

SHRI DINESH MILLS LIMITED

(CIN – L17110GJ1935PLC000494)

P. B. No. 2501, Padra Road, Vadodara – 390 020

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CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

PART I

PRELIMINARY

- (1) The Code of Conduct for prevention of Insider Trading (“**the Code**”) is made to regulate, monitor and report the trading by the Insider.
- (2) The Code has been made pursuant to Regulation 9 of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 which would be effective from 15th May, 2015.
- (3) **Definitions: For the purpose of this Code –**
 - (a) “**Act**” means the Securities and Exchange Board of India Act, 1992 and any amendments thereto.
 - (b) “**Companies Act**” means the Companies Act, 2013 & Rules made thereunder and any amendments thereto.
 - (c) “**Stock Exchange**” means a stock exchange which is recognized of the Central Government or SEBI under Section of Securities Contracts (Regulation) Act, 1956 and any amendments thereto.
 - (d) “**Regulations**” means the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
 - (e) “**the Company**” means Shri Dinesh Mills Limited.
 - (f) “**Board of Directors**” means the Board of Directors of Shri Dinesh Mills Limited.
 - (g) “**Compliance Officer**” means – The Officer appointed by the Board of Director of the Company for the purpose of these Regulations from time to time who shall be responsible for compliance policies, procedures, maintenance of records, monitoring adherence to the Rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the CODEs specified in the SEBI (Prohibition of Insider Trading) Regulations, 2015 under the overall supervision of the Board of Directors of the Company.

- (h) **“Relatives”** means a person, as defined in Section 2(77) of the Companies Act, 2013 and any amendments thereto.
- (i) **“Trading Window”** means a trading period for trading in Company’s Securities as specified by the Company from time to time.
- (j) **“Insider”** means any person who is a connected person; or in possession of or having access to unpublished price sensitive information;
- (k) **“Connected Person”** means any person who is or has during 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 any employees of the Company or holds any position including 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.
- (l) **“Person is deemed to be a connected person”** if such person is falling within the following categories unless the contrary is established:
 - i. An immediate relative of connected persons specified in clause (h); or
 - ii. A holding company or associate company or subsidiary company; or
 - iii. An intermediary as specified in Section 12 of the Act or an employee or Director thereof; or
 - iv. A banker of the Company; or
 - v. A concern, firm, trust, Hindu Undivided Family, company or association of persons wherein a director of the company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest.
- (m) **“Immediate relative”** means a spouse of a person, and include parents, 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 of the Company.
- (n) **“Promoter”** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof.
- (o) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.
- (p) **“Specified”** means specified by SEBI in writing.
- (q) **“Takeover Regulations”** means SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 and any amendments thereto.

- (r) **“Trading”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly.
- (s) **“Trading Day”** means a day on which recognized Sock Exchanges are open for trading.
- (t) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.
- (u) **“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 following:-
 - (i) Financial Results;
 - (ii) Dividends;
 - (iii) Change in capital structure;
 - (iv) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - (v) Changes in Key Managerial Personnel; and
 - (vi) Material events in accordance with the listing agreement with the Sock Exchange
- (v) **“Designated Employees”** means - All employees who are Deputy General Managers and above and such other employee who may be so designated from time to time by the Chairman and Managing Director for the purpose of this Code.
- (w) **“Designated Person”** means Directors, Key Managerial Personnel and designated employees of the Company.
- (x) All other words and phrases not defined in this Code will have the meaning as defined in the SEBI Act, 1992, Securities Contracts (Regulations) Act, 1956, The Depositories Act, 1996 or The Companies Act, 2013 and Rules and Regulations made thereunder and any amendment thereto.

(4) Applicability of the Code: This Code will be applicable to the insider as defined in the Clause 3(j) of this Code of Conduct.

PART – II

RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

- (5) Communication or procurement of unpublished price sensitive information:**
 - (a) No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the 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.

(b) No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

(c) Notwithstanding anything contained in this regulation, unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction pursuant to Regulation 3 of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

(6) Trading when in possession of unpublished price sensitive information:

No insider shall trade in the equity shares of the Company when in possession of unpublished price sensitive information except as allowed under the Regulation 4(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

(7) Trading Plans:

- (1) An insider shall be entitled to formulate a trading plan pursuant to Regulation 5(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 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. No insider shall apply to the Compliance Officer for pre-clearance of Trading Plans during the closure of the Trading Window. No Insider shall execute contra-trade during the period of the Trading Plan which has been approved by the Compliance Officer of the Company.
- (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 insider shall mandatorily have to implement the plan pursuant to Regulation 5(4) of SEBI (Prohibition of Insider Trading) Regulations, 2015 without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- (4) Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

(8) Information on a Need to know basis & Chinese wall procedures:

- 8.1 All information shall be handled within the Organization on a need – to – know basis and 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 /her legal obligations.
- 8.2 To prevent the misuse of Unpublished Price Sensitive Information, the Company shall adopt a “Chinese Wall” policy which separates those areas of the Company which routinely have access to confidential information and considered to be “inside areas”, from other departments providing support services, considered to be “public areas”.
- 8.3 The Designated Persons in the inside areas shall not communicate any Unpublished Price Sensitive Information to anyone in the public areas.

PART– III

DISCLOSURES OF TRADING BY INSIDERS

(9) General Provisions:

- (1) The disclosure under this part shall be made in such form as may be specified from time to time.
- (2) The disclosures to be made by any person under this Part shall include those relating to trading by such person’s immediate relatives, and by any other person for whom such person takes trading decisions.
- (3) The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Part:

Provided that trading in derivatives of securities is permitted by any law for the time being in force.

- (4) The disclosures made under this Part shall be maintained by the company, for a minimum period of five years, in such form as may be specified. 0

(10) Disclosures by certain persons:

(1) Initial Disclosures:

- (a) Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company shall disclose his equity share holding in the Company as on 15th May, 2015, to the Compliance Officer within thirty days from 15th May, 2015 in **Form No."A"**
- (b) Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his equity share holding in the Company as on the date of the appointment or becoming a Promoter, to the Compliance Officer within seven days of such appointment or becoming a Promoter in **Form No."B"**

(2) Continual Disclosures:

- (a) Every Promoter, Employee and Director of the Company shall disclose to the Compliance Officer in **Form No."C"** the number of equity shares acquired or disposed of within two trading days of such transaction, if the value of the equity shares traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in **excess of Rs. Ten Lacs or such other value as may be specified;**
- (b) The Company shall notify the particulars of such Trading to BSE Ltd. within two trading days of receipt of the disclosure or from becoming aware of such information.

(3) Disclosures by other connected persons:

The Company may requires other connected persons who is holding equity shares of the Company, to make disclosures of their share holding and trading in securities of the Company in **Form No."D"** within 7 days, if

the value of the equity shares traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in **excess of Rs. Ten Lacs or such other value as may be specified.**

(11) Compliance of the Trading Restrictions: Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company shall be subject to Trading restrictions in the following manner:-

(a) The Trading window: The Trading Window will be closed before 21 days of the happening of the following events and shall remain closed 48 hours after the publication of the price sensitivity information i.e.

- (i) Declaration of Financial Results (Quarterly, Half Yearly & Annual)
- (ii) Declaration of Dividends (Interim & Final)
- (iii) Issue of securities by way of Public/ Rights /Bonus etc.
- (iv) Any major expansion plan or execution of new project
- (v) Amalgamation, Mergers, takeovers or any buy back.
- (vi) Disposal of the whole or substantially the whole of the undertaking.
- (vii) Any major change in policies, plans or operation of the Company.

(b) Restriction on Trading during the Closure of Trading Window:

Every promoter, key managerial personnel, director and designated employee of the company shall not deal in the equity shares of the Company during the Closure of the Trading Window.

(c) Pre-clearance of Trading Plans:

- i. Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company and the Persons deemed to be connected persons as per this Code intending to buy/sell equity shares of the Company will have to submit the trading plan(s) in the **Form No."E"** at least six months prior to the start of the trading to the Compliance Officer of the Company for the prior approval.
- ii. Only after receiving the prior approval, the transaction should be carried out strictly as per the Trading plan(s) approved by the

Compliance Officer of the Company and no contra-trade is to be executed within six months of such trade.

iii. The Compliance Officer will disclose the Trading plan(s) approved by him to the BSE Ltd. immediately.

iv. The Trading plan(s) once approved by the Compliance Officer of the Company shall be irrevocable and the concern person shall have to mandatorily carry out the Trades within the time limit as approved by the Compliance Officer of the Company. No Trade(s) shall be executed during the closure of the Trading window.

(12) Violation of the Code:

(a) Every Promoter, Key Managerial Personnel, Director and Designated Employee of the Company and the persons deemed to be connected persons as per this Code who violates any of the provisions of this Code will be penalized and appropriate action will be taken against them by the Company after giving reasonable opportunity to them to show cause. They shall also be subject to disciplinary action including wage freeze, Suspension, in-eligibility for future participation in E.S.O.P. etc.

(b) If the Insider deals in the equity shares of the Company, violating the Code, the Compliance Officer will confidentially maintain the list of the same.

(c) In addition to the action which may be taken by the Company, the persons violating this Code will also be subject to any penal action by SEBI as per SEBI Act and the Company shall inform the same to the SEBI promptly.

(13) The Compliance Officer of the Company shall report to the Board of Directors and the Chairman of the Audit Committee of the Company about the compliance of the Code on quarterly basis.

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 No., 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 Shareholding	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 (see note below)	No.		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	

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015. Type of Security : For eg. – Shares, Warrants, Convertible Debentures etc.

Signature:

Designation:

Date:

Place:

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 No., 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 at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/ appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/ appointment of Director/KMP	
			Type of security (see note below)	No.		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	

Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015. Type of Security: For eg. – Shares, Warrants, Convertible Debentures etc.

Signature:

Designation:

Date:

Place:

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 No., 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 (see note below)	No.	Type of security (see note below)	No.	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)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015. Type of Security : For eg. – Shares, Warrants, Convertible Debentures etc.

Signature:

Designation:

Date:

Place:

FORM D**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015****Regulation 7(3) – Transactions by Other connected persons as identified by the company**

Name, PAN No., CIN/DIN & address of connected persons, as identified by the Company with contact nos.	Connection with Company	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 on 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 (see note below)	No.	Type of security (see note below)	No.	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)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Type of Security : For eg. – Shares, Warrants, Convertible Debentures etc.

Name:

Signature:

Date:

Place:

FORM - E

[PROFORMA OF APPLICATION FORM TO BE SUBMITTED TO COMPLIANCE OFFICER FOR PRE-CLEARANCE OF TRADE, PRE-CLEARANCE ORDER AND CONFIRMATION]

To
Compliance Officer
Shri Dinesh Mills Ltd.
CIN: L17110GJ1935PLC000494
Vadodara - 390020

Sub: Approval for pre-clearance of trade

I _____, the undersigned Designated Person of the Company holding _____ Equity Shares (including Shares held by my immediate relatives) intend to deal in the Equity Shares of the Company exceeding the threshold limit as provided under the Code of Conduct to Regulate, Monitor and Reporting of Trading by Insiders.

I am having demat account with _____. My client ID No. is _____ and DPID No. is _____. I wish to buy / sell _____ Equity Shares of Shri Dinesh Mills Ltd.

I hereby undertake that,

- (a) I do not possess any "Unpublished Price Sensitive Information" in relation to the Securities of Shri Dinesh Mills Limited.

In the event that I have access to or receive Unpublished Price Sensitive Information after signing of this undertaking but before the execution of the transaction for which I have sought pre-clearance, I shall inform the Compliance Officer of Shri Dinesh Mills Ltd.

- (b) In the event that I have access to or receive Unpublished Price Sensitive Information after signing of this undertaking but before the execution of the transaction for which I have sought pre-clearance, I shall inform the Compliance Officer of Shri Dinesh Mills Limited about the change in my position and that I would refrain from trading in the Securities so pre-cleared, till the time such information becomes public.
- (c) That I have not contravened the Code of Conduct to Regulate, Monitor and Report trading by Insiders as notified by Shri Dinesh Mills Ltd. from time to time.
- (d) That I have made a full and true disclosure in the matter.
- (e) I hereby declare that I shall execute my order in respect of securities of Shri Dinesh Mills Ltd. within seven trading days after the pre-clearance is given. If the order is not executed within seven trading days after the approval is given, I shall obtain pre-clearance for the transaction again.

Please approve proposed trading in securities of Shri Dinesh Mills Ltd.

Thanking you,

Yours faithfully,

Signature :

Name :

Designation :

Date :

PRE CLEARANCE ORDER

Designated Person
Address

This is to inform you that your request for trading in _____ (numbers) of shares of Shri Dinesh Mills Ltd. as mentioned in your abovementioned application is approved. Please note that the said transaction must be completed on or before _____ (date), that is within seven trading days from today and you shall not enter in to the contra-trade within the 6 months of such trade.

For Shri Dinesh Mills Limited,

Compliance Officer
M. No.
Date:

CONFIRMATION

To
The Compliance Officer,
Shri Dinesh Mills Ltd.
CIN: L17110GJ1935PLC000494
Vadodara - 390020

I confirm that the share trading for which approval was granted on _____ was completed on _____ to buying / selling _____ (numbers) securities of the Company and I shall not enter in to the contra trade within the 6 months of such trade.

Signature :

Name :

Designation :

Date :