



SHREYANS FINANCIAL & CAPITAL SERVICES LIMITED

(As approved by Board of Directors on 13th February, 2015 and modified on 29th May, 2015 and 28th May 2019)

Securities and Exchange Board of India (SEBI) has come up with a new set of regulation 'SEBI (Prohibition of Insider Trading) Regulation, 2015' which has been notified on 15th January 2015 and will be effective from 15th May, 2015. The 2015 regulation will repeal SEBI (Prohibition Insider Trading) Regulation 1992 which has remained the principle guideline over a decade, curbing the incidence of Insider Trading in listed securities.

In deference to the abovementioned Regulations **Shreyans Financial & Capital Services Limited** (hereinafter referred to as the Company), through its Board of Directors has formulated the following codes.

The 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company' has been made pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, hereinafter referred to as the "Regulations".

The 'Code of Conduct for Insiders of the Company' has been made pursuant to Regulation 9 of the Regulations.

These Codes shall be applicable to Directors/Officers/Connected Person/Designated Employees of **Shreyans Financial & Capital Services Limited** and their immediate relatives as defined herein and contravention of these Codes shall attract such sanctions and disciplinary actions as may be decided by the Board of Directors on case to case basis apart from the penalties under the Regulation/Act' which the Securities and Exchange Board of India could impose upon the defaulter.

I. Definitions (to be defined and applied as per the Regulations and further amendments notified by SEBI/other authorities etc, from time to time)

(i) "Act" shall mean Securities and Exchange Board of India Act' 1992.

(ii) "Board of Directors" means Board of Directors of **Shreyans Financial & Capital Services Limited** as constituted from time to time which will include any of its committees.



(iii) **"Companies Act"** shall mean Companies Act' 2013.

(iv) **"Compliance Officer"** means the Company Secretary for the time being of the Company or the Officer appointed by the Board of Directors of the Company for the purpose of these Codes and the Regulations.

(v) **"Connected Person"** means any person who is or has during six months prior to any concerned act has been associated with the company directly or indirectly, in any capacity which allows such person access to unpublished price sensitive information or is reasonably expected to allow such access. This will include officials and offices of professional firms such as Auditors, accountancy, secretarial and law firms, credit rating agencies, analysts, etc., advising the company.

(vi) **"Designated Employees"** shall mean all employees comprising the top three tiers of the Company's management, all employees in the Finance, Secretarial and Legal Departments of the company and group companies and such other employees who may be so designated, from time to time, by the Company for the purposes of this Code and who may be able to have access to any 'price sensitive information' as defined in this Code or the Regulations. Top three tiers of the Company's management shall mean and include Directors, Executive Directors and all departmental heads.

(vii) **"Generally available information"** shall mean all information of the company and its securities which are not unpublished and are accessible to the general public on a non- discriminatory basis. This will include published price sensitive information by the company and any report or news concerning the company or its securities published in any print or electronic media by a person other than the company or its agents.

(viii) **"Immediate relative"** means a spouse, parent, sibling and child of a Director, officer, designated employee or connected person of the company, any of whom is either dependent financially on him or consults him in taking decisions to trade in securities.

(ix) **"Investor Relations Officer"** means Company Secretary of the company who has been designated as such by the Board of Directors for the purpose of dealing with the dissemination of information and disclosure of unpublished price sensitive information.

(x) **"Insider"** means any designated employee or a connected person or an immediate



relative who is in possession of or having access to unpublished price sensitive information.

(xi) "**Officer of the Company**" means any person as defined in Clause (59) of Section 2 of the Companies Act.

(xii) "**Price Sensitive Information**" means information pertaining to the Company or its securities, which affects or is likely to materially affect the price of securities of the Company. Explanation: The following shall be deemed to be price sensitive information:- Periodical financial results of the Company; Intended declaration of dividends (Interim and / or Final); Issue of Securities or Buy-back of Securities; Any major expansion plans or execution of new projects; Company Projections and Strategic Plans, Amalgamation, merger or takeover; Disposal of the whole or substantially the whole of the undertaking; changes amongst key managerial personnel; Any significant changes in policies, plans or operations of the Company having material impact on the financials of the Company; Actual or threatened major litigation or the resolution of such litigation, material events as stated in the listing agreement with the stock exchanges.

(xiii) "**Securities**" shall mean Equity (Ordinary) Shares for the time being and all other securities of the Company to be issued from time to time and listed /to be listed in any Stock Exchange.

(xiv) "**Stock Exchange**" shall mean MCX Stock Exchange Limited for the time being or any such stock exchange which is recognized by the Central Government or SEBI under Section 4 of Securities Contracts (Regulation) Act, 1956, where any security of the company gets listed.

(xv) "**Takeover regulations**" shall mean the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

(xvi) "**Trade or Trading**" shall mean buying, selling, dealing, subscribing or agreeing to buy, sell or deal in any securities of the company. However, trade will not constitute off market transfers or transmissions due to execution of a gift or pursuant to orders of a court.

(xv) "**Trading Window**" means a trading period for trading in the Company's Securities as specified by the Company from time to time. All days shall be the Trading Period



except those days specified in this Code hereunder.

(xvi) "**Unpublished Information**" means information pertaining to the Company or its securities which is not published in any print or electronic media and otherwise not made available to general public on a non-discriminatory basis by the Company or its Agents.

Words and phrases not specifically defined herein shall have the same meaning as defined under the Act, Companies Act, and the Regulations as amended from time to time.

CODE OF FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION OF THE COMPANY

1. No employee or officer or connected person of the company who is in possession of any price sensitive information shall communicate, provide or allow access to such information to any other person including other employee or officer or connected person who generally or reasonably is not expected to require such information for performance of his duties, without prior advice of the Investor Relations Officer.
2. No employee or officer or connected person shall acquire or solicit any price sensitive information from any employee or officer or connected person unless required for performance of his duties.
3. The price sensitive information of the company should be handled as 'Need-to-Know' basis and access to confidential information is strictly restricted to those who have a proper requirement for the information consistent with his job-content. For this, information barriers ('Chinese Walls') which are designed to restrict information flows between different departments of the company is presumed to prevail so that information can be used by only relevant personnel without any conflict of interest.
4. The investor relations officer shall cause to make a clear demarcation between the generally available information and protected information of the company and inculcate among the employees dealing with price sensitive or protected information a sense of confidentiality.

5. All designated employees should maintain absolute confidentiality on any unpublished price sensitive information and shall not disseminate any such information without express permission of the Board of Directors or an advice from the Investor Relation Officer.
6. The investor relations officer shall check the credibility of any unpublished price sensitive information and upon instruction, cause prompt public disclosure of unpublished price sensitive information. For example the investor relations officer will cause to disseminate the financial results of the company promptly once these are approved by the Board of Directors and instructed to be published.
7. The investor relations officer shall disseminate all unpublished price sensitive information in all or any of the following platforms:
 - a) By a letter, fax or email to the Corporate Relations Manager of the Stock Exchange requesting hosting the information in its official website.
 - b) Hosting the information in the official website of the Company.
 - c) Publishing information in such print or electronic media as instructed by the Board of Directors.
 - d) In such other ways as instructed by the Board of Directors.
8. The investor relations officer shall make a prompt and fair response to any queries made by any investor on new report or information published by the company and addresses all queries or requests for verification made by any regulatory authority on any market rumors.
9. The investor relations officer shall ensure that information shared with analysts of the company is not unpublished price sensitive information.
10. The investor relations officer shall promptly host reports given by the analysts of the company in the official website of the company.
11. In any instance, where any insider knowingly or unknowingly discloses any unpublished price sensitive information to any outsider, they will promptly bring this to the notice of the Investor Relation officer to take such steps as are necessary to preserve the confidentiality of the information including requiring



the outsider to sign a confidentiality agreement.

12. Legitimate purposes:

Sharing of information with partners, collaborators, lenders, customers, suppliers, merchant banker, legal advisor, auditors, insolvency professional, other advisors or consultants, shall be considered as “legitimate purpose for the purpose of sharing unpublished price sensitive information in the ordinary course of business by an insider, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT regulations.

A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for legitimate purposes along with the permanent account number or any other identifier authorized by law where permanent account number is not available. Adequate and effective system of internal controls will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for said legitimate purposes.

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for the purposes of SEBI PIT regulations and such persons are also required to ensure the confidentiality of unpublished price sensitive information shared with them, in compliance with SEBI PIT Regulations.



CODE OF CONDUCT FOR INSIDERS OF THE COMPANY

- 1. Prohibited Trades:** No employee, officer or connected person of the company or their immediate relative shall trade in securities of the company while they are in possession of any unpublished price sensitive information.
- 2. Trading Window:** No designated employee or connected person or their immediate relatives shall trade in securities of the company when the **trading window** is closed.

In case of Trading Plan approved/communicated to stock exchanges - trading window shall remain closed for a period beginning with 20th trading day prior to the last day of any financial period for which results are required to be announced up to the 3rd trading day after publication of such financial results.

In case there is no trading plan – trading window shall remain closed from the date of announcement of board meeting for approval/to take on record the financial results up to 3rd trading day after publication of such financial results.

Other material events: Trading restriction period shall be applicable from the end of every quarter till 48 hours after the declaration of financial results.

- 3. Preclearance of Trade:** No designated employee or connected person or their immediate relatives shall trade in securities of the company aggregates to a traded value above Rs. 1,00,000/- in a single day without obtaining a **preclearance** from the compliance officer. However, such person shall not apply for pre-clearance of trades if he is in possession of unpublished price sensitive information even if the trading window is not closed. The compliance officer may seek declaration from the concerned person that he is not in possession with any unpublished price sensitive information. All pre cleared trades by a designated employee or connected person or their immediate relatives have to be concluded within 7 days of preclearance and should be reported to the compliance officer by email or facsimile transmission promptly upon execution of the trade but in no event later than the next business day after the execution of such trade. Further no designated employee or connected person or their immediate relatives shall execute a contra trade against pre cleared ones within a period of six months. The compliance officer is empowered to grant relaxation to preclearance or contra trade subject to the provisions of the Regulations but he will record the reasons in writing. The

existence of the process of preclearance does not in any way obligate the compliance officer or the Board of Directors to approve any particular trades. The compliance officer may reject any trading requests at his sole reasonable discretion. However, no preclearance is required where the trade is made pursuant to a trading plan formulated by the designated employee or connected person or their immediate relative and approved by the Compliance Officer. In case of dealing by the Compliance Officer pre-clearance from Managing Director shall be required. **(Format for Pre-clearance of trade- Annexure I)**

The requirements of pre-clearance of a proposed transaction shall not apply in the following cases:

-) In the event of participation of a public event i.e. a rights or a bonus issue.
-) In the case of any acquisition of shares through transmission of inheritance or like mode.
-) By way of any court settlement or award thereof.

4. Trading Plan: A designated employee or any connected person or their immediate relative who are perpetually in possession of un-published price sensitive information ***may opt*** for a **trading plan** to avoid accusations of insider trading. Such trading plan should set out the value of trades or number of securities in the company to be traded along with nature of trade and the intervals or dates on which the trades should be affected. A trading plan shall entail trading in the company's securities for a period not less than 12 months and should be presented before the compliance officer at least 7 months prior to the commencement of trade. However, no trading plan will be made for the periods when trading window is closed for publication of quarterly and annual results. The compliance officer shall check the trading plan to assess whether the plan would have any potential for violation of the regulations or the policy and shall be entitled to seek such express undertakings as may be necessary to enable such assessment. All trades executed within trading plan should be reported to the compliance officer by email or facsimile transmission promptly upon execution of the trade but in no event later than the next business day after the execution of such trade. Further concerned employee or related person will not be entitled to execute any other trade in company's securities outside the approved trading plan. **(Format for Trading Plan - Annexure II)**

5. Disclosures: Every promoter, employee, director and KMPs of the company holding



securities of the company shall disclose his holding in the company within 30 days of the regulations taking effect in prescribed format. Further every person being appointed a Director or Key Managerial Personnel in the company shall disclose his holding of securities in the company within 7 days of such appointment in prescribed format.

Furthermore, every promoter, employee, director and KMPs of the Company shall disclose to the Company, if the dealing/acquisition/sale/transfer of securities during a calendar quarter exceeds Rs. 10,00,000/- (Rupees Ten Lacs) within 2 trading days of dealing/acquisition/sale/transfer of securities. The Company shall notify these disclosures within 2 trading days of receipt of such disclosures to Stock Exchange(s) where the shares of the Company are listed.

Furthermore, every promoter, employee, director and KMPs of the Company shall annually disclose to the Company about the number of securities held by them within 30 days from the close of the Financial Year. **(Format for disclosures - Annexure III to VI)**

- 6. Implementation:** The compliance officer shall supervise the implementation of 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company' and 'Code of conduct for Insiders of the Company' and will ensure that all price sensitive information of the company shall be handled within the Organization on a need-to-know basis and such information shall not be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligation. The compliance officer shall report to the Board of Directors on implementation of the codes, any need for modification, or any contravention of the policy, at quarterly rests. Every designated employee or key managerial person shall declare adherence to the codes and confirm it in writing before the board of directors annually.

Miscellaneous

1. In case of any violation by insiders of SEBI (Prohibition of Insider Trading) Regulations, 2015, the SEBI shall be informed by the Company.
2. The Compliance Officer shall place before the Chairman of the Board on quarterly basis all the details of dealing in the securities by Designated Persons along with relevant documents.



3. The Compliance Officer shall maintain records of all declarations or information given by the Designated Persons for a minimum period of five years.

Communications and Amendments

The 'Procedure and Guidelines Governing Insider Trading' will be communicated to each designated employee, connected person and directors by email or by hand and will be displayed in the website of the company as well as to the Stock Exchange(s).

The Board of Directors shall have the full authority to amend or modify these guidelines and waive any procedural requirements of the Policies subject to the guidelines issued by Securities and Exchange Board of India from time to time.

Contravention

Any contravention of the code by the Designated Persons shall attract strictest disciplinary action including but not restricted to wage freeze, suspension etc. which shall be in addition to the sanctions for violation of these regulations by SEBI.