

## **Super Sales India Limited**

### **Code of Conduct for Directors and Officers under SEBI (Prohibition of Insider Trading) Regulations, 2015.**

Securities and Exchange Board of India (SEBI) has issued new SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into force with effect from 15.05.2015. As per regulation 9 of the regulations, every listed company is expected to have an internal code of conduct for regulating insiders trading in the securities and derivatives of the Company. The code of conduct envisages disclosure of initial shareholding, subsequent changes thereof and also to observe the procedures while dealing in the securities and derivatives of the Company by its Designated persons.

Accordingly, the following regulations are adopted as the internal code of conduct for the prohibition of insider trading by the Company.

#### **The code of conduct to be adopted pursuant to Regulation. 9 (1)**

##### **Applicability:**

This internal code of conduct is applicable to all the designated persons and their immediate relatives.

##### **Definitions:**

- a. Connected person interalia include 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himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

Further the following categories shall be deemed to be connected persons

- an immediate relative of connected persons specified in clause (a); or
- a holding company or associate company or subsidiary company; or
- a banker of the company; or
- 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;

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- b. Compliance officer : Company Secretary is the compliance officer
- c. Designated persons shall mean
  - i. Director of the company
  - ii. Officers as defined in the Companies Act, 2013 as amended from time to time
  - iii. All employees in the grade of Deputy General Manager and above
  - iv. Employees (including temporary employees) in the Corporate finance department as identified by the Chief Financial Officer
  - v. All the employees (including temporary employees) in the secretarial department
  - vi. Any other connected person as may be specified by the Compliance officer/Whole time director from time to time
- d. Immediate Relatives means the spouse of a designated person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such designated person or consults such designated person in taking decisions relating to trading in securities.

For the purpose of this Code, the declaration given by a Designated Person to the effect that an Immediate Relative is dependent financially on him/her or who consults him/her in taking decisions relating to trading in securities will be accepted.

- e. Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –
  - (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and
  - (vi) material events in accordance with the listing agreement

All other terms shall have the same meaning as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015 shall be applicable.

**Role of the Compliance officer:**

- a. Compliance of policies and procedures, maintenance of records, monitoring adherence to the code to preserve of Unpublished price sensitive information **(UPSI)**.

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- b. Reviewing, Approving and monitoring the implementation of trading plans
- c. Assist designated persons in addressing any clarification regarding the SEBI (Prohibition of Insider Trading) Regulations, 2015 and this code of conduct and
- d. Quarterly reporting to the Audit Committee if there is any changes in the holdings of designated persons, receipt of request for pre – clearance, details of pre- clearance given/declined etc.

#### **Preservation of the Unpublished price sensitive information**

- a. All designated persons should maintain confidentiality of the UPSI. He/she should not provide or allow access to any UPSI to any person.
- b. UPSI is to be handled with in or outside the company on need to know basis. UPSI to be communicated to any person in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.
- c. Any other persons having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company who are expected to have UPSI, shall formulate a code of conduct to regulate, monitor and report the trading by its employees/connected persons towards achieving the compliance of the regulations. They are also subject to the trading window provisions.
- d. Misuse of such information shall be strictly avoided.
- e. Files containing confidential information shall be kept secure and computer files be protected with login ID and passwords.

#### **Compliance Requirements:**

##### **Initial disclosure**

- 1. Every Designated person of the Company shall disclose to the company the number of shares held or positions taken in the derivatives by such person and his/her immediate relatives within 7 working days of becoming a Designated person of the Company. If there is a nil holding, it may also be intimated. Format enclosed (Format in annexure – Form 1 and Form 2)

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### Continuous disclosure

Continual disclosure of securities or derivatives of the company acquired or disposed off by the designated person in case of value of securities so traded whether in one transaction or series of transactions, in one calendar quarter, aggregate value in excess of Rs. 10 Lakhs shall be made within two trading days of such transaction in the prescribed form.

The Company within 2 trading days of receipt of the information shall inform to all the stock exchanges where the securities are listed.

### **Trading window Closure and trading restrictions:**

1. All Designated persons and their immediate relatives are subject to trading restrictions.
2. The trading window will remain closed Eight working days prior to the date of publication of the unpublished price sensitive information and will open after 48 hours of the publication of the price sensitive information.
3. During the period of closure of the trading window the designated persons or their immediate relatives shall not trade in the securities of the Company.

### Trading plan

1. The Designated persons are entitled to formulate a trading plan and present it to the compliance officer for approval

Such trading plan shall:–

- (i) not entail commencement of trading on behalf of the Designated person earlier than six months from the public disclosure of the plan;
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve 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;

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2. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
3. 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.

*Provided that* the implementation of the trading plan shall not be commenced if any unpublished price sensitive information is in possession of the designated person at the time of formulation of the plan and not become generally available at the time of the commencement of implementation. In such event the compliance officer shall defer the implementation until such unpublished price sensitive information becomes generally available.

4. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

#### **Trading window open and trading restrictions:**

1. During trading window open the Designated persons are allowed to trade in the securities subject to the pre –clearance as enumerated hereunder.
2. During trading window open period also if the designated person is in possession of any UPSI, he should not apply for pre-clearance or execute any trade. It is the responsibility of the respective Designated persons.

The following are the pre-requisites for dealing in securities of the Company:

##### **i) Pre - Clearance:**

If the Designated person or his / her immediate relatives intend to deal in the securities of the Company at any time after their last disclosure, shall pre-clear their transaction from the Company. A limit of 5000 shares and above have been fixed for this purpose. Hence, if the shares to be acquired together with the existing holding exceed 5000 shares OR if any Designated person or his / her immediate relative purchases / sells of 5000 shares or more in one transaction or series of transactions from the previous pre – clearance given under this code, then such transaction should be pre-cleared. (Form 3).

Compliance officer shall either clear or decline to clear the proposed transaction. He should communicate his decision with in 7 days of receipt of request. In case of declining, the reason shall also be informed.

In case of Compliance officer or his immediate relative wishes to trade in the securities of the company, he should get pre-clearance from CFO and all the provisions of the pre-clearance shall also applicable to Compliance officer.

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**ii) Undertaking:**

An Undertaking that the employee has no access or has not received any unpublished price sensitive information upto the time of signing the undertaking should also be given.

In case designated persons has access to or receive any UPSI after signing of the undertaking but before execution of the transaction, he/she shall inform the change in his/her position to the Compliance officer and would completely refrain from trading of the securities of the company until such UPSI becomes generally available.

**iii) Execution of Purchase Order:**

The purchase or sale order should be executed within seven trading days from the date of clearance and if not, again the same procedure shall be followed. After execution of the trade the designated person shall inform to the compliance officer about the execution of the trade.

**iv) Period of holding the securities:**

When the shares are purchased by the designated person or his / her immediate relatives, they should hold at least for a minimum period of 6 months in order to be considered as being held for investment purpose. They shall not enter into any opposite transaction to buy or sell during the next six months.

**v) No positions be taken in derivatives:**

No Designated person or his / her immediate relatives shall take any position in the derivative segment of the securities of the Company

**vi) Emergency provision:**

In the case of personal emergency the holding period may be waived by the Compliance Officer after recording the reasons for waiving the holding period in this regard.

**vii) Quarterly declaration:**

A quarterly declaration shall also be given to the company. This declaration for the quarters April - June, July - September, October - December and January – March shall be submitted within 15 days from the end of each calendar quarter i.e. on or before 15<sup>th</sup> of July, 15<sup>th</sup> of October, 15<sup>th</sup> of January and 15<sup>th</sup> of April,. (Form 4)

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**viii) Annual statement:**

Annual statements of all holdings shall be submitted within 30 days of closing of a financial year i.e. on or before 30<sup>th</sup> of April of every year. (Form 5)

**ix) Reporting requirements:**

The initial reporting declarations, of holdings, periodical statement of holdings, annual statement of holdings, application for pre-clearance of trade etc. shall be forwarded to the Compliance Officer of the Company.

The compliance officer of the company shall maintain the records of all reports / declarations in appropriate form for a minimum period of five years.

**Penalty:**

Violation of the above code of conduct will attract disciplinary action as per the rules of the Company. Disciplinary actions taken by the Company will not preclude SEBI from the invocation of penal provisions prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Compliance Officer of the Company is responsible for reporting any violation of the code of conduct to SEBI.

Any trade executed inadvertently or otherwise which is in violation of the code, the profit from such trade shall be liable to be remitted to the SEBI for credit of investor protection and education fund. The Compliance Officer of the Company is responsible for reporting any violation of the code of conduct to SEBI.

**Amendment:**

Board of Directors of the Company can amend this code as and when required.

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