

SAPTARISHI AGRO INDUSTRIES LIMITED

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DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE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

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INTRODUCTION

The Securities and Exchange Board of India (“SEBI”) notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) on January 15, 2015, which is effective from May 15, 2015.

Pursuant to Regulation 8 of the Regulations, Saptarishi Agro Industries Limited is required to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Fair Disclosure Code”).

Accordingly, the Board of Directors of the Company has formulated the Fair Disclosure Code.

DEFINITIONS

1. “Board” means the Securities and Exchange Board of India.
2. “Company” means Saptarishi Agro Industries Limited.
3. “Insider” means any person who:
 - i. a connected person; or
 - ii. in possession of or having access to unpublished price sensitive information.
4. “Regulations” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
5. “Unpublished Price Sensitive Information” or “UPSI” means any information, relating to a company or its securities, directly or indirectly, that is not generally available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; and
 - v. changes in key managerial personnel.

CHIEF STRATEGY OFFICER AS THE CHIEF INVESTOR RELATIONS OFFICER

The Chief Strategy Officer of the Company is designated as the Chief Investor Relations Officer of the Company.

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RESPONSIBILITY OF COMPLIANCE OFFICER

The Compliance Officer shall be responsible for:

1. Dissemination of information and disclosure of unpublished price sensitive information.
2. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
3. Handling of all unpublished price sensitive information on a need-to-know basis. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information. All the non-public information directly received by any employee should immediately be reported to the Compliance Officer. No unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.
4. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
5. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

DISCLOSURE WITH REFERENCE TO ANALYSTS/MEDIA

All unpublished price sensitive information shall be first communicated to the stock exchanges before the same is shared with analyst and research personnel.

RESPONDING TO MARKET RUMORS

Any Director of the Company and/or the Compliance Officer and/or any other spokesperson, duly authorised, shall give an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumors and making disclosures.

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LEGITIMATE PURPOSES

For determining legitimate purposes, the below mentioned policy shall be adhered to:

1. UPSI can be shared only on a need-to-know basis and for legitimate purposes and not to evade or circumvent the prohibitions of the regulations.
2. UPSI can be shared in the ordinary course of business only for a legitimate purpose, if the same is necessary to be shared in order to complete any task/activity/deal including any other assignment for furtherance of the business interests of the Company.
3. Legitimate purpose shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.
4. No Insider shall communicate, provide, or allow access to any UPSI, relating to the company, to any person including other insiders except where such communication is in furtherance of legitimate purposes. Further, no person shall procure from or cause the communication by any insider of UPSI, relating to the Company, except in furtherance of legitimate purposes.
5. If at any time, any person is in receipt of unpublished price sensitive information pursuant to a legitimate purpose, he shall be considered as an "Insider" for purposes of these regulations.
6. The Company shall give due notice to such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
7. The Company shall maintain a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database. The responsibility of maintaining such database shall be of the Compliance Officer of such other person as may be nominated by the Board of Directors.

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8. The Board of Directors shall require the parties to execute agreements to 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 UPSI.
9. Upon failure of such person to maintain confidentiality of such unpublished price sensitive information, appropriate action may be taken by the Company, which may include wage freeze, suspension, recovery claw back, ineligibility for future participation in the Company's stock option plans or termination.

LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. If it is found/suspected that the unpublished price sensitive information has been leaked by any insider, the Company shall set up an investigation in the matter.
2. The Compliance Officer shall promptly bring it to the notice of Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors of the Company about the leakage of unpublished price sensitive information.
3. The Company may seek assistance of external consultant/investigator to enquire into the matter.
4. Upon the outcome of the enquiry, the Company may take appropriate action as directed by the Audit Committee/Board of Directors.
5. Simultaneously, the Compliance Officer shall inform the Board of Directors promptly of such leaks, inquiries and results of such inquiries.

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1. PREAMBLE

Pursuant to Regulation 9 (1) of the new SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) requires a listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations and Code of Conduct for Intermediaries and Fiduciaries to Regulate, Monitor and Report Trading by Designated Persons set out in Schedule C (w.e.f. 01/04/2019). This Insider Trading Policy (this “Policy”) provides guidelines to directors, officers, employees and connected persons and Designated Persons of Saptarishi Agro Industries Ltd (the “Company”) with respect to transactions in the Company’s securities for the purpose of promoting compliance of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct will be applicable to Employees and other connected Persons and Designated Persons. This shall come into effect from 15th May, 2015 and for Designated Persons w.e.f 01st April, 2019. Accordingly, the Board of Directors of Saptarishi Agro Industries Ltd have adopted a new Code of Conduct for trading by insiders replacing the existing Code.

2. DEFINITIONS

- a) “Act” means the Securities and Exchange Board of India Act, 1992
- b) “Board” means the Securities and Exchange Board of India;
- c) “Compliance officer” means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there 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 specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization as the case may be.

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- d) **Code**” means the Saptarishi Agro Industries Ltd (Insider Trading) Code, 2015;
- e) **“Code of Conduct”** shall mean this Code for Regulating, Monitoring and Reporting of trades for compliance with Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations) as amended from time to time.
- f) **“Company”** means Saptarishi Agro Industries Ltd.
- g) **“Connected person”** means
- (i) any person who is or has during the six months prior to the concerned act been associated with the company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - (a) an immediate relative of connected persons specified in clause (i); or
 - (b) a holding company or associate company or subsidiary company; or
 - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
 - (e) an official of a stock exchange or of clearing house or corporation; or
 - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - (i) a banker of the company; or

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(j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

h) "Designated Persons" shall mean and include:

- a. All the Directors, Chief Financial Officer, Chief Executive Officer if any and Company Secretary and Promoters of the Company.
- b. Vice Presidents, General Managers and above who are functional heads and State heads
- c. All the Accounts and Finance Personnel and All the Legal and Secretarial Department of the Company at Head Office as well as the Finance/Commercial Heads of all the Units/ Branches.
- d. IT Staff
- e. Any other employees and their dependents, as may be identified by the Board of Directors from time to time who are privy to any price sensitive information.

i) "Director" means a member of the Board of Directors of the Company.

j) "Employee" means every employee of the Company including the Directors in the employment of the Company.

k) "Generally available Information" means information that is accessible to the public on a non- discretionary basis.

l) "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.

m) "Insider" means any person who is:

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

n) 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.

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- o) "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;
- p) "Officer of the Company"** means any person as defined in of Section 2 (59) of the Companies Act, 2013 and includes the auditor of the Company.
- q) "Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- r) "specified"** means specified by the Board in writing;
- s) "Stock Exchange"** means Bombay Stock Exchange (BSE Limited)
- t) "SEBI"** means Securities and Exchange Board of India constituted under Securities and Exchange Board of India Act, 1992.
- u) "SEBIPIT Regulations"** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time including any statutory modification thereof.
- v) "Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- w) "Trading"** means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- x) "Trading Day"** means a day on which the recognized stock exchanges are open for trading;
- y) "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;

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- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) Changes in key managerial personnel; and
- (vi) Material events in accordance with the listing regulations.

3. COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. No insider shall communicate, provide, or allow access to any unpublished price sensitive information in connection with a transaction that would relating to the listed company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
2. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
3. All information shall be handled within the organization on a need-to-know basis.
4. Files containing confidential information shall be kept secure and computer files must have adequate digital security.
5. an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - (i) entail an obligation to make an open offer under the takeover regulations where the board of directors of the company is of informed opinion that the sharing of such information's in the best interests of the company;
 - (ii) not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that the sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts. When a person who has traded in securities has been in

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possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. However, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of above para and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

6. The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.”

4. TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION.

No Insider shall trade in Securities of the Company at any time when he/she is in possession of any unpublished price sensitive information.

Trading in Securities of the Company when in possession of any unpublished price sensitive information, the insider may prove his innocence by demonstrating the circumstances including the following : –

a) the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision;

b) in the case of non-individual insiders: –

- the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
- appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

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c) the trades were pursuant to a trading plan submitted by the insider to the CIO.

5. TRADING PLAN:

1. A designated person or an insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

2. Such trading plan shall:-

- i. Not entail commencement of trading earlier than six (6) months from the public disclosure of the plan;
- ii. Not entail trading for the period between the Twentieth (20) trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- iii. Entail trading for a period of not less than twelve (12) months;
- iv. Not entail overlap of any period for which another trading plan is already in existence;
- v. Set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- vi. Not entail trading in securities for market abuse.

3. The Compliance Officer upon receipt of trading plan will review the trading plan to assess whether the plan would have any potential for violation of these regulations. The Compliance Officer will 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.

“Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.”

4. The Compliance officer will endeavour to approve the trading plan within seven (7) working days of receipt of the trading plan together with necessary undertakings and declarations.

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

6. The implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the designated person or insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation

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and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of the SEBI PIT Regulations.

7. Upon approval of the trading plan, the Compliance Officer will notify the plan to the stock exchanges on which the securities are listed.

6. TRADING WINDOW

All connected persons and All Designated Persons including their relatives shall deal in securities of the Company only when trading window is open. It is the duty of the designated persons to inform the immediate relatives of the closure of trading window and ensure that they do not deal in the securities of the Company.

The trading window will remain closed during the following periods:

- a. From the period mentioned in Stock exchange intimation for the Board Meetings in which the results of respective quarter/ half year/ year as the case may be or any matter which has a bearing on the price of security (for example: recommendation of dividend / interim dividend / bonus shares / right shares/ further issue of shares/ amalgamation / merger / takeovers / buy back, major expansion plan, or execution of new projects, Disposal of whole or substantially the whole of the undertaking, etc.) is announced to stock exchanges and 48 hours thereafter and The time for commencement of closing of trading window shall be notified from time to time.
- b. "Trading window will remain close from the end of every quarter till 48 hours after the declaration of financial results.
- c. In addition to the above, the Compliance Officer may in consultation with the Managing Director or Whole Time Director, declare the Trading Window closed, on an "as-needed" basis for any reason.

The Compliance officer or any other employee from the Secretarial department of the Company will notify the designated persons about closure and opening of trading window and also inform the stock exchanges.

7. PRE-CLEARANCE OF TRADES

All designated persons, who intend to dealing the securities of the Company directly or indirectly or through their immediate relatives when the trading window is opened should take pre-clearances of the transaction from the Compliance Officer if the value of proposed trades is Rs. 10,00,000 (Rupees Ten lakhs) or more.

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- i. An application complete in all respects should be made in the prescribed Form in **Annexure 1**.
- ii. An undertaking as per **Annexure 1A** shall be executed in favour of the Company by the designated person.
- iii. The Compliance officer after satisfying himself that the application and undertaking are in order and the proposed trade will not breach the SEBI PIT Regulations or this Code of Conduct shall pre-clear the trades within three (3) working days from receipt of application and undertaking complete in all respects in **Annexure 2**.
- iv. The designated persons shall execute their trade in respect of securities of the Company within Seven (7) trading days after the pre-clearance approval is given.
- v. If the trade is not executed within the aforesaid Seven (7) days, the designated person must obtain fresh pre-clearance by following the aforesaid procedure i.e., (i) to (iii) as stated above.
- vi. The designated persons must report to the Compliance Officer the details of the trade executed within two (2) working days of the execution of the trade. In case the transaction is not undertaken, a Nil report must be submitted to the Compliance officer within two (2) working days from the expiry of the aforesaid seven (7) trading days in **Annexure 3**.
- vii. The designated person shall not execute / deal in a contra trade for any number of securities [even when the value of securities to be dealt is less than Rs.10,00,000 (Rupees Ten lakhs)] for a period of six (6) months from the execution of the trade as per (iv) & (v) above.

Contra trade means: In case the designated person pre-clears for buying shares of the company, he cannot enter into a sale of securities of the company for a period of six (6) months from the date of execution of buy order and vice-versa.

- viii. The Compliance Officer may waive at his discretion the (Contra Trade) sale/buy of securities necessitated due to personal emergency before the six months period mentioned above. The Compliance Officer may take necessary undertakings and declarations and seek appropriate information in writing as he/she deems necessary from the designated person before granting the relaxation.

In case of other circumstances the Compliance Officer in consultation with Managing Director or Whole Time Director on a case to case basis may grant relaxation from the strict application of the holding period of six (6) months. The Compliance Officer may take necessary undertakings and declarations and seek appropriate information in writing as he deems necessary from the designated person before granting the relaxation.

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- ix. The waiver from the strict application under clause viii will have to be in writing giving reasons thereof.
- x. Notwithstanding anything above, if a contra trade is executed inadvertently or otherwise in violation of this code, the profits there from must be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.
- xi. Provided that this shall not be applicable for trades pursuant to exercise of stock options.
- xii. Notwithstanding anything above, in contravention of this code, Managing Director or Whole Time Director may stipulate the disciplinary actions including wage freeze, recovery, claw back, suspension etc.

8. DISCLOSURE FROM DESIGNATED PERSON:

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:

- 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.
- d) In addition, 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.

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 during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.”

Listed entities shall have a process for **how and when** people are brought **‘inside’** on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the **liability** that attaches to misuse or unwarranted use of such information.”

9. CODE OF CONDUCT FOR DESIGNATED PERSON

1. The compliance officer shall report to the board of directors or head(s) of the organisation (or committee constituted in this regard) and in particular, shall provide reports to the Chairman of the Audit Committee or other analogous body, if any, or to the Chairman of the board of

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directors or head(s) of the organisation at such frequency as may be stipulated by the board of directors or head(s) of the organization but not less than once in a year.

2. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese wall procedures, and processes for permitting any designated person to “cross the wall”.
3. Designated persons and immediate relatives of designated persons in the organisation shall be governed by an internal code of conduct governing dealing in securities.
4. Designated persons may execute trades subject to compliance with these regulations. Trading by designated persons shall be subject to pre- clearance by the compliance officer(s), if the value of the proposed trades is above such thresholds as the board of directors or head(s) of the organisation may stipulate.
5. The compliance officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
6. Prior to approving any trades, the compliance officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
7. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
8. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is a connected person of the listed company and is permitted to trade in the securities of such listed company, shall not execute a contra trade. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund

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administered by the Board under the Act. Provided that this shall not be applicable for trades pursuant to exercise of stock options.

9. The code of conduct shall stipulate such formats as the board of directors or head(s) of the organisation (or committee constituted in this regard) deems necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.
10. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension, recovery, clawback etc., that may be imposed, by the intermediary or fiduciary required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, for the contravention of the code of conduct.
11. The code of conduct shall specify that in case it is observed by the intermediary or fiduciary required to formulate a code of conduct under sub-regulation (1) or sub-regulation (2) of regulation 9, respectively, that there has been a violation of these regulations, such intermediary or fiduciary shall inform the Board promptly.
12. All designated persons shall be required to disclose name and Permanent Account Number or any other identifier authorized by law of the following to the intermediary or fiduciary on an annual basis and as and when the information changes:
 - 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

In addition, names of educational institutions from which designated persons have studied and names of their past employers shall also be disclosed on a one-time basis.

Explanation – 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 during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

13. Intermediaries and fiduciaries shall have a **process for how and when** people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and

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responsibilities attached to the receipt of Inside Information, and the **liability** that attaches to misuse or unwarranted use of such information.”

10. DISCLOSURES UNDER SEBI PIT REGULATIONS AND CODE

1. Every promoter, designated person and director of the company whose securities are listed on any recognised stock exchange shall disclose his holding of securities of the company as on the date of these regulations taking effect, to the company within thirty days of these regulations taking effect. Such disclosures shall be as per **Form A** attached herewith
2. Every person on appointment as a KMP or a Director of the Company or upon becoming a Promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter to the Listed Company within seven (7) days of such appointment or becoming a Promoter. Such disclosures shall be as per **Form B** attached herewith.
3. If the value of the securities traded, whether in one transaction or series of transaction over any calendar quarter, aggregates to a traded value in excess of Rs.10,00,000 (Rupees ten lakhs), designated persons shall disclose to the Company the number of such securities acquired or disposed of within two (2) trading days of such transaction in the form prescribed by SEBI. It is clarified that any incremental transactions after any disclosure under this clause shall be made when the transactions effected after the prior disclosure cross the threshold specified herein. The Company shall notify the particulars of such trading to the stock exchanges within two (2) days of receipt of the disclosure or from becoming aware of such information. Such disclosures shall be as per **Form C** attached herewith.
4. The Company may own 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 **Form D** and at such frequency as may be determined by the company in order to monitor compliance with these regulations
5. All Designated persons/Connected persons shall furnish in the **Form E** to the Compliance Officer details of their holding of securities and transactions in the securities of the Company on annual basis.
6. Each Designated person and connected person shall ensure that their respective wealth managers, portfolio managers or similar persons do not trade in the securities of the Company on behalf of any designated person or connected person, unless such designated person or connected person is permitted to trade in the securities of the Company in accordance with this Code.

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11. REPORTING BY COMPLIANCE OFFICER

1. The Compliance Officer shall furnish to the Board of Directors of the Company and in particular, shall provide to the Chairman of Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors but not less than once in a year, the following details:
 - a. Pre-clearance sanctioned or rejected;
 - b. Details of transactions done pursuant to pre-clearance including those cases where no transaction has been executed after securing pre-clearance along with the reasons;
 - c. Details of relaxation, if any from the strict requirements under this Code;
 - d. Disciplinary actions, if any taken by Managing Director/Whole-time Director pursuant to this Code;
 - e. Disclosures under the SEBI (PIT) Regulations, if any;
 - f. Trading plans, if any presented for approval;
 - g. Other relevant information
2. The Compliance Officer shall place the aforesaid details at the first meeting of the Board of Directors of the Company held after the closing of financial year.

12. CONFIDENTIAL INFORMATION (CHINESE WALL)

1. To prevent the misuse of price sensitive information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered as “**insider areas**” from those who do not have such access, considered as “**public areas**”. Chinese wall are designed to operate as barriers to the passing of Inside Information (Unpublished Price Sensitive Information) to the Public Area;
2. The employees/ designated persons working within an insider area shall not communicate any price sensitive information to any one in public area. In exceptional circumstances employees/ designated persons from the public areas may be allow to “cross the wall” and given confidential information on the basis of “need to know” criteria, under intimation to the Compliance Officer.
3. Directors shall maintain strict confidentiality of business information and all unpublished price sensitive information of the Company.
4. The business information and all unpublished price sensitive information should not be communicated to any person except in the course of performance of duties or discharge of legal obligations.

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5. All employees must consult the Compliance Officer and Management before communicating with the media or public.

13. POWERS OF BOARD TO INVESTIGATE OFFENCES

In relation to any offences by Designated Persons the Board or committee constituted shall:-

- a. Serve a notice on the Designated Persons provided that, if the Committee is of the opinion that it is necessary in the interest of the Company, it can initiate such proceedings without serving any notice.
- b. Investigate such records and documents in his / her possession or in the possession of the Company.
- c. Record reasons of the Designated Person in writing.

14. PENALTY FOR CONTRAVENTION

The Company shall have the power to impose the following penalty on the Designated Persons, Officers and Insider:-

- i. Withhold any dividend declared by the Board of the Company.
- ii. Insiders/Designated Person /Officers of the Company who violate the code of conduct shall also be subject to disciplinary action by the company which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.
- iii. The Company shall also take such steps within its power to recover any profits made in respect of such dealings from the designated person(s).
- iv. The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015.
- v. In case it is observed by the company / compliance officer that there has been a violation of SEBI (Prohibition of Insider Trading), Regulations, 2015, SEBI shall be informed by the Company.

15. POWER OF THE BOARD TO EFFECT MODIFICATIONS TO THESE RULES

The Board shall have the powers to make such changes / modifications in these Rules as may be required from time to time to make these Rules more effective and in line with such notifications / changes / amendments made by SEBI.

16. CAUTIONARY STATEMENT

SAPTARISHI AGRO INDUSTRIES LIMITED

The Code is the internal policy of the Company to prevent Designated Persons and Connected Persons who are considered by the Company to be insiders of the Company for the purposes of the Regulations, for prevention of insider trading. It is however the responsibility of each Designated Person and Connected Person to ensure compliance with the provisions of the Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or Connected Person, of the Regulations or other related laws.

ANNEXURE-1

APPLICATION FOR PRE -CLEARANCE APPROVAL

To

The Compliance Officer
Saptarishi Agro Industries Ltd

Dear Sir,

Sub: Application for Pre-clearance approval in securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and clause 8 (i) of the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to

SAPTARISHI AGRO INDUSTRIES LIMITED

purchase/Sale/Subscription of _____ Equity shares of the Company as per details given below:

1	Name of the Applicant	
2	Designation	
3	Number of securities held as on date	
4	FolioNo./DPID /ClientID No.	
5	The proposal is for a) Purchase of securities b) Subscription to securities c) Sale of securities	
6	Proposed date of dealing in securities	
7	Estimated number of securities proposed to be acquired/ subscribed/sold	
8	Price at which the transaction is proposed	
9	Current market price(as on date of application)	
10	Whether the proposed transaction will be through stock exchange or off-market deal	
11	Folio No./DPID /Client ID No. where the securities will be credited/debited	

I am enclosing the Form of Undertaking duly signed by me.

Yours faithfully,

(Name and Employee ID/ Designation)

Date:

ANNEXURE-1A

UNDERTAKING

(TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE)

To
The Compliance Officer
Saptarishi Agro Industries Ltd

,

SAPTARISHI AGRO INDUSTRIES LIMITED

I, _____, _____ of the Company residing at _____ am desirous of dealing in _____*shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading(the Code) upto the time of signing this Undertaking)

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the company until such information becomes public.

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

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

I have made full and true disclosure in the matter.

Signature: _____
(Name and Employee ID/ Designation)

Date:

* Indicate number of shares

ANNEXURE-2

FORMATFORPRE-CLEARANCEORDER

SAPTARISHI AGRO INDUSTRIES LIMITED

To

Name:

Emp No. :

Designation:

Location:

This is to inform you that your request for dealing in _____ (nos.) shares of the Company as mentioned in your application dated _____ is approved. Please note that the said transaction must be completed on or before _____ (date) that is within 7 days from today.

In case you do not execute the approved transaction / deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction / deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,
For Saptarishi Agro Industries Ltd,

Compliance Officer

Date: _

Encl: Format for submission of details of transaction

SAPTARISHI AGRO INDUSTRIES LIMITED

ANNEXURE-3

FORMAT FOR DISCLOSURE OF TRANSACTIONS

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

To
The Compliance Officer
Saptarishi Agro Industries Ltd,

I hereby inform that–

I have not bought/ sold/ subscribed any securities of the Company

I have bought sold/ subscribed to _____ securities as mentioned below on _____(date)

Name of the holder	No. of securities Dealt with	Bought/ sold/ subscribed	DPID/Client ID/ Folio No.	Price(Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve for a period of 3 years and produce to the Compliance Officer/SEBI any of the following documents:

Broker's contract note

Proof of payment to/from brokers

Extract of bank passbook/statement (to be submitted in case of demat transactions) Copy of the Delivery instruction slip (applicable in case of sale transaction)

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval.*(applicable in case of purchase/ subscription)*

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws have been contravened for effecting the above said transaction(s).

Date:

Signature:

Name:

Emp No:

Location:

SAPTARISHI AGRO INDUSTRIES LIMITED

FORM A

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(1)(a) read with Regulation 6(2)]

Name of the Company: _____

ISIN of the Company _____

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

Name, PAN, CIN / DIN & Address with Contact Nos.	Category of Person (Promoters / KMP / Directors / immediate relatives / others, etc.)	Securities held as on the date of regulation coming into force		% of Share-holding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of Security (For eg. – Shares, Warrants, Convertible Debentures, etc.)	Number		Number of Units (Contracts* lot size)	Notional value in Rupee terms	Number of Units (Contracts* lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9

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

Signature: _____
Designation: _____
Date: _____
Place: _____

SAPTARISHI AGRO INDUSTRIES LIMITED

FORM B

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(1) (b) read with Regulation 6(2)]

Name of the Company: _____

ISIN of the Company: _____

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

Name, PAN, CIN / DIN & Address with Contact Nos.	Category of Person (Promoters / KMP / Directors / immediate relatives / others, etc.)	Date of appointment of Director / KMP or Date of becoming Promoter	Securities held as at the time of becoming Promoter / appointment of Director / KMP		% of Share-holding	Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
			Type of Security (For eg. – Shares, Warrants, Convertible Debentures, etc.)	Number		Contract specifications	Number of Units (Contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of Units (Contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9	10	11	12

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

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

Name:	
Signature:	
Designation:	
Date:	
Place:	

SAPTARISHI AGRO INDUSTRIES LIMITED

FORM C

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(2) read with Regulation 6(2)]

Name of the Company: _____

ISIN of the Company _____

Details of change in holding of Securities of Promoter, Employee or Director of a Listed Company and other such persons as mentioned in Regulation 6(2):

Name, PAN, CIN / DIN & Address of Promoter / Employee / Director with Contact Nos.	Category of Person (Promoters / KMP / Directors / immediate relatives / others, etc.)	Securities held prior to acquisition / disposal		Securities acquired / disposed		% of Shareholding		Date of allotment advice / acquisition of shares / sale of shares specify		Date of intimation to Company	Mode of acquisition (market purchase / public rights / preferential offer / off market / Inter-se transfer, etc.)	Trading in derivatives (Specify type of Contract, Futures or Options, etc.)				Exchange on which the trade was executed	
		Type of Security (For eg. – Shares, Warrants, Convertible Debentures, etc.)	Number	Type of Security (For eg. – Shares, Warrants, Convertible Debentures, etc.)	Number	Pre transaction	Post transaction	From	To			Buy		Sell			
												Value	Number of units (contracts* lot size)	Value	Number of units (contracts* lot size)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	

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

Signature:	
Designation:	
Date:	
Place:	

SAPTARISHI AGRO INDUSTRIES LIMITED

FORM D

SEBI (Prohibition of Insider Trading) Regulations, 2015
Regulation 7(3) – Transactions by Other connected persons as identified by the company

Details of trading in securities by other connected persons as identified by the company

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition/disposal (on market/public/ rights/ Preferential offer / off market/Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge / Revoke /Invoke)	Type of Security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
Note: "Securities" shall have the meaning as defined under Regulation 2(1)(a) of SEBI (Prohibition of Insider Trading) Regulations, 2015.													
Signature:													
Designation:													
Date:													
Place:													