

Code of Conduct for Prevention of Insider Trading

This Code has been designed to fulfill the responsibility cast on the Company by the Insider Trading Regulations, 1992 as amended on 20th February, 2002. (hereinafter referred to as "the regulations")

In pursuance of these new Regulations, the following Code of Internal Procedure & Conduct is notified. This code comes into effect with immediate effect.

The Objectives of this Code are as follows :-

1. Laying down the policy of the Company in relation to insider trading
2. Setting the policies, procedures and monitoring adherence to the rules for preservation of "Price Sensitive Information".
3. Laying down the criteria for identification of 'Designated Employees' as defined in the Insider Trading Regulations.
4. Laying down the procedures for pre-clearing the trades of the Directors, Officers and designated employees
5. System for monitoring compliance of Insider Trading Regulations by the Board of Directors
6. Defining the powers of the compliance officer for discharging his duties under this Code.

1. Definitions

In addition to the definitions provided by the Regulations, the following are the definitions relevant for the purpose of this Code

1. Compliance Officer : It means the Company Secretary of the Company appointed under the provisions of the Companies Act, 1956 who shall report to the Shareholders/Investors Grievance Committee.
2. Officer : It includes any Director, Manager, or Secretary or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act.
3. Designated Employees : In relation to the Company, the designated employees shall mean the following :-
 - i) All Presidents
 - ii) All Vice Presidents
 - iii) All Associate Vice Presidents
 - iv) Company Secretary
 - v) Members of Business Leadership Teams
 - vi) All Chief Financial Officers
4. Family Members shall include spouse, dependent children and dependent parents.

5. Share : It means a share issued by the Company and which is listed and capable of being traded on any recognised stock exchange in India or abroad.
6. Trading Window : The Compliance Officer shall specify a trading period to be called trading window for trading in Company's shares by Directors and Designated Employees

2. Rules for preservation of Price Sensitive Information

The general rules for dealing with the price sensitive information are as follows :-

- i) The information which is to be treated as price sensitive should be identified by the Board of Directors as such.
- ii) The aforesaid information should be shared only on a need to know basis.
- iii) If such information is comprised in one or more documents, then the original documents should be kept under the custody of the head of the department from which it has originated and in case it originates from one of the divisions, the Chief Operating Officer of the division.
- iv) No photocopies of the aforesaid documents may be taken without the prior written approval of the head of department or the Chief Operating Officer, as the case may be.
- v) The word "Confidential" must be written in bold letters across the first page of the said document.
- vi) Employees/Directors shall maintain the confidentiality of all price sensitive information and shall not pass on such information to any person directly or indirectly by making a recommendation for the purchase or sale of shares.
- vii) 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.
- viii) All non-public information directly received by any employee should immediately be reported to the head of the department.
- ix) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

3. Responsibility of Compliance Officer

The Compliance Officer shall be responsible for :-

- i) setting the policies and procedures for adherence to this Code.
- ii) monitoring the adherence to rules for preservation of the price sensitive information.
- iii) Pre-clearing of Directors, Officers, designated employees' and their dependent trades.
- iv) Implementation of code of conduct under overall supervision of the Board.
- v) Maintenance of record of the designated employees and any changes in the list of designated employees.

- vi) Assisting all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and this Code of Conduct.

4. **Disclosure of shareholding/change etc.**

All Directors and officers of the Company shall make disclosure of the number of shares acquired by them whether by way of allotment or purchase from the market within 4 working days of such acquisition/receipt of intimation of allotment and in case of a new Director/officer, within 4 working days of his/her becoming a Director/Officer of the Company.

All Directors and Officers shall disclose to the Company within 4 working days any change in their shareholding from the last disclosure, if the change exceeds :

- i) Rs. 5,00,000/- in market value or
- ii) 25,000 units; or
- iii) 1% of the total shareholding or voting rights

whichever is lower

All Directors, Officers and Designated Employees shall provide the following details of their shares transactions including the statement of dependent family members to the Compliance Officer :-

- i) all holding in shares of the Company at the time of joining/appointment in the Company.(Annexure I)
- ii) A quarterly statement of any transactions in shares of the Company including the transactions where the pre-clearing was obtained.
(Annexure II)
- iii) annual statement of holding in shares as on 31st March of every year.
(Annexure III)

5. **Pre-clearing of Trades**

All Directors/Officers and designated employees who intend to deal in shares exceeding 25000 or where transaction value of the shares intended to be dealt exceeds Rs. 5 lacs, whichever is lower, in a period of 30 days on their behalf and/or on behalf of their dependent family members shall take pre-clearance of the transactions from the compliance officer as per procedure and in the format prescribed (Annexure IV) and they shall be bound to make full disclosure of the information as mentioned in the said format and execute necessary undertaking (Annexure V) as prescribed under the Regulations.

6. **Dealing with/Handling of Price Sensitive Information**

All Directors and Designated Employees shall maintain complete confidentiality and shall not make use of any price sensitive information in their possession for other than official purposes or in the ordinary course of business of the Company and shall not pass on such information to any person directly or indirectly by way of making recommendation for the purchase/sale of shares and shall take all necessary precautions to avoid/prevent the same becoming public.

All files containing confidential information shall be kept secured, including computer files with adequate security with login and password etc.

7. No trading period

The trading window shall remain closed for the period commencing from 7 days prior to the date of the Board meeting at which the price sensitive information is to be considered and shall open after the expiry of 24 hours from the conclusion of the said Board meeting.

No transaction in shares of the Company shall be done by any Director or Designated Employee or their dependent family members during the period the trading window is closed.

Trading window shall be closed during the period the price sensitive information is unpublished and /or such period as is notified by the compliance officer, from time to time. No trading shall, however, be done during one week prior to the consideration of any matter pertaining to price sensitive information by the Board of Directors.

Trading window shall open 24 hours after the price sensitive information referred to above is made public.

8. Maintenance of Records and Reporting by Compliance Officer

The compliance officer shall maintain records of all the declarations given to him and clearances given by him for dealing in shares for a minimum period of three years from the respective dates.

The compliance officer shall place before the Shareholders/Investors Grievance Committee on monthly basis all the details of the dealing in shares alongwith the documents executed in terms of the code of conduct.

9. Penalty for contravention of code of conduct

Any Designated Employee who trades in shares or communicates any information for trading in shares, in contravention of the code of conduct may be penalised, which may include wage freeze, suspension, ineligibility for future participation in employees stock option plans etc.

Any Director including a Managing Director, who trades in shares or communicates any information for trading in shares, in contravention of the code of conduct may be penalised by the Board of Directors in its absolute discretion.

Any action taken by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), regulations, 1992.

In case of any conflict between the provisions of the Code and SEBI (Prohibition of Insider Trading), regulations, 1992, the latter shall prevail.

In addition to the aforesaid Code, all concerned, including Directors and Designated Employees shall be governed by SEBI (Prohibition of Insider Trading), regulations, 1992 and other regulations as may be notified by SEBI, from time to time.

The Compliance Officer
SRF Limited
A-16, Aruna Asaf Ali Marg,
Outab Institutional Area
New Delhi – 110 067

Dear Sir,

Disclosure of Shareholding

I am providing herewith the details of myself and my dependent family members which are as follows :-

S.No.	Name	Age	Relationship with employee	Address

In compliance with the SEBI (Prohibition of Insider Trading), Regulations, 1992, I am providing herewith the details of shares held in the Company by myself and dependent family members

S. No.	Name of shareholder	Folio No./ Client ID no. and DP ID No.	Relationship with the Employee	No. of shares
Total				

I have received a copy of the Code of Conduct for Prevention of Insider Trading and hereby agree to abide by the clauses incorporated therein, perused and understood the implications arising on account of trading in shares by me and my dependent family members and the procedure to be followed for dealing in the shares of the Company.

I on behalf of myself and my dependent family members, hereby agree to abide by all the provisions and procedures prescribed in the Code of Conduct for Prevention of Insider Trading.

Kindly take the above information on your record.

Thanking you,

Yours faithfully

(Name of Employee)

Employee No.

Annexure II

The Compliance Officer
SRF Limited
A-16, Aruna Asaf Ali Marg,
Outab Institutional Area
New Delhi – 110 067

Dear Sir,

Disclosure of change in the Shareholding

I am enclosing herein, a statement of transactions in the shares of the Company for the quarter ended _____, done by myself and/or my dependent family members as under :-

S. No	Name of shareholder	Folio No./ Client ID no. and DP ID No.	Relationship	Date of transaction	Purchase/Sale	No. of Shares	Consideration (Rs.)

I certify and confirm that none of the above dealings by me and my dependent family members have been effected when in possession of unpublished price sensitive information.

Kindly take the above information on your record.

Thanking you,

Yours faithfully

Employee No.

The Compliance Officer
 SRF Limited
 A-16, Aruna Asaf Ali Marg,
 Outab Institutional Area
 New Delhi – 110 067

Dear Sir,

Disclosure the Shareholding as on 31.3.

I am enclosing herein, the shareholding in the Company as on _____ for self and/or my dependent family members as under :-

S. No.	Name of shareholder	Folio No./ Client ID no. and DP ID No.	Relationship	Shareholding as on 31.3.	Shareholding as on 31.3.
Total					

I hereby confirm that during the year _____, I have not communicated, counseled or procured, directly or indirectly any unpublished price sensitive information to any person (except in the ordinary course of business or under any law) and that I have not violated any clause of the Code of Conduct for Prevention of Insider Trading of the Company.

Kindly take the above information on your record.

Thanking you,

Yours faithfully

(Name of Employee)
 Employee No.

Annexure IV

The Compliance Officer
SRF Limited
A-16, Aruna Asaf Ali Marg,
Qutab Institutional Area
New Delhi – 110 067

Re : Pre-clearance of Trades

Sir,

You are requested to give your approval to the following trades intended to be executed by me/my dependents as per the details provided below :-

Name of Person	Folio/ Client Id and DP Id	Relationship	No. of Shares	Purchase/Sale	Shareholding	Date of intended transaction
Total						

The required undertaking is enclosed herewith.

Kindly accord your approval to the above transaction.

Thanking you,

Yours faithfully

Undertaking
(Non-judicial stamp paper of Rs. 100/-)

The Compliance Officer
SRF Limited
A-16, Aruna Asaf Ali Marg,
Outab Institutional Area
New Delhi – 110 067

Sir,

I hereby undertake that :-

1. I do not have any access and/or has not received any price sensitive information as defined in the SEBI (Prohibition of Insider Trading), Regulations, 1992.
2. If I receive or have access to price sensitive information after signing this undertaking but before the execution of the transaction as contemplated in my letter no. dated , I shall inform you of the same and shall not deal in the shares of the Company till the time such information becomes public.
3. I had not contravened the code of conduct for prevention of insider trading as notified by the Company.
4. I had made a full and true disclosure as is required by the SEBI (Prohibition of Insider Trading), Regulations, 1992 and the code of conduct for prevention of insider trading as notified by the Company.

I understand that in case this undertaking is found to be incorrect in any material respect, the penalties prescribed in the SEBI (Prohibition of Insider Trading), Regulations, 1992 and the Code for Prevention for Insider Trading may be attracted.

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