

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

1. Introduction

This Code is called “Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons” (hereinafter referred to as ‘the Nesco Code’ or ‘the Code’).

The Board (as defined below) of the Company has adopted this Code to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) (“SEBI Regulations”).

This Code will apply to Designated Persons as defined in this Code.

2. Objective

The objective of Nesco Code is to ensure protection of Unpublished Price-Sensitive Information (UPSI) of Nesco Limited and serve as a guideline to Designated Persons covered by Nesco Code for dealing in Securities of Nesco Limited. In addition to setting out this code, it provides an understanding of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and any other applicable law in relation to Prevention of Insider Trading. The Nesco Code is subject to the applicable prevailing law in relation to Prevention of Insider Trading and if there is any inconsistency between any of the provisions of the Nesco Code and the applicable law; the applicable law shall prevail. The Regulations prohibits an Insider from Trading (as defined below) in the Securities of a company listed on any stock exchange when in possession of any UPSI (as defined below).

3. Definitions

- a. “Act” shall mean the Securities and Exchange Board of India Act, 1992 and any statutory amendment or re-enactment thereof.
- b. “Board” shall mean the Board of Directors of the Company.
- c. “Companies Act” means the Companies Act, 2013.
- d. “Company” means Nesco Limited.
- e. "Compliance Officer" means Company Secretary of the Company or such other senior officer, designated as such and reporting to the Board or the head of the organization in case the Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance of policies, procedures, maintenance of records, monitoring adherence to the Rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified in the SEBI Regulations under the overall supervision of the Board of Directors of the Company.

f. Connected Person” means:

- i. A Director of the Company;
- ii. A Key Managerial Personnel of the Company;
- iii. An Officer of the Company;
- iv. Any person who is or has been in a contractual, fiduciary or employment relationship at any time in the six-month period prior to the date of determining whether that person, as a result of such relationship, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;
- v. Any person who is or has been in frequent communication with an Officer of the Company at any time in the six-month period prior to the date of determining whether that person, as a result of such frequent communication, was, directly or indirectly, allowed access to UPSI or reasonably expected to be allowed access to UPSI;
- vi. An employee of the Company who has access to UPSI or is reasonably expected to have access to UPSI; and
- vii. Any person who has a professional or business relationship with the Company, whether temporary or permanent, and that relationship directly or indirectly, allows access to UPSI or is reasonably expected to allow access to UPSI;

Without prejudice to the generality of the foregoing, the persons enumerated below shall be deemed to be Connected Persons unless the contrary is established :

1. A relative of connected persons as specified above in (i) to (vii);
2. A holding company, associate company or subsidiary company;
3. An intermediary as specified in Section 12 of the Act or an employee or director thereof;
4. An investment company, trustee company, asset management company or an employee or director thereof;
5. An official of a stock exchange or of clearing house or corporation;
6. A member of the board of trustees of a mutual fund, a member of the board of directors of the asset management company of a mutual fund or in each case, an employee thereof;
7. 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;
8. An official or an employee of a self-regulatory organization recognized, or authorized by the SEBI;
9. A banker of the Company; and
10. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a Director of the Company or his Relative or banker of the Company, has more than ten percent of holding or interest.
11. a firm or its partner or its employee in which a connected person as specified in (i) to (vii) is also a partner;
12. a person sharing household or residence with a connected person as specified in (i) to (vii)

- g. “Contra trade” means a Trade or transaction which involves buying or selling Securities of the Company and within six months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.
- h. “Designated Persons” shall consist of:
 - a. Promoters of the Company.
 - b. Directors of the Company and its subsidiaries.
 - c. Key Managerial Personnel of the Company and its subsidiaries.
 - d. All employees upto two levels below the Board of the Company.
 - e. All employees in the secretarial department.
 - f. Such persons in the finance, accounts, internal audit, Legal and other departments/functions, if any, on basis of their functional role or that have access to UPSI, designated from time to time.
 - g. Any other person designated based on their functional role and such functions would provide access to UPSI.
 - h. Immediate relatives of (a) to (g) above.
- i. “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. For example, information which is published on the website of stock exchanges (s) where the Securities of the Company are listed or published by way of a press release by the Company, would ordinarily be considered generally available.
- j. “Immediate Relative” means a spouse, or the parent, sibling or child of that person or his or her spouse, if they are either dependent financially on such person or consult such person in taking decisions relating to Trading in securities.
- k. “Insider” means any person who is:
 - i. a Connected Person or
 - ii. person in possession of or having access to Unpublished Price Sensitive Information;
- l. “Leak of UPSI” shall refer to such act/circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before becoming its generally available and which shall also include any purported attempt thereof.

Explanation: It covers the instances where the UPSI has been shared by a person to any person, association, body, firm, agency, society, entity or to a group thereof except in compliance with applicable law.

- m. "Legitimate Purpose" shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- n. "Promoter" and "Promoter Group" 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.
- o. "Quiet Period" shall mean any period which the Compliance Officer may notify, during which Trading in Securities of the Company shall be prohibited and shall include the following:
 - i. The period from the end of each quarter up to the date of announcement of quarterly results and 48 hours thereafter;
 - ii. The period from the end of March quarter upto the date of announcement of the annual financial results and 48 hours thereafter;
 - iii. Any other period during which trading window shall be closed when the Compliance Officer determines a Designated Person/Insider or class of persons can reasonably be expected to be in possession of Unpublished Price Sensitive Information. The Quiet Period shall be reopened after making the Unpublished Price Sensitive Information generally available information.
- p. "Relatives" shall mean the following
 - (i) spouse of the person.
 - (ii) parent of the person and of its spouse.
 - (iii) sibling of the person and of its spouse.
 - (iv) child of the person and of its spouse.
 - (v) spouse of the person referred in (iii) and (iv) above
- q. "Regulations" means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- r. "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification.
- s. "Trading or Trade " means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, pledging of the securities of the Company including revocation/invoke of the pledge; deal in the Company's securities either directly or through portfolio management services shall be construed accordingly.
- t. "Trading Day" means a day on which the recognized stock exchanges are open for trading.

- u. “Unpublished Price Sensitive Information (UPSI)” means any information, relating to a Company or its Securities, directly or indirectly, that is not generally available information, 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, guidance;
 - ii. Dividends;
 - iii. Change in capital structure;
 - iv. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
 - v. Changes in key managerial personnel (KMP) as defined under the Companies Act, 2013, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - vi. Change in Rating(s) other than ESG rating(s);
 - vii. Fund raising proposed to be undertaken;
 - viii. Agreements, by whatever name called, impacting the management and control of the company;
 - ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
 - x. Resolution plan/ Restructuring/one-time settlement in relation to loans/borrowings from banks/financial institutions;
 - xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
 - xii. Initiation of forensic audit (by whatever name called) by company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
 - xiii. Action(s) initiated, or orders passed within India or abroad by any regulatory,

statutory, reinforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity;

xiv. Outcome of any litigation(s) or dispute(s) which may have an impact on the listed entity;

xv. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;

xvi. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals;

xvii. Such other matters as may be specified under the SEBI regulations or decided by the Company from time to time.

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

a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing regulations").

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

Information is 'non-public' or 'unpublished' until it has been widely disseminated to the public (through, for example, a filing with the NSE, BSE, a press conference or a release) or is accessible to the public on a non-discriminatory basis.

All other words and expressions used and not defined in these Regulations but defined in the Securities and Exchange Board of India Act, 1992, SEBI (Prohibition of Insider Trading) Regulations, 2015, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996. or the Companies Act, 2013, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

4. Responsibility of Board of Directors under this Code

As per the Regulation, the Board shall ensure that the Company always has in place this Code to Regulate, Monitor and Report Trading by Designated Persons.

The Board shall be responsible for monitoring the overall compliance of the Regulations. In accordance with the Regulations, the Board shall *inter-alia* ensure the ~~following~~

- a. In consultation with the Compliance Officer and Chief Financial Officer, specify the Designated Persons to be covered by this Code based on their functional role or access to Unpublished Price Sensitive Information in addition to seniority and professional designation.
- b. That the Company maintains the Structural Digital Database in conformity with the Regulations.
- c. Formulate and review periodically the Policy for procedure to be followed for Fair Disclosure of Unpublished Price Sensitive Information including the Policy for determination of “Legitimate Purpose”; and
- d. Formulate and review periodically, the Policy and Procedures for Inquiry in the Event of Leak or Suspected Leak of Unpublished Price Sensitive Information.

5. Compliance Officer’s responsibility

- a. The Compliance Officer shall review the Trading Plans to assess whether such plans would have any potential for violation of the 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 such plans.
- b. The Compliance Officer may require the Designated Persons to declare that such person is not in possession of Unpublished Price Sensitive Information or that such person shall ensure that any Unpublished Price Sensitive Information in his/her possession becomes generally available before such person commences executing their trades. Once satisfied, the Compliance Officer may approve the Trading Plan, which would then have to be implemented in accordance with the Regulations.
- c. The Compliance Officer shall provide periodic reports to the Chairman of the Audit Committee and the Board of the Company, including all the details of the Trading in Securities of the Company by the Designated Persons and their Immediate Relatives and the accompanying documents, as may be necessary. Such reports shall also include details that would facilitate the Audit Committee and the Board to review compliance with the Regulations and enable them to verify that the systems for internal control are adequate and operating effectively.

- d. The Compliance Officer shall *inter-alia*, under the overall supervision and direction of the Board :
- determine in consultation with the Chief Financial Officer, the Designated persons (immediate relatives of the Designated Persons shall be decided and intimated by the respective Designated Person) based on the role and function of such in the Company and the access that such role and function would provide to Unpublished Price Sensitive Information;
 - update, maintain and monitor the Structural Digital Database containing the details of Designated Persons and Insider with whom any Unpublished Price Sensitive Information has been shared or who may have access to any Unpublished Price Sensitive Information of the Company.
 - give notice to Designated Persons/Insider with whom Unpublished Price Sensitive Information has been shared for Legitimate Purpose;
 - assist the Managing Director to put in place adequate and effective system of internal controls to ensure compliance with the requirements of Regulations and
 - assist the formulation and monitor the policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.
- e. The Compliance Officer will assist the Designated Persons in addressing any clarifications regarding the Regulations and this Code.
- f. The Compliance Officer shall maintain all records under the Nesco Code and the Regulations for such time stipulated under the Regulations.
- g. The Compliance Officer shall in consultation with the Board inform the Stock Exchanges of any violation of the Regulations or the Nesco Code in such form and such manner as may be specified by SEBI from time to time.
- h. The Compliance Officer in consultation with the Chairman of the Audit Committee shall have the power to set forth any additional guidelines or procedures required for maintaining adequate and effective internal controls under this Code and ensuring compliance with the Regulations.
- i. The Compliance Officer may engage external consultants, advisors or experts to put in place an IT-enabled software or system to automate the compliances under this Code including seeking disclosures and undertakings from Designated Persons, sending intimations to such Designated person regarding Closure of Trading Window, etc.

6. Prohibition on communication or procurement of Unpublished Price Sensitive Information

1. All Insiders must:

a. maintain confidentiality of all Unpublished Price Sensitive Information;

An Insider shall not, directly or indirectly:

- i. Trade in Securities of the Company that are listed or proposed to be listed when in possession of UPSI;
- ii. Trade in Securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI; and
- iii. provide advise/tips to any third party on trading in Company's securities while in possession of UPSI

The restriction given above may not apply to:

(a) a transaction that is an off-market inter-se transfer between Insiders who were in possession of the same UPSI without being in breach of this code and both parties had made a conscious and informed Trade decision.

(b) a transaction carried out through block deal window mechanism between persons who were in possession of UPSI without being in breach of this Code and both parties had made a conscious and informed Trade decision.

(c) a transaction carried out pursuant to statutory or regulatory obligation.

(d) a transaction undertaken pursuant to the exercise of stock options and the exercise price is pre-determined with applicable regulations.

and

(e) Trades pursuant to a Trading Plan (as defined below) set up in accordance with this Code and SEBI Regulations.

The exceptions in paragraph above reflect the statutory exceptions in Regulation 4(1) of the SEBI Regulations, and nothing above shall preclude the prior approval or other requirements in relation to Trading in Company's securities under the Code as set out herein.

- c** Not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including other Insiders except where such communication is in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code;

- d. Not procure from or cause the communication by any Insiders and their immediate Relatives of any Unpublished Price Sensitive Information except in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code; and
 - e. Not pass on such information to any person directly or indirectly by way of making a recommendation for the Trading of Securities of the Company based on the same.
- 2. All information within the Company must be handled strictly, on a **'need to know'** basis. Any Unpublished Price Sensitive Information should be disclosed only for the furtherance of a Legitimate Purpose as per the policy approved by the Board, to discharge duties and legal obligations and whose possession of such information will not give rise to a conflict of interest or misuse of information.
 - 3. Any person in receipt of or in possession of Unpublished Price Sensitive Information pursuant to the aforesaid shall be considered an "Insider" for purpose of the Nesco Code and due notice as per format prescribed under this Code shall be given to such persons, to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Insider Trading Regulations and this Code.
 - 4. Prior to sharing any Unpublished Price Sensitive Information, a confidentiality agreement shall be entered into with such Insider and the Insider shall provide his/her/its details, which are pertaining to its employees, agents or representatives who are likely to have access to the said Unpublished Price Sensitive Information which shall include name, designation, address, Permanent Account Number ("PAN") or any other identifier document authorized by law where PAN is not available in the format prescribed under this Code. The said details shall be updated by the Compliance Officer in the Digital Database.
 - 5. Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - a. entail an obligation to make an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") where the Board is of informed opinion that sharing of such information is in the best interests of the Company;
 - b. not attract the obligation to make an open offer under the SEBI Takeover Regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute Unpublished Price Sensitive Information is disseminated to be made Generally Available Information at least 2 (two) Trading Days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.
 - c. For purposes of this clause, the Board shall require the parties to such transaction to execute agreements or contract confidentiality and non-disclosure

obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in Securities of the Company when in possession of such Unpublished Price Sensitive Information. Files containing UPSI shall be kept secure under lock and key. Computer files must have adequate security of login and password etc. All Designated Persons must follow the guidelines for maintenance of electronic records and systems as may be prescribed by the Compliance Officer from time-to-time in consultation with the person in charge of the Information Technology function.

- d. All Unpublished Price Sensitive Information directly or indirectly received by any Designated Person should be reported to the Compliance Officer immediately.
6. Chinese wall procedures (“**Chinese Walls**”) shall be used to manage confidential information and prevent the inadvertent spread and misuse of price sensitive information. Areas of the Company which routinely have access to confidential information including UPSI, shall be considered as ‘inside areas’, and areas who do not have access to such information, shall be considered as ‘public areas’.

The Chinese Walls established by the Company shall operate as a barrier to the passing of confidential information, including Unpublished Price Sensitive Information and other confidential information. As per the said procedures:

- a. The promoters, Directors and Designated Persons of the Company in the ‘insider areas’ shall not communicate any UPSI to anyone in the ‘public areas’;
 - b. The establishment of Chinese Walls shall not be intended to suggest that Unpublished Price Sensitive Information can circulate freely within ‘inside areas’. The “**need-to-know**” principle shall be fully in effect within ‘insider areas’. In exceptional circumstances, Designated Persons from the ‘public areas’ may be allowed to ‘cross the wall’ and give Unpublished Price Sensitive Information by following the ‘need-to-know’ principle, under intimation to the Compliance Officer.
 - c. Chinese Walls shall be set up and implemented in the manner set out by Compliance Officer from time to time.
7. Designated Persons shall not Trade in Securities of the Company while in possession of Unpublished Price Sensitive Information. If such persons have traded in Securities of the Company when in possession of Unpublished Price Sensitive Information, their Trades would be presumed to have been motivated by the knowledge and awareness of such information in their possession.

7. Trading Restrictions during Quiet Period

- a. Designated Persons and their Immediate Relatives are prohibited to Trade in Securities of the Company during the Quiet Period. The Compliance Officer shall communicate the Quiet Period to all Designated Persons ~~to~~ email. Irrespective of whether such

communication has been received or not, Designated Persons governed by this Code shall mandatorily verify with the Compliance Officer on the status of the Trading Window before undertaking any Trades in the Securities of the Company. Ignorance of the closure of the Trading Window or non-receipt of communication of closure of Trading Window shall not justify any Trades undertaken by Designated Persons during Quiet Period.

- b. Every Designated Person should advise his/ her Immediate Relatives of the Quiet Period during which Trading in the Securities of the Company is prohibited.

8.Trading Window

1. The Compliance Officer shall notify a trading window during which the Designated Persons may trade in the Company's Securities after seeking pre clearances from the Compliance Officer in accordance with the Code.
2. Designated Persons and their Immediate Relatives shall not trade when the trading window is closed.
3. The trading window shall close generally at intervals given under the definition of the Quiet Period.
4. 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.
5. Designated Person or class of Designated Persons will receive a notification on such special blackout periods.
6. 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.
7. The trading window restriction shall not apply for below cases;
 - i. off-market *inter-se* transfer between insiders who were in possession of the same UPSI without violating the Code and both parties had made a conscious and informed trade decision.
 - ii. transaction carried out through the block deal window mechanism between persons who were in possession of the UPSI without violating the Code and both parties had made a conscious and informed trade decision.
 - iii. transaction carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
 - iv. transaction undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
 - v. trades executed as per the Trading Plan set up in accordance with the Code.

- vi. pledge of shares for a bona fide purpose such as raising of funds, subject to pre-clearance by the Compliance Officer.
- vii. transactions undertaken in accordance with respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.
- viii. Transmission of shares

9. Preclearance of Trading

1. Designated Persons when not in possession of Unpublished Price Sensitive Information and when the Trading Window is open, can undertake Trading in Securities upto a value of Rs. 10,00,000 (Rupees Ten Lakhs Only) cumulatively, in one transaction or series of transactions in one calendar quarter, without seeking pre-clearance of the Compliance Officer, anything beyond this limit, requires pre-clearance from the Compliance Officer. However, all other restrictions and requirement of making necessary disclosures under this Code as may be applicable will continue to apply for such Trades.
2. The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
3. The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
4. The Board of Directors of the Company shall be the approving authority for the pre-clearance application of Compliance Officer.
5. The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
6. If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure pre-clearance of the transaction again.
7. Pre-clearance of Trades shall not be required for a trade executed as per an approved trading plan or pursuant to Transmission of securities.

8. A Designated Person who Trades in securities of the Company without complying with the pre-clearance procedure as envisaged in this Code or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to such actions/penalties as envisaged in this Code.

10. Additional Trading restrictions on Designated Persons

1. No Designated Person shall enter into derivative transactions in respect of Securities of the Company.
2. All Designated Persons who trade in Securities of the Company shall not enter into a Contra Trade during the next six months following the prior transaction. In case of any Contra Trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI. The Compliance Officer depending on the urgency of the Trade may consider granting waiver to Designated to conduct the Contra Trade after recording justification for doing a Contra Trade. However, such waiver approvals must be sought by the Designated Person prior to undertaking such a Contra Trade.
3. The above restriction on Contra Trade shall not apply in case of exercise/sale of Employee Stock Option plan (ESOP) securities provided the Designated Persons do not possess UPSI and the sale is executed when the trading window is open and after obtaining pre-clearance.
4. The above restriction on Contra Trade shall also not apply in case of transmission of securities.

11. Trading Plan

1. A Designated Person shall be entitled to formulate a Trading Plan that complies with the Regulations (Trading Plan) and provide it to the Compliance Officer for approval and public disclosure. The Trading Plan may be executed only after the plan is approved by the Compliance Officer and disclosed to the stock exchanges on which the Securities of the Company are listed.
2. Designated Person may delegate discretionary authority to his/her broker, but in no event Designated Person may consult with the broker regarding executing transactions or otherwise disclose information to the broker concerning the Company that might influence the execution of transactions, under the Trading Plan after it commences. The Trading Plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it

or to execute any trade in the Securities outside the scope of the Trading Plan as otherwise provided under the SEBI regulations. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available information at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

12. Disclosures/Reporting requirements for trading in securities

1. **Initial Disclosure:** Every person, on appointment as Key Managerial Personnel or Director of the Company or upon becoming a promoter or member of the promoter group, shall disclose his/her and Immediate Relatives holding of Securities of the Company as on the date of appointment or becoming a promoter, to the Company within 7 (seven) days of becoming a Director, KMP or promoter of the Company.
2. Every Designated Person shall be required to disclose their name and PAN or any other identified document authorized by law for himself/herself and his/her Immediate Relatives, persons with whom such a Designated Person shares a Material Financial Relationship, phone and mobile numbers which are used by them, names of educational institutions from which the Designated Persons have graduated and names of their past employers, etc. to the Company on an annual basis and as and when the information changes.

Explanation: 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.

3. **Continual Disclosures:** Every Promoter, member of the Promoter Group, Director, Designated Person of the Company including their Immediate Relatives shall disclose to the Company, the number of Securities acquired or disposed of, if the value of the Securities Traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to Traded value in excess of Rs.10,00,000 (Indian Rupees ten lakh) or such other limit as may be prescribed under the said Regulations, within 2 (two) Trading Days of such Trade.

For avoidance of doubt, it is clarified that acquisition or disposal would include creation, revocation or invocation of pledge of the securities and such creation/invocation/revocation of pledge will be considered at the closing price of the market value on the date of pledge/invoke/revoke transaction.

Disclosure of the incremental transactions after any disclosure under above, shall be made when the transactions effected after the prior disclosure cross the thresholds specified above.

4. The Compliance Officer shall notify the particulars of such trading to the Stock Exchanges within 2 (two) Trading Days of receipt of such disclosures or from becoming aware of such information. It is hereby clarified that the disclosure of the incremental Trades after any disclosure under this clause, shall be made when the Trades effected after the prior disclosure cross the limits specified above.
5. **Annual Disclosure:** All Designated Persons must make an annual disclosure of the number of Securities held as on 31st March each year by them including details of purchase/sale of Securities during the financial year to the Compliance Officer. This disclosure must be made in the format prescribed under this Code within 30 (thirty) days from the close of each financial year, in electronic form or within such extended period.
6. The Compliance Officer, in addition to the above, may at his/her discretion require any other Connected Person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company at such frequency as he/she may deem fit in order to monitor compliance with this Code and the Regulations.
7. The Compliance Officer will maintain records in electronic form, of all disclosures and declarations made by the Directors, Promoters, members of the Promoter Group, Key Managerial Personnel and such other Designated Persons for a such minimum period as stipulated under the Regulations.

13. **Penalty for contravention of the Code**

1. Every Designated Person who (i) Trades in Securities of the Company, or (ii) communicates any information for Trading in Securities of the Company, or (iii) procures Unpublished Price Sensitive Information, in each case, in contravention of this Code; or otherwise violates this Code shall be penalized as detailed in point no.5.
2. The Chief Financial Officer and the Compliance Officer shall report such violations to the Managing Director and to the Audit Committee/ Board. The Audit Committee shall deal with all the contraventions (substantive or procedural) under this Code on case-to-case basis and appropriate warnings/actions/fines/penalties etc shall be decided by the Committee as the case may be.

3. All instances of violations under the Regulations or this code shall be reported to the stock exchanges, or such other authority as may be prescribed by SEBI from time to time.
4. Any amount of fine or penalty levied under this clause shall be remitted to for credit to the Investor Education and Protection Fund administered by the SEBI.
5. Any Contravention/violation under this code shall be dealt as under:
 - a. For each instance of violation/contravention a minimum penalty of Rs. 5,000 (Rupees Five Thousand Only) shall be levied alongwith the issuance of a warning letter.
 - b. In cases where the contravention/violation results into a profit, a penalty equivalent to two (2) times of the profit earned or Rs. 5,000 whichever is higher alongwith the issuance of a warning letter.
 - c. The Audit Committee in addition to above monetary penalty, may take such disciplinary action may be taken, not limited to reducing annual performance rating, holding up promotion for that year, non-eligibility for variable pay/bonus for that year, wage/salary freeze, suspension, recovery or dismissal or any other actions as it may deem fit and proper.

14. Mechanism for Prevention of Insider Trading

The Chief Financial Officer and Compliance Officer in consultation with the Managing Director shall put in place adequate and effective system of internal controls to ensure compliance with the Nesco Code and the Regulations, including ensuring *inter-alia* the following:

- a. Identification of Designated Persons/Insiders having access to Unpublished Price Sensitive Information and updating of necessary information pertaining to these Designated Persons/Insiders in the Digital Database of the Company.
- c. Identification, preservation and maintenance of confidentiality of Unpublished Price Sensitive Information until it becomes Generally Available Information in accordance with the Insider Trading Regulations.
- d. Restriction on communication and procurement of Unpublished Price Sensitive Information as per this Code and the Insider Trading Regulations.

- e. Maintenance of Structural Digital Database containing names of all Designated Persons/Insiders with whom Unpublished Price Sensitive Information is shared and confidentiality agreements are signed, or notices sent/served on Designated Persons/Insiders with whom Unpublished Price Sensitive Information is shared for the purpose of maintaining confidentiality and abiding by their non-disclosure obligation.

15. Protection of Informant under the said Regulations and Code.

The Company shall not discharge, terminate, demote, suspend or threaten directly or indirectly or discriminate against any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by SEBI, by reason of:

- i. filing a Voluntary Information Disclosure Form;
- ii. testifying in, participating in, or otherwise assisting or aiding SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or
- iii. breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent such employee from co-operating with SEBI in any manner.

In the event any employee is of the view, that he is likely to be discharged, terminated, demoted or suspended, or is being threatened, or discriminated, on account of any of the events set forth in the preceding paragraph, such employee shall be permitted to notify the Compliance Officer of the same. In the event, the Compliance Officer is subject to the foregoing, the Compliance Officer shall be permitted to bring such information to the notice of SEBI.

16. Trackin Self Service Compliance portal

All compliances under this code shall be done electronically on the “Trackin portal” made available by the Company. The formats and forms for necessary disclosures and compliances are available on the Trackin Portal. Designated Persons may refer to the user guide and FAQs available on the said portal for furnishing information and the necessary disclosures. In case a member faces any technical difficulty, which obstructs the filing through the portal, they may reach out to the Compliance team at companysecretary@nesco.in.

17. Miscellaneous

1. The Board shall be empowered to amend, modify, and interpret this Code and such Code and same shall be effective from such date that the Board may notify in this behalf.
2. The Compliance Officer shall provide the Audit Committee of the Board, on an annual basis (or such other intervals as may be decided by the audit committee) update on compliance under this code, any violations of this Code and other matters as may be directed by the Audit Committee from time to time.
3. The Compliance Officer shall maintain (a) an updated list of Designated Persons, and (b) records of disclosures and pre-clearance applications and undertakings for a period of eight years or such period stipulated under the Regulations; and (c) any other information that is required pursuant to the Regulations.
4. The Board is required to ensure that a structured digital database is maintained of every person in possession of UPSI (i) containing the nature of UPSI; (ii) names of such persons who have shared the information; (iii) names of such persons with whom information is shared under SEBI Regulations along with the Permanent Account Number or any other identified document authorized by law where Permanent Account Number is not available. Such database shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non- tampering of the database.
5. The Company may engage such market intermediary or any other person, who is required to handle UPSI and who have formulated a code of conduct as per the requirements of PIT Regulations. In case such persons observe that there has been a violation of Regulations, then they shall inform the Board promptly.
6. The Company has made a policy and procedure for inquiry in case of Leak of UPSI or suspected Leak of UPSI which is available on the website of the Company at www.nesco.in
7. The Code on Fair Disclosures Code of Practices and Procedures (which also includes the Policy for Legitimate Purpose) to be followed for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company at www.nesco.in
8. Intermediary or fiduciary engaged by the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the Regulations to prevent insider trading.

9. It is the responsibility of the Connected Person to ensure compliance with this Code and the Regulations.

10. This code shall be posted on the website of the Company at www.nesco.in

6th Version of this Code has been approved by the Board of Directors at its meeting held on 6 November 2025