

## NHPC LIMITED

### CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS AND IMMEDIATE RELATIVES OF DESIGNATED PERSONS AND INSIDERS

#### [PURSUANT TO REGULATION 9(1) OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS – 2015]

#### CHAPTER I - PRELIMINARY

This Code of conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons and Insiders “Code” is framed pursuant to Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code is framed with an aim that Designated Persons and their immediate relatives & Insiders shall not derive any benefit or assist others to derive any benefit from the access to and possession of Unpublished Price Sensitive Information (UPSI) about the Company which is not in the public domain and thus constitutes insider information.

#### CHAPTER II- DEFINITIONS

- 2.1 “**Act**” means the Securities and Exchange Board of India Act, 1992
- 2.2 “**Board**” means the Board of Directors of the Company
- 2.3 “**Body Corporate**” means a body corporate as defined in Section 2(11) of the Companies Act, 2013.
- 2.4 “**Code**” means Code of conduct to Regulate, Monitor and Report Trading by Designated Persons and Immediate Relatives of Designated Persons and Insiders including modifications made therein from time-to-time by the Company.
- 2.5 “**Company**” means NHPC Limited
- 2.6 “**Compliance Officer**” means any senior officer, designated so and reporting to the Board of Directors who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these Regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the Codes under the overall supervision of the Board of Directors of the Company.

Explanation – “financially literate” shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account and statement of cash flows.

**2.7 “Connected Person” means—**

- (I) any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the company, that allows such a 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 forgoing, the person falling within the following categories shall be deemed to be connected persons unless the contrary is established:-
  - (a) a 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 relative or banker of the company, has more than ten percent of the holding or interest; or
  - (k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
  - (l) a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d);

**2.8 “Designated Persons” shall mean:**

- (i) Promoter, Directors, Key Managerial Personnel and Chief Vigilance Officer.

- (ii) Executives at the level of General Manager and above (including deputation), executives working in Directors' Secretariat, Company Secretariat, Finance Division, Commercial Division, IT&C Division at Corporate Office and Deputy CVO.
- (iii) Directors, Key Managerial Personnel, Chief Vigilance Officer and executives at the level of General Manager and above of Material Subsidiary companies.
- (iv) Such other employees of the Company including that of material Subsidiary companies, temporary/ ad-hoc employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.

*Explanation: Material Subsidiary shall mean a subsidiary, whose income or net worth exceeds 10(ten) percent of the consolidated income or net worth respectively, of NHPC and its subsidiaries in the immediately preceding accounting year.*

- 2.9** “**Director**” means a member of the Board of Directors of the Company.
- 2.10** “**Generally available Information**” means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.
- 2.11** “**Immediate Relative**” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
- 2.12** “**Insider**” means any person who is:
- (i) a connected person; or
  - (ii) in possession of or having access to unpublished price sensitive information;
- 2.13** “**Insider trading**” means when insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions.
- 2.14** “**Key Managerial Personnel**” means a person as defined under Section 2(51) of the Companies Act, 2013.
- 2.15** “**Officer of the Company**” means a person as defined under Section 2(59) of the Companies Act, 2013;
- 2.16** “**Prohibited Period**” means the period during which the Trading Window is closed.
- 2.17** “**Promoter**” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- 2.18** “**Promoter group**” shall have the meaning assign to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 2.19** “**Regulations**” means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including modifications made therein from time to time.

**2.20** “**Relative**” shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

**2.21** “**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof.

**2.22** “**Specified**” means specified by SEBI;

**2.23** “**Takeover Regulations**” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

**2.24** “**Trading**” means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and “trade” shall be construed accordingly;

**2.25** “**Trading Day**” means a day on which the recognized stock exchanges are open for trading;

**2.26** “**Unpublished Price Sensitive Information**” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:-

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) Change in Key Managerial Personnel.

**2.27** “**Valid Trading Window**” means any period other than prohibited period.

**2.28** Words and expressions used and not defined in this Code but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under shall have the meanings respectively assigned to them in those legislation.

## CHAPTER- III –APPLICABILITY

This Code shall be applicable to and binding on Designated Persons and their immediate relatives and Insiders for trading in Securities of the Company.

## CHAPTER-IV –COMPLIANCE OFFICER

### 4.1 Compliance Officer

The Compliance Officer shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman & Managing Director at such frequency as may be stipulated by the Board of Directors but not less than once in a year.

The Compliance Officer shall be adequately empowered and provided with adequate manpower and infrastructure to effectively discharge his functions. In the performance of his duties, the Compliance Officer shall have access to all information and documents as required to discharge his function effectively.

The Compliance Officer shall act as the focal point for dealing with SEBI in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.

### 4.2 DUTIES OF THE COMPLIANCE OFFICER:

- a. He shall maintain a record of Designated Persons and their immediate relatives & changes therein in the prescribed form **(Form I)**.
- b. He may in consultation with the Chairman & Managing Director or shall as directed by the Board, specify Prohibited Period from time to time and immediately make an announcement thereof.
- c. He shall maintain a record of Prohibited Period specified from time to time in the prescribed format. **(Form II)**
- d. He shall be responsible for setting forth policies, procedures, monitoring adherence to the Rules for the preservation of 'Unpublished Price Sensitive Information', 'Pre-clearing of Designated Persons' and their Immediate Relatives' trades, monitoring of trades and the implementation of the Code under the overall supervision of the Board of the Company.
- e. He shall maintain records of all declarations submitted in prescribed forms by the Designated Persons for a minimum period of five years.
- f. He shall place before the Chairman & Managing Director, on a monthly basis all details of the dealing in the Securities of the Company by Designated Persons & their immediate relatives.
- g. He shall be responsible for maintaining and implementation of the Code under the over-all supervision of the Board of Directors of the Company.
- h. He shall be assisting Designated Persons in addressing any clarifications regarding the Regulations and this Code.

- i. Any other responsibilities as assigned under this Code or under Regulations.

## **CHAPTER V—PRESERVATION OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”**

- 5.1** No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the company or listed securities, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Designated Persons shall maintain confidentiality of UPSI coming into their possession or control and shall not, inter-alia:

- (i) pass on UPSI to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company ,or
- (ii) disclose UPSI to their family members, friends, business associates or any other individual, or
- (iii) discuss UPSI in public places, or
- (iv) disclose UPSI to any other employee who does not need to know the information for discharging his or her professional duties, or
- (v) recommend to anyone that they may undertake trading in Securities of the Company while being in possession, control or knowledge of UPSI, or
- (vi) be seen or perceived to be trading in Securities of the Company on the basis of UPSI.

**5.2 Limited access to confidential information**

Files containing confidential information shall be kept secured. Computer files must have adequate security of log-in and password, etc.

**5.3 Need to know:**

All information shall be handled within the organization on a “need to know” basis. This means the information shall be disclosed only to those persons within the Company who need to know the same in the course of performance or discharge of their respective professional duties and whose possession of information will not in any manner give rise to a conflict of interest or likelihood of misuse of the information. All non-public information directly received by an employee should immediately be reported to the head of department, who shall thereafter capture information, if UPSI, in the Structured Digital Database (SDD). No UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Any employee may report any instances of leak of UPSI as per the process mentioned in the Whistle Blower Policy of the Company. The Whistle Blower Policy is hosted on the website of Company i.e. [www.nhpcindia.com](http://www.nhpcindia.com).

**5.4 Trading when in possession of UPSI.**

No insider shall trade in securities of the company when in possession of UPSI:

Insider who has traded in securities has been in possession of UPSI, his trades would be presumed to

have been motivated by the knowledge and awareness of such information in his possession

## **CHAPTER VI- TRADING WINDOW**

### **6.0 Trading Restriction:**

Designated Persons and their immediate relatives shall be subject to trading restriction as enumerated below.

**6.1 Trading Window:** The Company shall specify a trading period, to be called "Trading Window", for trading in the Securities of the Company. Designated Persons and their immediate relatives shall not trade in the Securities of the Company when the Trading Window is closed. The period during which the Trading Window is closed shall be termed as "Prohibited Period."

### **6.2 The Trading Window shall, inter alia, be closed in the following events:-**

- (a) Declaration of financial results (quarterly, half-yearly and annually)
- (b) Declaration of dividends (interim and final)
- (c) Change in capital structure and/or issue of securities by way of public/rights/bonus issue etc.
- (d) Any major expansion plans or execution of new projects.
- (e) Amalgamation, mergers, de-mergers, acquisitions, de-listings, takeovers and buy-back.
- (f) Disposal of whole or substantially whole of the undertaking.
- (g) Change in key managerial personnel.

Any other event as may be notified by the Company from time to time.

**6.3** In case of consideration of financial results, the prohibited period shall begin from the end of every quarter till 48 hours after the declaration of financial results. Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer. Designated Person or class of Designated Persons will receive a notification for such prohibited periods. The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available information or is no longer classified as UPSI.

**6.4** Designated Persons and their immediate relatives shall conduct their trading in the Securities of the Company only during the valid trading window

**6.5** In case of Employee Stock Option Plan (ESOP), exercise of option is allowed during prohibited period. However, sale of shares allotted on exercise of ESOPs shall not be allowed during prohibited period.

## **CHAPTER-VII**

### **TRADING PLANS (to be applicable w.e.f. 23.09.2024) [Pursuant to Regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

### **7.1 Trading Plans**

An Insider is 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 in accordance with such plan.

Such trading plan shall:

- (i) not entail commencement of trading on behalf of the insider earlier than one hundred and twenty calendar days from the public disclosure of the plan;
- (ii) not entail overlap of any period for which another trading plan is already in existence;
- (iii) Set out following parameters for each trade to be executed
  - a. either the value of trade to be effected or the number of securities to be traded
  - b. nature of the trade
  - c. either specific date or time period not exceeding five consecutive trading days
  - d. price limit, that is an upper price limit for a buy trade and 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 up to twenty per cent 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 up to twenty per cent lower than such closing price

Explanation:

- (i) While the parameters in sub-clauses (a), (b) and (c) shall be mandatorily mentioned for each trade, the parameter in sub-clause (d) shall be optional.
  - (ii) The price limit in sub-clause (d) shall be rounded off to the nearest numeral.
  - (iii) Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.
- (iv) not entail trading in securities for market abuse.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either execute any trade in the securities outside the scope of the trading plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.

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.

If the insider has set a price limit for a trade as per point (iii)(d) above, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the



price limit set by the insider, the trade shall not be executed.

**Explanation:**

In case of non-implementation (full/partial) of trading plan due to either reasons enumerated above or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:

- (i) The insider 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 insider, 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 insider, then the compliance officer shall take action as per the this Code.

## **7.2 Duty of Compliance Officer**

He shall review the trading plan to assess whether the plan would have any potential for violation of 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. The compliance officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

# **CHAPTER-VIII**

## **PRE-CLEARANCE OF TRADINGS IN SECURITIES**

### **8.1 Applicability**

Designated Persons who intend to trade in the Securities either in their own names or in the names of their Immediate Relatives beyond the threshold limits mentioned below shall obtain pre-clearance of the transactions as per the pre-dealing procedure as described hereunder.

Application for pre-clearance shall be made only during valid Trading Window period. Applications submitted during a period when the Trading Window is closed shall be invalid and will be deemed to have been automatically rejected.

No designated persons shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

Pre-clearance for transactions in securities of the Company will be required if the value of the transaction(s) is above **Rs. 10 Lakh** to be traded in a single transaction or to be traded in series of transactions within a calendar quarter.

Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan and exercise of employee stock options, however sale of shares by designated person obtained after exercise of stock option shall not be covered under the aforesaid clause.

## **8.2 Pre-Clearance Procedure**

An application for Pre-clearance of trade shall be made in the prescribed form **(Form III)** to the Compliance Officer during valid Trading Window.

An undertaking shall be executed in favour of the Company by such Designated Person (DP) incorporating, inter-alia, the following clauses as may be applicable :

- (a) That DP does not have any access or has not received “Unpublished Price Sensitive Information” up to the time of signing the Undertaking.
- (b) That in case DP has access to or receives “Unpublished Price Sensitive Information” after the signing of the Undertaking but before the execution of the transaction, the DP shall inform the Compliance Officer of the change in the DP’s position and that the DP would completely refrain from trading in the Securities of the Company till the time such information becomes generally available information.
- (c) That DP has not contravened the Code as notified by the Company from time to time.
- (d) That DP has made a full and true disclosure in the matter.

## **8.3 Approval**

The Compliance Officer shall process the pre-clearance applications and if pre-clearance application is in accordance and in compliance with the provisions of this Code, the Compliance Officer shall endeavor to communicate the pre-clearance immediately but not later than two trading days from the date of receiving the application.

For pre-clearance of trading in Securities by the Compliance Officer, approval of Chairman & Managing Director shall be required.

Every pre-clearance approval letter shall be issued in prescribed format **(Form IV)**. Every approval shall be dated and shall be valid for seven trading days, within which trades which have been pre-cleared have to be executed by Designated Person. However, such approval is automatically deemed to be withdrawn if such period is superseded by closure of Trading Window.

The Compliance Officer shall retain copies of all applications and acknowledgements and also maintain the Register of pre-clearance of trade in prescribed format **(Form V)**.

In exceptional circumstances, pre-clearance of trade shall not be given by the Compliance Officer if he/she is of the opinion that the proposed trade is on the basis of possession of any Unpublished Price Sensitive Information. There shall be no obligation to give reasons for any withholding of consent.

## **8.4 Other Restrictions**

Designated persons and their immediate relatives shall execute their trade in respect of Securities of the Company within seven trading days after the approval of pre-clearance is given. If the trade is not executed within aforesaid period, the Designated Person must seek pre-clearance of the transaction once again.

Designated Persons and their Immediate Relatives who buy or sell any number of securities of the company shall not enter into a reverse transaction (Contra Trade) i.e. sell or buy any number of securities during the next six months following the prior transaction. Contra trade restriction shall not be applicable for trades pursuant to exercise of stock option. Designated Persons and their immediate relatives shall also not take positions in derivative transactions in the securities of the company at any time.

If a contra trade has been executed, inadvertently or otherwise, in violation of above restriction, the profit from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor protection and Education Fund. The compliance officer is empowered to grant relaxation from strict application of contra trade restriction for reasons to be recorded in writing provided that such relaxation does not violate regulations.

Trading window restrictions shall not apply for below cases:

- a) off-market inter-se transfer between insiders who were in possession of the same UPSI without violating this Code and both parties had made a conscious and informed trade decision.
- b) transaction carried out through the block deal window mechanism between persons who were in possession of UPSI without violating this Code and both parties had made a conscious and informed trade decision.
- c) transactions carried out pursuant to statutory or regulatory obligation to carry out a bona fide transaction.
- d) transaction undertaken pursuant to exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable Regulations.
- e) trades carried out in accordance with an approved trading plan as per this Code.
- f) pledge of shares for a bona-fide purpose such as raising of funds, subject to pre-clearance by the compliance officer
- g) transactions undertaken in accordance to respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer, offer for sale and right entitlements transactions carried out in accordance with the framework specified by SEBI from time to time
- h) transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.

In cases where sale of Securities is necessitated by personal emergency, the Compliance Officer may grant relaxation from strict application of contra trade restriction after recording reasons in writing in this regard. An application for relaxation shall be made to the Compliance Officer who shall maintain a Register of 'relaxation of restriction on holding investment in the Securities' for a minimum period of Six Months in the prescribed form **(Form VI)**.

Provisions of the Code relating to contra trade restrictions shall not apply in case of acquisition of securities by way of Rights issue, Follow-on Public Offer, Offer for Sale (OFS), Bonus Issue, Share Split, Merger/Amalgamation, Demerger provided the initial transaction of disposal was completed in accordance with Regulations and this Code. Similarly, any disposal of Securities by way of Buy-back, open offer, Exit Offer, Merger/Amalgamation would not attract contra trade restrictions provided the initial transaction of acquisition was completed in accordance with Regulations and this Code

## 8.5 Completion of Pre-cleared Dealing

- (a) Designated Person shall file details of the pre-cleared trade within seven trading days to the Compliance Officer in the prescribed form. In the event of executing the transaction or not executing the transaction, a report to that effect shall be filed with the Compliance Officer in **Form VII**.
- (b) If a trade is not executed pursuant to the approval granted by the Compliance Officer within seven trading days, then such person shall apply once again to the Compliance Officer for pre-clearance of the transaction covered under the said approval

## Chapter-IX

### REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES/DISCLOSURES

#### 9.1 Furnishing of details of NHPC Securities:

##### Initial disclosure

Designated Persons shall disclose all initial holdings (including holdings of his/her immediate relatives) in Securities of the Company in **Form VIII** within 10 days from the date of becoming Designated Person.

##### Subsequent/continual disclosure for any change in holdings

Any subsequent change in holdings of Designated Persons (including his/her Immediate relatives) shall be intimated to the Compliance Officer within two trading days of such change in **Form IX**.

##### Annual disclosure

Designated Persons shall furnish annual statements of all holdings (including Immediate relatives) in Securities of NHPC as at 31<sup>st</sup> March of each year to the Compliance Officer by 30<sup>th</sup> of April in **FORM-X**.

Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Company on an annual basis and as and when the information changes in **Form-X**:

- a) Immediate relatives
- b) Persons with whom such designated person(s) shares a material financial relationship
- c) Phone, mobile and cell numbers which are used by them.

The names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis in **Form-XI**.

The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person

but shall exclude relationships in which the payment is based on arm's length transactions.

## **9.2 Records of disclosures received by the Company**

The compliance officer shall maintain records of all the declarations in the appropriate form given by the Designated Persons for a minimum period of five years.

## **9.3 Other disclosures**

### **(A) Initial Disclosures:**

Every person on appointment as Key Managerial Personnel or a Director of the company or upon becoming a promoter or member of the promoter group shall disclose holding of securities of the company as on the date of appointment or becoming a promoter, to the company within seven days of such appointment or becoming promoter in **FORM-B** as prescribed under the Regulations.

### **(B) Continual Disclosures:**

Every promoter, member of the promoter group, designated person and director of the company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees in **FORM-C** as prescribed under the Regulations.

**Explanation** - It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-clause, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (B).

### **(C) Disclosures by other connected persons:**

The Company at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the Company in order to monitor compliance with Regulations.

## **Chapter X**

### **PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT**

**10.1** Any Designated Person who trades in Securities or communicates any UPSI for trading in Securities, in contravention of this Code, may be penalized and appropriate action may be taken by Company including disciplinary action under Conduct, Discipline & Appeal Rules of the Company, wage freeze, suspension, recovery etc. Any amount collected under this clause shall be remitted to SEBI for credit to Investor Protection and Education Fund administered by SEBI.

In case trading in securities or communication of UPSI is done in contravention of this Code by an Insider then the Compliance Officer may report such case to SEBI for taking appropriate action. The reporting to SEBI would be in addition to the action envisaged as per the terms of the contract / agreement for the Breach of contract / agreement.

**10.2** The action by the Company shall not preclude SEBI and other authorities from taking any action in

case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### **10.3 Information to Stock Exchanges in case of violation of Code**

In case it is observed by the Company that there has been a violation of this Code, the Company shall inform such violations to the Stock Exchanges as per relevant circular issued by SEBI from time to time.

## **Chapter XI**

### **MISCELLANEOUS**

- 11.1**
- (i) This Code is subject to applicable prevailing law in relation to prevention of Insider Trading as prescribed by SEBI and if there is any inconsistency between any provisions of this Code and applicable laws, the applicable law shall prevail. For all queries concerning this Code, Designated Persons may contact the Compliance Officer.
  - (ii) Any modification in this Code shall be made with the approval of Chairman & Managing Director of the Company. However, Compliance Officer is authorized to make changes, if any, in the format of disclosure forms as may be notified by SEBI from time to time.
  - (iii) The Company shall have a process for how and when people are brought “inside” on sensitive transactions. Individuals should be aware of the duties and responsibilities attached to the receipt of insider information, and the liability that attaches to misuse or unwarranted use of such information. The training in this regard will be provided by T&HRD Division.
  - (iv) It is the responsibility of the connected person to ensure compliance with this Code.

### **11.2 Chinese Wall Procedure**

The Company shall adopt a Chinese wall policy to prevent the misuse of confidential information, which separates those areas of the Company which routinely have access to confidential information (‘inside area’).

The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area i.e. area other than inside area. The employees in inside area may be physically segregated from employees in public area. Demarcation of various departments as inside area may be implemented by the Company.

In exceptional circumstances employees from the public areas may be brought “crossing the wall” and given confidential information on the basis of “need to know” criteria for legitimate purpose, under intimation to the Compliance Officer.

**Disclaimer**

Code enumerated above is a framework for prohibition of Insider Trading in Securities of NHPC. However, it is the responsibility of every Insider to familiarize and ensure compliance with this Code, SEBI (PIT) Regulations or any amendments thereof and other applicable laws.

**FORM - I****REGISTER OF DESIGNATED PERSONS & THEIR IMMEDIATE RELATIVES**

Sl. No.	Name	Designation	Department	Place of work	Emp. No	PAN*	
1	2	3	4	5	6	7	

Date of becoming Designated Person	Date of cessation as Designated Person	DP ID or Folio No.	Name of immediate relative	PAN* of immediate relative	Phone/Cell no. of immediate relative
8	9	10	11	12	13

Name of person with whom Designated Person shares material financial relationship	Phone/Cell no. and PAN of such person with whom Designated Person shares material financial relationship@	Institution of Graduation and above of Designated Person	Name of past employer, if any, of Designated Person	Remarks
14	15	16	17	18

\* In case PAN is not available, any other identifier authorized by law may be provided.

@ The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.



**FORM – II**

**REGISTER OF PERIODS OF CLOSURE OF TRADING  
WINDOW/PROHIBITED PERIOD**

Sl. No.	PURPOSE FOR WHICH TRADING WINDOW CLOSED	START DATE OF CLOSURE OF TRADING WINDOW	DATE OF NOTIFYING CLOSURE OF TRADING WINDOW	DATE OF OPENING OF TRADING WINDOW	DATE OF NOTIFYING OPENING OF TRADING WINDOW	REMARKS

**FORM-III**  
**APPLICATION FOR PRE-CLEARANCE OF TRADES IN SECURITIES**

To  
**The Compliance officer**

Dear Sir,

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders and Code of Practices & Procedures for Fair Disclosure of UPSI, I seek approval for trade in the Securities (give description) as per the details given below:

Name, Designation & Employee No.:

Department:

Date of becoming  
Designated Person:

Sl. No.	No. of Securities held (including the immediate relatives) as on the date of application	Folio No. / DP ID & Client ID	Nature of new transaction for which approval is sought	Estimated number of Securities to be dealt
1	2	3	4	5

Estimated consideration value	Whether proposed transaction is in the self name or in the name of immediate relatives	Name of the immediate relative, if the transaction is in the name(s) of the Immediate relative(s)	Date of Purchase /allotment	Previous approval number and date of purchase/ allotment
6	7	8	9	10

**UNDERTAKING**

I in this connection I solemnly confirm and declare:

- a) that I do not have any access and/or have not received any "Unpublished Price Sensitive information" up to the time of signing the undertaking;
- b) that in case I have access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of any change in my position and that I shall refrain from Trading in Securities till the time such information becomes public;
- c) that I have not contravened the Code of conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders and Code of Practices & Procedures for Fair Disclosure of UPSI as notified by the Company from time to time.
- d) that I have not entered into any sale transaction of the securities of the Company in the last six months prior to the proposed date of purchase/that I have not entered into any purchase transaction of the securities of the company in the last six months prior to the proposed date of sale.

- e) that I undertake to submit the necessary report within seven trading days of execution of the transaction or 'Nil' report, if the transaction is not undertaken.
- f) that I am aware that, I shall be liable to face penal consequences as set forth in the Code including disciplinary action under the Conduct, Discipline and Appeal Rules of the Company, in case the above declarations are found to be misleading or incorrect at any time.
- g) that I hereby undertake **not** to transact in Securities in the sanctioned period in case trading window is declared closed subsequently.
- h) that I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge & belief.

Pre-clearance may kindly be accorded in terms of provisions of the Code of conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders.

**Place:**

**Signature:.....**

**Date:**

**Name & Designation:.....**

Employee No.:

Department:

Official Address:

Telephone and e-mail:

Intercom No.:

Mobile No.:

---

**FOR OFFICE USE**

Serial number of the application received:

Date & time of receipt of the Application:

Date & time of communication of the pre-clearance or otherwise:

Reasons for not giving pre-clearance:

**Signature of the Compliance Officer/  
Authorised Officer**

**FORM-IV**

**LETTER OF INTIMATION OF PRE-CLEARANCE**

**Name of the  
Designated person:-**

**Employee No.....**

**Designation.....**

**Dear Sir,**

With reference to your above application seeking approval for undertaking certain transactions in Securities of the Company detailed therein, please be informed that you are hereby authorized/not authorized to undertake the transaction(s) as detailed in your said application. Kindly note that in terms of the Code of Conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders and Code of Practices & Procedures for Fair Disclosure of UPSI of NHPC Limited, the above mentioned transaction is to be completed within \_\_\_\_\_ i.e. within seven trading days of the pre-clearance.

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said application.

This approval letter is valid till \_\_\_\_\_ (i.e. for seven trading days). If you do not execute the approved transaction /deal on or before this date you would have to seek fresh pre-dealing approval before executing any transaction/trade in the Securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within seven (7) trading days from the date of transaction/trade. In case the transaction is not undertaken, a "Nil" report shall be necessary.

Kindly also note that in terms of the Code of Conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders, you shall not enter into any reverse transaction i.e. sell or buy any number of securities of the Company for a period of six months following this transaction of purchase or sale.

The above sanction automatically stands withdrawn if subsequently the trading window is declared closed involving the period of sanction therein.

**For & on behalf of  
NHPC Limited**

**Compliance Officer/  
Authorized Officer**

**FORM V****REGISTER OF PRE-CLEARANCE FOR TRADE IN SECURITIES**

SI. No	NAME	EMPLOYEE NO.	DESIGNATION	DEPARTMENT	DATE & TIME OF RECEIPT OF PRE- CLEARANCE APPLICATION	NATURE OF TRANSACTION (PURCHASE OR SALE)	ESTIMATED NUMBER OF SECURITIES INDICATED IN THE APPLICATION
1	2	3	4	5	6	7	8

ESTIMATED CONSIDERATIO N VALUE INDICATED IN THE APPLICATION	NAME OF THE IMMEDIATE RELATIVE IF THE TRANSACTION IS IN THE NAME OF THE IMMEDIATE RELATIVE	DATE OF COMMUNICATION OF THE CLEARANCE BY THE COMPLIANCE OFFICER	REASONS FOR NON CLEARANCE IF NOT CLEARED		NUMBER OF SECURITIES ACTUALLY TRADED, IF INTIMATED	REMARKS
9	10	11	12		13	14

**FORM-VI**

**REGISTER OF RELAXATION OF RESTRICTION ON HOLDING  
INVESTMENT IN THE SECURITIES FOR A MINIMUM PERIOD OF SIX MONTHS**

SI. No.	NAME	EMPLOYEE NO.	DESIGNATION	DEPARTMENT	NAME OF THE IMMEDIATE RELATIVE(S), IF THE SECURITIES HELD IN THE NAME OF IMMEDIATE RELATIVE(S)
1	2	3	4	5	6

NUMBER OF SECURITIES	CONSIDERATION VALUE	REASONS FOR WAIVER	DATE OF COMMUNICATION OF WAIVER	REMARKS
7	8	9	10	11

## FORM-VII

### FORMAT FOR DISCLOSURE OF PRE-APPROVED TRANSACTIONS

(To be submitted within 7 trading days of transaction/trading in Securities of the Company)

Date:

To,  
**The Compliance officer,  
NHPC Limited**

Dear Sir,

#### DETAILS OF PRE-APPROVED TRANSACTION

Ref: Your Approval letter No. \_\_\_\_\_ dated \_\_\_\_\_

I hereby inform you that I

- **have not bought/sold/subscribed any Securities**
- **have bought/sold/subscribed to the \_\_\_\_\_ Securities (give description) as mentioned below on \_\_\_\_\_ (insert date)**

Name of the holder	First or joint holder *	No. of Securities dealt with	Bought / Sold/ Subscribed	DP ID/Client ID (electronic form) where the Securities will be debited or credited or Folio No. for physical securities	Price (Rs.)

- "F" first holder "J" joint holder

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 5 (five) years and produce to the Compliance Officer/SEBI any of the following documents:

1. Broker's contract note.
2. Proof of payment to/from brokers.
3. Extract of bank passbook/statement (to be submitted in case of demat transactions).
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

I declare that the above information is correct and that no provisions of Code of Conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders of the Company and/or applicable laws/regulations have been contravened for effecting the above said transaction(s).

I declare that I have not entered and would not enter into a reverse transaction i.e. Purchase or Sale in the securities of the company for a period of six (6) months from the date of this transaction. In case there is any urgent need to sell these Securities within the said period, I shall approach the Company (Compliance Officer) for necessary approval (applicable in case of purchase/subscription).

Yours truly,

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Emp No: \_\_\_\_\_

Department/Division: \_\_\_\_\_

\*\*Strike out whichever is not applicable.

**FORM VIII****INITIAL DISCLOSURE OF SECURITIES HOLDINGS BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES**

Sir,

I ....., Designated Person of NHPC Ltd. furnish below the details of initial holding of Securities of NHPC Ltd.

Name &amp; Designation of the Designated Person:

Employee No.:

Department of Designated Person:

Date of becoming Designated Person:

**I. Details of shareholding in own name**

No. of Securities held as on _____ (date of becoming Designated Person)	Folio No./ DP ID & Client ID

**II. Other disclosures required:**

PAN (self)	Phone/Cell no. and email ID (self)	Name and relationship of immediate relative	Phone/Cell no. and PAN of immediate relative	Name, Phone/Cell no. and PAN of person with whom Designated Person shares material financial relationship <sup>@</sup>

**III. Details of shareholding of immediate relatives**

Name of the Immediate relative	Relationship	No. of Securities held as on _____ (date of becoming Designated Person)	Folio No./ DP ID & Client ID

<sup>@</sup>The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

I declare that I have read and understood the Code of conduct to regulate, monitor and report trading by Designated Persons & Immediate Relatives of Designated Persons & Insiders and Code of Practices & Procedures for Fair Disclosure of UPSI of NHPC Limited and I agree to comply with the above Codes.

**Place:**  
**Date:**

**Signature**



## FORM IX

### PROFORMA FOR DISCLOSURE OF CHANGE IN SECURITIES HOLDING OF DESIGNATED PERSONS.

Dear Sir,

I ....., Designated Person of NHPC Ltd. furnish below the details of transactions of my own/ Immediate relatives in the Securities of NHPC Ltd. during the period from ..... to ..... in terms of clause 9.1 of the Code of Conduct to regulate, monitor and report trading by Designated Persons and Immediate Relatives of Designated Persons & Insiders of NHPC Limited.

Name & Designation of the Designated Person:

Employee No.:

Department of Designated Person:

Date of becoming Designated Person:

#### I. Details of change in shareholding (on own account)-

No. of Securities held as on..... (date of initial /previous disclosure)	Date of transaction	Details of Securities Purchased		Details of Securities sold		No. of Securities held as on..... (date of present disclosure)	Folio No./ DP ID & Client ID	Whether transaction is off-market (Yes / No/EOFS)*
		No.	Consideration (Rs.)	No.	Consideration (Rs.)			

#### II. Details of any change in shareholding of Immediate relatives

Name of the Immediate relative	Relation-ship	No. of Securities held as on ..... (date of initial/previous disclosure)	Date of transaction	Details of Securities Purchased		Details of Securities sold		No. of Securities held as on ..... (date of present disclosure)	Folio No./ DP ID & Client ID	Whether transaction is off-market (Yes / No)*
				No.	Value	No.	Value			

\*Please refer point (a) of Clause 8.4 of the Code of Conduct to Regulate, Monitor & Report Trading by Designated Persons and Immediate Relatives of Designated Persons & Insiders.

I declare that I have not entered and would not enter into a reverse transaction in the shares of the company for a period of 6 months from the date of this transaction.

**Signature**

**Place:**

**Date:**

**FORM X****PROFORMA FOR ANNUAL DISCLOSURE OF SECURITIES HOLDING OF DESIGNATED PERSONS**

Dear Sir,

I ....., Designated Person of NHPC Ltd. furnish below the details of transaction(s) in the Securities of NHPC Ltd., during the financial year 20\_\_\_\_ as well as shareholding as on 31st March, 20\_\_\_\_

Name &amp; Designation of the Designated Person:

Employee No.:

Department of Designated Person:

Date of becoming Designated Person:

**IV. Details of transaction/shareholding in own name**

No. of Securities held as on 01.04.20__	Date of transaction	Details of Securities purchased during the year		Details of Securities sold during the year		No. of Securities held as on 31.03.20__	Folio No./ DP ID & Client ID
		No.	Consideration	No.	Consideration		

**V. Other disclosures required:**

PAN (Self)	Phone/Cell no. and email ID (Self)	Name and relationship of immediate relative	Phone/Cell no. and PAN of immediate relative	Name, Phone/Cell no. and PAN of person with whom Designated Person shares material financial relationship <sup>@</sup>

**VI. Details of transaction/shareholdings of immediate relatives.**

Name of the Immediate relative	Relationship	No. of Securities held as on 01.04.20__	Date of transaction	Details of Securities purchased during the year		Details of Securities sold during the year		No. of Securities Held as on 31.03.20__	Folio No./ DP ID & Client ID
				No.	Value	No.	Value		

<sup>@</sup>The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

I declare that I will comply/have complied with the requirements of not entering into a reverse transaction in the securities of the Company for a minimum period of 6 Months following a prior transaction.

**Signature****Place:****Date:**

**FORM XI**

**PROFORMA FOR ONE TIME DISCLOSURE OF INSTITUTION OF GRADUATION AND PAST  
EMPLOYER BY DESIGNATED PERSONS**

Dear Sir,

I ....., Designated Person of NHPC Ltd. furnish below details:

Name:

Employee No.:

Department:

Date of becoming Designated Person:

<b>Name</b>	<b>Employee No.</b>	<b>Designation</b>	<b>Institution of Graduation</b>	<b>Name of past employer, if any.</b>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>

**Place:**

**Date:**

**Signature**

**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: NHPC Limited**

**ISIN of the company: INE848E01016**

**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 Persons (KMP/Director or promoter or member of the promoter group/immediate relative to/others etc.	Date of Appointment of KMP/ Director/ or date of becoming promoter/member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		%age of shareholding
			Type of security (for e.g. –Shares, warrants, convertible debentures, Rights entitlements, etc.)	No.	
1	2	3	4	5	6

Notes: 1. “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 Specification	Number of units (contracts * lot size)	Notional Value in rupee Terms	Contract Specification	Number of units (contracts * lot size)	Notional Value in rupee Terms
7	8	9	10	11	12

Note 2. In case of Options, notional value shall be calculated based on premium plus strike price of options

**Name & Signature:**

**Designation:**

**Date:**

**Place:**

# FORM C

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

**[Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]**

Name of the company: NHPC Limited

ISIN of the company: INE848E01016

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 & Address with contact no.	Category of Person (Promoters/member of promoter group/designated person/Directors/immediate relatives to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition / disposal		Date of allotment advice/ acquisition of shares/ disposal of shares, 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 trade was executed
		Type of security (For eg. – Shares, Warrants Convertible Debentures, Rights entitlements etc. etc.)	No & % of Share holding	Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No.	Value	Transaction type (Purchase/sale Pledge / Revocation / Invocation/Others-please specify)	Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement etc.)	No & % of Share holding	From	To			

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----

Notes: 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 Specification	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: 3. In case of Options, notional value shall be calculated based on premium plus strike price of options

**Name & Signature:**

**Designation:**

**Date:**

**Place:**