into a business relationship. At other times, we may request that a third party provide confidential information to permit the Company to evaluate a potential business relationship with that party. Whatever the situation, we must take special care to handle the confidential information of others responsibly. We handle such confidential information in accordance with our agreements with such third parties.

#### E. Selecting Suppliers

The Company's suppliers make significant contributions to our success. To create an environment where our suppliers have an incentive to work with the Company, they must be confident that they will be treated lawfully and in an ethical manner. The Company's policy is to purchase supplies based on need, quality, service, price and terms and conditions. The Company's policy is to select significant suppliers or enter into significant supplier agreements through a competitive bid process where possible. Under no circumstances should any Company employee, agent or contractor attempt to coerce suppliers in any way. The confidential information of a supplier is entitled to the same protection as that of any other third party and must not be received before an appropriate nondisclosure agreement has been signed. In some cases where the products or services have been designed, fabricated, or developed to our specifications the agreement between the parties may contain restrictions on sales.

#### F. Government Relations

It is the Company's policy to comply fully with all applicable laws and regulations governing contract and dealings with government employees and public officials, and to adhere to high ethical, moral and legal standards of business conduct. This policy includes strict compliance with all local, state, federal, foreign and other applicable laws, rules and regulations. If you have any questions concerning government relations you should contact the Secretarial Department.

#### G. Free and Fair Competition

Competition laws generally address the following areas: pricing practices (including price discrimination), discounting, terms of sale, credit terms, promotional allowances, secret rebates, exclusive dealerships or distributorships, product bundling, restrictions on carrying competing products, termination, and many other practices.

Competition laws also govern, usually quite strictly, relationships between the Company and its competitors. As a general rule, contacts with competitors should always avoid subjects such as prices or other terms and conditions of sale, customers, and suppliers. Employees, agents or contractors of the Company may not knowingly make false or misleading statements regarding its competitors or the products of its competitors, customers or suppliers. Participating with competitors in a trade association or in a standards creation body is acceptable when the association has been properly established, has a legitimate purpose, and has limited its activities to that purpose.

No employee, agent or contractor shall at any time or under any circumstances enter into an agreement or understanding, written or oral, express or implied, with any competitor concerning prices, discounts, other terms or conditions of sale, profits or profit margins, costs, allocation of product or geographic markets, allocation of customers, limitations on production, boycotts of customers or suppliers, or bids or the intent to bid or even discuss or exchange information on these subjects. In some cases, legitimate joint ventures with competitors may permit exceptions to these rules as may bona fide purchases from or sales to competitors on non-competitive products, but the Company's Marketing Department must review all such proposed ventures in advance. These prohibitions are absolute and strict observance is required. Collusion among competitors is illegal, and the consequences of a violation are severe.

## V. WAIVERS

Any waiver of any provision of this Code of Business Conduct and Ethics for a member of the Company's Board of Directors or an executive officer must be approved in writing by the Company's Board of Directors and promptly disclosed. Any waiver of any provision of this Code of Business Conduct and Ethics with respect to any other employee, agent or contractor must be approved in writing by the Company's Corporate Personnel & Administration / Secretarial Department.

## VI. DISCIPLINARY ACTIONS

The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our employees, agents, contractors and consultants to adhere to these rules in carrying out their duties for the Company. The Company will take appropriate action against any employee, agent, contractor or consultant whose actions are found to violate these policies or any other policies of the Company. Disciplinary actions may include immediate termination of employment or business relationship at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will co-operate fully with the appropriate authorities.

## VII. ACKNOWLEDGMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS

I have received and read the Company's Code of Business Conduct and Ethics. I understand the standards and policies contained in the Company Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job. I further agree to comply with the Company Code of Business Conduct and Ethics.

If I have questions concerning the meaning or application of the Company Code of Business Conduct and Ethics, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager, the Personnel & Administration / Secretarial Department, knowing that my questions or reports to these sources will be maintained in confidence.

Director / Employee Name:

Staff No.

Signature:

Date:

Please sign and return this form to the Personnel & Administration / Secretarial Department.

**ITI LIMITED**

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING  
BY INSIDERS**

**and**

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION**

**1. PRELIMINARY**

- 1.1. Securities and Exchange Board of India has prescribed the SEBI (Prohibition of Insider Trading) Regulations, 2015 to put in place a framework for prohibition of Insider Trading in securities and to strengthen the legal framework thereof.
- 1.2. Accordingly, this code shall be called “ITI code of conduct to Regulate, Monitor and Report Trading by Insiders and for fair disclosure”.
- 1.3. The existing code for prevention of insider trading for designated employees of ITI Limited, which came into effect on 29-04-2003, is repealed with the implementation of this Code.

**2. OBJECTIVE OF THE CODE**

- 2.1 The objective of the code is to regulate, monitor and report trading by designated employees and other connected persons towards achieving compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This code shall also provide for practices and procedures for fair disclosure of unpublished price sensitive information.

**3. APPLICABILITY**

- 3.1 This code shall apply to all insiders as defined under this code who shall deal in securities of the Company.

**4. DEFINITIONS**

- 4.1 “**Act**” means Securities and Exchange Board of India Act, 1992
- 4.2 “**Company**” means ITI Limited (ITI)
- 4.3 “**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

- 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 recognized or authorized by the Board; or
- i. a banker of the Company; or
- j. a concern, firm, trust, Hindu undivided family, Company or association of persons wherein a director of a Company or his immediate relative or banker of the Company, has more than ten per cent. of the holding or interest;

4.4 "**Designated Employees**" means

- i. All executives from and above the level of GM / AGM/ DGM / Unit heads and others, directly reporting to a Director;
- ii. All staff officers and employees of the Secretariats of the Chairman and Managing Director, Functional Directors, Key Managerial Personnel, Chief Vigilance Officer, Corporate Finance Department, Projects and Planning, Internal Audit ;
- iii. Any other Officers /employee to be notified by the Compliance Officer, from time to time.

4.5 "**Directors**" means Directors on the Board of ITI including Additional / Alternate /Independent / Government Nominee Directors.

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

4.7 "**Immediate Relative**" shall mean 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.

4.8 "**Insider**" means any person who is:

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

4.9 "**Key Managerial Personnel**" (KMP) means –

- a. the Chief Executive Officer or the Managing Director or the Manager;
- b. the Whole-Time Director;
- c. the Chief Financial Officer;
- d. the Company Secretary;

4.10 "**Promoter**" means the President of India acting through the administrative ministry i.e. Ministry of communications & Information Technology (MoC&IT).

4.11 "**Securities**" includes Shares, bonds, stocks, debentures, debenture stocks or other marketable securities of like nature issued by the Company from time to time, any kind of derivatives relating to the securities of the Company listed and / or traded on a recognized stock exchange.

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

4.13 “**Trading day**” means a day on which the recognized stock exchanges are open for trading.

4.14 “**Trading Window**” means a trading period in which ITI’s securities can be traded.

4.15 “**Unpublished price sensitive information**” means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel; and
- f. material events in accordance with the listing agreement.

Words and expressions used and not defined herein but defined in Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 shall have the meanings respectively assigned to them in that Regulation.

## **5. COMPLIANCE OFFICER:**

Director (Finance) / Chief Financial Officer shall be the Compliance Officer for the purpose of this Code and in the absence of the Director (Finance), such other officer authorized by the Director (Finance). Company Secretary / Senior Officers-Corporate Finance shall assist the Compliance Officer in discharging the function.

## **6. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

To ensure fair disclosure of events and occurrences that could impact price discovery for its securities in the market, the Promoter(s), Director(s), Key Managerial Personnel and designated employees of ITI shall abide by the principles stated in the “Code of practices and procedure for fair disclosure of unpublished price sensitive information” provided at **Annexure- I**.

## **7. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS**

### **7.1 Communication or procurement of unpublished price sensitive information**

- a) All designated employees and connected persons shall maintain the confidentiality of price sensitive information. All information shall be handled within the organisation 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.
- b) No insider shall communicate, provide or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except when such communication is in furtherance of legitimate purposes, performance of duties or discharge of his legal obligations.
- c) No individual shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to ITI or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

## **7.2 Trading when in possession of unpublished price sensitive information**

- a) Subject to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, no insider shall either on his own behalf or on behalf of any other person, trade in securities of ITI on any stock exchange when in possession of any unpublished price sensitive information.
- b) The onus of establishing that they were not in possession unpublished price sensitive information shall be on the Insider.

## **8. TRADING WINDOW**

**8.1** An Insider shall not trade in the securities of the Company during the period(s) when the Trading Window is closed by the Company under notice to the recognized Stock Exchanges and the details of such closure shall also be placed on the website of the Company from time to time;

**8.2** Unless otherwise notified by the Compliance Officer, the Trading Window shall remain closed from 20th trading day prior to last day of any financial period, including quarterly/year end, for which results are required to be announced by the Company and up-to the second trading day after the disclosure of the said financial periods.

**8.3** The Compliance Officer, in addition to clause 8.2, shall duly notify closure of the Trading Window for the following occasions for such duration as appears necessary in terms of the Regulations;

- a) dividends including interim dividend
- b) change in capital structure
- c) merger, de-merger, acquisition, delisting, disposals and expansion of business and such other transactions
- d) material events in accordance with the listing agreement

**8.4** The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

**8.5** All designated employees and their immediate relatives shall not conduct their trading in the securities of the Company when the trading window is closed as refereed herein above. The trading window shall also be applicable to any person having contractual or fiduciary relationship with the Company such as auditors, accountancy firms, lawyers, law firms, analysts etc assisting / advising the Company.

## **9. TRADING PLANS**

**9.1** An insider shall be entitled to formulate a Trading Plan and present it to the Compliance Officer for approval and public disclosure, pursuant to which trades may be carried out on his behalf in accordance with such plan as per proforma provided at **Annexure - II**.

**9.2** Such Trading Plan shall:

- a. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- b. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the ITI and the second trading day after the disclosure of such financial results;
- c. entail trading for a period of not less than twelve months;
- d. not entail overlap of any period for which another Trading Plan is already in existence;

- e. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
  - f. not entail trading in securities for market abuse.
- 9.3 The compliance officer shall review the Trading Plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- 9.4 The Trading Plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Trading Plan. Provided that the implementation of the Trading Plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of clause 9.2 above.
- 9.5 Upon approval of the Trading Plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **10. PRE-CLEARANCE OF TRADES**

- 10.1 An Insider, who intends to trade in the securities of ITI above the minimum threshold limit of Rs.5,00,000 in any calendar month, shall obtain pre-clearance of the transaction as per the pre-clearance procedure as described hereunder.
- 10.2 Application for pre-clearance shall be made only when the trading window is open. Application submitted during closure of trading window shall be invalid.
- 10.3 No Insider shall apply for pre-clearance of any proposed trade if such Insider is in possession of unpublished price sensitive information even if the trading window is not closed.
- 10.4 An insider shall make a pre-clearance application to the Competent Authority in the prescribed format along with an undertaking stating that the Insider has not contravened the provision of Insider Trading Code. A combined proforma application cum undertaking is annexed to this code as **Annexure - III**.
- 10.5 The Insider shall execute their trade in respect of securities of the ITI within seven trading days from the date of approval of pre-clearance. If the order is not executed within said period, the Insider shall obtain fresh pre-clearance.
- 10.6 Any insider who has been permitted to trade on the securities of the Company shall not execute a contra trade within a period of six months from the date of executing the original trade. However the Compliance Officer may grant relaxation on case to case basis for reasons to be recorded in writing provided that such relaxation does not violate the Regulations. If a contra trade is executed inadvertently or otherwise in violation of the above restrictions, the profits if any from such trade shall be liable to be disgorged for remittance to the credit of the "Investor Education and Protection Fund".
- 10.7 The Competent Authority to accord pre-clearance shall be as follows:
- a. Board of Directors shall be the approving authority for the trading proposals of Chairman cum Managing Director
  - b. Chairman cum Managing Director shall be the approving authority for the trading proposals of Directors and Compliance Officer.
  - c. Compliance Officer shall be the approving authority for the trading proposals of other insiders.
- 10.8 The Compliance Officer shall maintain a Register of pre-clearance of trading of Securities.

## 11. DISCLOSURES

### 11.1 Initial Disclosure

- a. Every insider holding securities in ITI (including promoter), shall disclose his holding to ITI within thirty days of this code coming into force as per proforma provided at **Annexure - IV**.
- b. Every person on appointment as a Key Managerial Personnel or a Director or upon becoming a promoter shall disclose his holding of securities in ITI (including those of their immediate relatives), as on the date of appointment or becoming a promoter, including the securities held by their immediate relatives, to ITI within seven days of such appointment or becoming a promoter, as per proforma provided at **Annexure- V**.

### 11.2 Continual Disclosure

- a. Every Insider shall disclose to ITI the number of such securities acquired or disposed-off, within two trading days of such transaction, if the value of the securities traded (including those of their immediate relatives), whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rupees Ten Lakhs as per proforma provided at **Annexure -VI**;
- b. The Compliance Officer shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

## 12. PENALTY FOR CONTRAVENTION OF INSIDER TRADING CODE

- 12.1 Any Insider, who trades in securities of ITI or communicates any unpublished price sensitive information in contravention of this Code may be penalized and appropriate disciplinary action may be taken by the Company.
- 12.2 Further, as per the provision of the Sec 195 of the Companies Act, 2013, the insider shall be punishable with imprisonment for a term which may extend to five years or with fine which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher, or with both

**13. POWER OF SECURITIES AND EXCHANGE BOARD OF INDIA** The action by ITI shall not preclude SEBI and other authorities from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**14. INFORMATION TO SEBI IN CASE OF VIOLATION OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015** Any violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, shall be promptly reported by the Compliance Officer to SEBI after obtaining the approval of the Audit Committee.

## ANNEXURE - I

### CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Company shall-

- i. Ensure prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- ii. Avoid selective disclosure of unpublished price sensitive information and ensure that all unpublished price sensitive information is disclosed uniformly and universally.
- iii. Ensure that any unpublished price sensitive information, which may have been disclosed selectively, inadvertently or otherwise, shall be promptly made available in public domain.
- iv. Ensure that appropriate and fair response is provided to queries on news reports and requests for verification of market rumours by regulatory authorities.
- v. Ensure that the information shared with analysts and research personnel is not unpublished price sensitive information and further that information shared as above, shall also be hosted in the website of the Company.
- vi. All unpublished price sensitive information shall be handled on a need-to-know basis i.e. no unpublished price sensitive shall be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of his legal obligations.
- vii. Director Finance / Chief Financial Officer is designated as the "Compliance Officer" to deal with all matters relating to dissemination of information and disclosure of unpublished price sensitive information.

**APPLICATION FOR APPROVAL OF TRADING PLAN BY INSIDER(S)**  
(In terms of clause 9.1 of the Insider Trading Code)

The Compliance Officer  
ITI Limited  
Bangalore

Dear Sir / Madam,

I, Shri / Smt....., an Insider of ITI intend to deal in securities of ITI for the financial year.....as per details given below:

Name :  
Emp. Code, if any :  
Designation :  
Department :  
PAN :  
Email id :

Details of proposed Trading Plan in securities of ITI :

Name	Relationship	Opening Balance as On 01/04/20..	Trading plan details			Closing balance as on 31/03/20...	DP Id./Client Id or Folio No.
			Date	Transaction (Buy / Sell	Quantity		

**UNDERTAKING**

I understand that public disclosure of the above mentioned Trading Plan would be made by ITI by notification to the Stock Exchange. I further declare as under:

1. The Trading Plan submitted is irrevocable and I shall mandatorily 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.
2. I shall not entail commencement of trading earlier than six months from the public disclosure of the plan;
3. I shall not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
4. I shall not entail overlap of any period for which another Trading Plan is already in existence;
5. I shall not entail trading in securities for market abuse.
6. The Trading Plan shall not be commenced if any unpublished price sensitive information is in my possession at the time of formulation of the plan and has not become generally available at the time of the commencement of implementation.

Date:  
Place:

Signature

### Annexure III

#### APPLICATION FOR APPROVAL FOR PRECLEARANCE OF TRADING IN SECURITIES

(In terms of clause 10.4 of the Insider Trading Code) The Compliance Officer ITI Limited Bangalore  
Dear Sir / Mam, I, Shri / Smt. ...., an Insider of ITI intend to deal in securities of  
ITI for the financial year ..... as per details given below:

Name :  
Emp. Code, if any :  
Designation : Department :  
PAN :  
Email id :

Name	Relationship	No. of securities held as on the date of the application	DP Id. / Client Id or Folio No.	Nature of transaction (Buy / Sell)	Estimated number of securities to be dealt	Estimated consideration value

#### UNDERTAKING

In this connection I solemnly confirm and declare:

- THAT I do not have access and/or have not received any "Unpublished Price Sensitive Information" up to the time of signing the undertaking;
- THAT in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer about such "Unpublished Price Sensitive Information" and that I shall completely refrain from dealing in the securities of ITI till the time such information becomes public;
- THAT I have not contravened the Insider Trading Code as notified by ITI from time to time.
- THAT I shall not undertake any contra trade for a minimum period of six months from the date of the transaction, for which pre-clearance has been taken.

I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge and belief.

Pre-clearance may kindly be accorded in terms of the Insider Trading Code of ITI.

Date:  
Place:

Signature

## ANNEXURE –IV

## Form A

(As per Regulation 7(1) (a) read with Regulation 6(2))  
(In terms of clause 11.1(a) of the Insider Trading Code)

Name of the Company	
ISIN of the Company	

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN /DIN & Address with contact nos	Category of persons (Promoters / KMP / Directors / immediate relatives to / others etc)	Securities held as on the date of the regulation coming into force ie. 15.06.2015		% of shareholding
		Type of securities (Eg., Shares, warrants, bonds, debentures etc)	No.	

**Details of Open Interest (OI) in derivatives of the Company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2).**

Open interest of future contracts held as on the date of regulation coming into force			Open interest of option contracts held as on the date of regulation coming into force		
Contract specifications	No. of units (contracts * lot size)	Notional value in Rupees terms	Contract specifications	No. of units (contracts * lot size)	Notional value in Rupees terms

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

Signature :

Designation :

Date :

Place :

**Form B**

(As per Regulation 7(1) (b) read with Regulation 6(2))  
(In terms of clause 11.1(b) of the Insider Trading Code)

Name of the company	
ISIN of the company	

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

Name, PAN, CIN /DIN & Address with	Category of persons (Promoters / KMP / Directors / immediate relative to /others etc.)	Date of appointment as Director / KMP or date of becoming promoter	Securities held at the time of becoming promoter appointment as Director / KMP		% of shareholding
			Type of securities (Eg., Shares, warrants, bonds, debentures etc)	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 of the Company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Open interest of future contracts held at the time of becoming promoter appointment as Director / KMP			Open interest of option contracts held at the time of becoming promoter appointment as Director / KMP		
Contract specifications	No. of units (contracts * lot size)	Notional value in Rupees terms	Contract specifications	No. of units (contracts * lot size)	Notional value in Rupees terms

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

Signature :

Designation :

Date :

Place :

**ANNEXURE –VI**

Form –C

(As per Regulation 7(2) read with Regulation 6(2)- Continual Disclosure)  
(In terms of clause 11.2 of the Insider Trading Code)

Details of change in Securities of Promoter or employee or Director of a listed company and other such persons as mentioned in Regulation 7(2) read with regulation 6(2)-

Name of the company													
ISIN of the company													
Name, PAN, CIN /DIN & Address with contact nos	Category of persons (Promoters / KMP / Directors / immediate relatives)	Securities held prior to acquisition / disposal		Securities acquired / disposed				Securities held post acquisition / disposal		Date of allotment / advice / acquisition of shares / sale of shares specify		Date of intimation to the company	Mode of acquisition (market purchase / public rights/preferential offer / off market / inter se transfer)
		Type of securities (Eg., Shares, warrants, bonds, debentures etc)	No. and % of share holding	Type of securities (Eg., Shares, warrants, bonds, debentures etc)	No.	Value	Transaction type (Buy, Sale/Pledge/Revoked/Invoke)	Type of securities (Eg., Shares, warrants, bonds, debentures etc)	No. and % of shareholding	From	To		

Details of trading in derivatives of the Company by Promoter, Employee or Director of a listed Company and other such persons as mentioned in Regulation 7(2) read with regulation 6(2)

Trading in derivatives (Specific type of contract, Futures or Options etc)						Exchange on which trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	No. of units (contracts * lot size)	Notional Value	No. of units (contracts * lot size)	

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

Signature:

Designation:

Date:

Place: