

## Code of Conduct for Prevention of Insider Trading

The Securities and Exchange Board of India (SEBI) has notified the SEBI (Prohibition of Insider Trading) Regulations, 2002 (hereinafter referred to as "Regulations") dealing, inter alia, with buying and selling of securities of the Company by employees / directors.

### **Objective**

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every Director, Officer, Designated Employee and Connected person of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. No Director, Officer, Designated Employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating / or counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

To achieve these objectives, **Sezal Glass Limited** (hereinafter referred to as "the Company") hereby notifies that this code of conduct is to be followed by all Directors, Officers, Designated Employees and connected persons.

### **1. Definitions:**

a. "**Connected Person**" means any person who-

(i) is a director, as defined in clause (13) of section 2 of the Companies Act, 1956 (1 of 1956), of the company, or is deemed to be a director of the company by virtue of sub-clause (10) of section 307 of the Companies Act, 1956; or

(ii) Occupies the position as an officer or an employee of the Company; or

(iii) holds a position involving a professional or business relationship between himself and the Company whether temporary or permanent [including consultants, advisors, statutory and internal auditors, relatives of all directors and officers] and who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company.

Explanation: For the purpose of this definition, the words "connected person" shall mean any person who is a connected person six months prior to an act of insider trading.

b. '**Insider**' means any person who,

i. is or was connected with the Company or is deemed to have been connected with the Company, and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company, or

ii. has received or has had access to such unpublished price sensitive information.

- c. **'Price Sensitive Information'** means any information, which relates directly or indirectly to the Company and which if published is likely to materially affect the price of securities of the Company.

The following shall be deemed to be price sensitive information:-

- i. periodical financial results of the Company;
  - ii. Intended declaration of dividends (both interim and final);
  - iii. Issue of securities or buy-back of securities;
  - iv. Any major expansion plans or execution of new projects;
  - v. amalgamation & mergers or takeovers;
  - vi. Disposal of the whole or substantial part of the undertaking;
  - vii. Disruption of operations due to natural calamities.
  - viii. Any significant changes in policies, plans or operations of the Company,  
Such as:
    - (a) Commencement of any new commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;
    - (b) Developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
    - (c) Litigation/dispute with a material impact;
    - (d) Revision of credit ratings assigned to any debt or equity instrument of the company;
    - (e) Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.
- d. **'Relative'** means a person who shall be deemed to be a relative of another, if, and only if, that person is his/her;
- (a) **Spouse**
  - (b) **Minor Children**
  - (c) **Dependant Parents**
  - (d) **Dependant Brothers/Sisters**
- e. **'Unpublished Information'** means information which is not published by the company or its agents and is not specific in nature.
- f. **'working day'** shall mean the working day when the regular trading is permitted on the concerned stock exchange where securities of the company are listed

**Explanation:** Speculative reports in print or electronic media shall not be considered as published information.

## 2. Compliance Officer

- 2.1 The Company has appointed Mr. Ashwin S. Shetty (Company Secretary of the Company) as the Compliance Officer. He reports to the Chairman and Managing Director of the Company.
- 2.2 The Board makes Compliance Officer responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' and their dependents' trades (directly or through respective department heads), monitoring of trades and the implementation of the code of conduct under the superintendence and control of the Board of Directors of the Company.
- 2.3 Compliance Officer will maintain a record of the designated employees and any changes made in the list of designated employees.
- 2.4 Compliance Officer will assist all the employees in addressing any clarification regarding the SEBI (Prohibition of Insider Trading) Regulations, 1992 and the Company's code of conduct.

**Explanation: - Designated** employee shall include

1. Employees in the top three tiers of management;
2. All Employees in finance department irrespective of any designation and grade;
3. Employee designated by the Board of Directors from time to time to whom the trading restriction shall be applicable;

## 3 Preservation of "Price Sensitive Information"

- 3.1 Employees/directors shall maintain the confidentiality of all Price Sensitive Information. Employees/ Directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
- 3.2 Need to know: - Unpublished Price Sensitive Information will be handled on a "need to know" basis i.e., Unpublished Price Sensitive Information shall 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 non-public information directly received by any employee shall be immediately reported to the head of department.
- 3.3 Limited access to the confidential information:-  
  
Files containing confidential information will be kept secure. Computer files will have adequate security of login and password etc.

**Explanation: - Price Sensitive Information means**

Any information which relates directly or indirectly to the Company and which if published is likely to materially affect the price of the Securities of the Company.

The following shall be deemed to be **Price Sensitive Information**:

1. Periodical financial results of the Company.
2. Intended declaration of dividend (both interim and final)
3. Issue of Securities or Buy Back of Securities.
4. Any major expansion plans or execution of new projects.
5. Amalgamation, mergers or takeover.
6. Disposal of the whole or substantial part of the undertaking.
7. Any significant changes in policies, plans or operation of the Company.
8. Disruption of operations due to natural calamities.
9. Litigation/ dispute with a material impact.
10. Revision of any credit rating assigned to any debt or equity instrument of the Company.
11. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company.

**4 Prevention of misuse of “Price Sensitive Information”**

4.1 All directors/officers and designated employees of the Company will be subject to trading restrictions as enumerated below:-

**4.2 Trading window**

- 4.2.1 The trading period, to be called “Trading Window”, for trading in the Company’s securities will be period 7 days prior to the day on which the price sensitive information is published and 24 hours after the price sensitive information is published. The trading window will be closed during the time the information referred to in para 4.2.3 (i.e Price Sensitive Information) is unpublished.
- 4.2.2 When the trading window is closed, the directors/officers/ designated employees shall not trade in the Company’s securities during such period.
- 4.2.3 The trading window will be closed, inter alia, at the time of :-
  - a. Declaration of financial results of the Company (quarterly, half-yearly and annual).
  - b. Declaration of Dividend (Interim & Final)
  - c. Issue of securities by way of public/ rights. Bonus etc.
  - d. Any major expansion plans or execution of new projects.
  - e. Amalgamation, mergers, takeovers and buy back.
  - f. Disposal of whole or substantially whole of the undertaking.

- 4.2.4 The trading window will be opened 24 hours after the information referred to in para 4.2.3(i.e Price Sensitive Information) is made public.
- 4.2.5 All directors/ officers/ designated employees of the company shall conduct all their dealing in the securities of the company only in a valid trading window and shall not deal in any transaction involving the purchase or sale of the company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.
- 4.2.6 In case of ESOPs, exercise of option may be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs will not be allowed when trading window is closed.

### **4.3 Pre-clearance of trades**

- 4.3.1 All directors/officers/designated employees of the company who intend to deal in the securities of the company (above a minimum threshold limit of 5000 shares) should pre-clear the transactions as per the pre-dealing procedure as described hereunder.
- 4.3.2 An application may be made in Form 'I' to the Compliance Officer indicating the estimated number of securities that the designated employee/ officer / director intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.
- 4.3.3 An undertaking in Form II shall be executed in favour of the Company by such designated employee/Director/officer incorporating, inter alia, the following clauses, as may be applicable:
  - a) That the employee/director/officer does not have any access or has not received "Price sensitive information" up to the time of signing the undertaking.
  - b) That in case the employee/director/officer has access to or receives "Price sensitive information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
  - c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
  - d) That he/she has made a full and true disclosure in the matter.

- 4.3.4 The Compliance officer shall, on receiving an application, provide an acknowledgement on the duplicate of the application to the employee/director/officer as the case may be.
- 4.3.5 The Compliance officer shall grant approval in Form III within 2 days from the date of acknowledgement.
- 4.3.6 The Compliance officer shall retain copies of all applications and acknowledgements.
- 4.3.7 In exceptional circumstances, consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the possession of any unpublished price sensitive information. There shall be no obligation to give reasons for any withholding of consent.

## **5 Other restrictions**

- 5.1 All directors/officers / designated employees shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the employee / Director must pre-clear the transaction again.
- 5.2 All directors / officers / designated employees shall hold their investments in securities for a minimum period of six months in order to be considered as being held for investment purposes. The holding period shall be 30 days in the case of subscription in the primary market (IPOs). In the case of IPOs, the holding period would commence when the securities are actually allotted.
- 5.3 In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his/her reasons in this regard. An application for waiver of holding period shall be made to the Compliance officer in Form 'IV'.

## **6 Reporting Requirements**

### **6.1 Initial Disclosure**

- 1. Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the Company in Form A, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of:-
  - a. the receipt of intimation of allotment of shares; or
  - b. the acquisition of shares or voting rights, as the case may be.
- 2. Any person, who is a director or officer of a listed company, shall disclose to the Company in Form B, the number of shares or voting rights held and positions taken in derivatives by such person and his dependents (as defined

by the company) within 2 working days of becoming a director or officer of the company.

## **6.2 Continual Disclosure**

1. Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the Company in Form C, the number of shares or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made under sub-regulation (1) or under this sub-regulation; and such change exceeds 2% of total shareholding or voting rights in the Company.
2. Any person who is a director or officer of a listed company, shall disclose to the Company and the stock exchange where securities are listed in Form D, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person and his dependents (as defined by the Company) from the last disclosure made under sub-regulation (2) or under this sub-regulation, and the change exceeds Rupees 5 lac in value or 5,000 shares or 1% of total shareholding or voting rights, whichever is lower.
3. The disclosure mentioned in sub-regulations (1) and (2) shall be made within two working days of;
  - a. the receipt of intimation of allotment of shares, or
  - b. the acquisition or sale of shares or voting rights, as the case may be.
4. The Company, within two working days of receipt, shall disclose to all stock exchanges on which the Company is listed, the information received under regulation 6.
5. The disclosures required under this regulation may also be made through electronic filing in accordance with the system devised by the stock exchange.

## **6.3 Half Yearly/ Annual Disclosure**

All directors/officers /designated employees of the listed company shall be required to forward following details of their Securities transactions including the statement of dependent family members (as defined by the company) to the Compliance officer:

- a. all holdings in securities of that company by directors/officers /designated employees at the time of joining the company;
- b. periodic statement of any transactions in securities whether pre-clearance of trades was obtained or not, on a Half Yearly basis within 15 days from the end of half year, in Form 'V'
- c. annual statement of all holdings in securities as on 31<sup>st</sup> March of each year, before 30<sup>th</sup> April of that year, in Form 'VI'.

- 6.4 The compliance officer shall maintain records of all the declarations in the appropriate Form given by the directors/officers/designated employees for a minimum period of three years.
- 6.5 The Compliance Officer shall place before the Managing Director, on a monthly basis all the details of the dealing in the securities by employees/director/officer of the company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

## **7 Penalty for contravention of code of conduct**

- 7.1 Any employee/officer/director who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct, may be penalised and the company may take appropriate action.
- 7.2 Employees/officers /directors of the Company who violate the code of conduct shall be subject to disciplinary action by the company, which may include wage freeze, suspension, ineligibility for future Employee stock option plans, etc.
- 7.3 The action by the Company will not preclude SEBI from taking any action in case of Violation of SEBI (Prohibition of Insider Trading), Regulations, 1992.

## **8 Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 1992**

In case it is observed by the company / compliance officer that there has been a violation of SEBI (Prohibition of Insider Trading), Regulations, 1992, SEBI will be informed by the company.

**FORM 'I'**

Date:

To  
The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

**Preclearance of trade in Company's Securities.**

Dear Sir,

I have been identified by the Company as Designated Employee/ Officer/ Director for the purpose of Insider Trading Code. I intend to Buy/Sell \_\_\_\_\_ no of equity shares / debentures / other securities of the Company on \_\_\_\_\_200\_ at a proposed price of \_\_\_\_\_.Please grant approval for the same.

I am holding Shares in Physical/ Demat mode.

Client Id    Name of Depository                      Branch            (Shares are held in Demat form.)

Please acknowledge the receipt of this application.

Thanking you,

Signature  
Name:-

**FORM II**

**UNDERTAKING**

In respect of above dealing, I undertake that:

- a. I have no access or nor do I have any information that could be constructed as "Price Sensitive Information" up to the time of signing the undertaking.
- b. In the event I have access to or received "Price Sensitive Information" after the signing of this undertaking but before the execution of the transaction for which approval is sought, I shall inform the Compliance officer of the change in the position and shall completely refrain from dealing in the securities of the company till the time such information becomes public.
- c. I have not contravened the code of conduct for prevention of insider trading as notified by the company from time to time.
- d. I have made a full and true disclosure in the matter.

Place:

Date:

Signature

**FORM III**

**PRE – CLEARENCE ORDER**

This is to inform you that your request for dealing in \_\_\_\_\_ (no.) of shares of the Company as mentioned in your application is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ (date) that is within one week from today.

Date:

**For Sezal Glass Limited**

Compliance Officer

**FORM 'IV'**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

**Waiver of holding period for Securities**

Sir,

I have been identified as a Designated Employee/Officer/Director/ of the Company for the purpose of Insider Trading Code. I have purchased\_\_\_\_\_ equity shares on \_\_\_\_\_,200\_. Due to the below mentioned reason, I wish to sell the securities before the end of six months/30 days from the date of purchase. Please grant me waiver with respect to the holding of securities for minimum period of six months/30 days.

Reason: (mention the reason for anticipating the waiver)

Thanking you,

Signature

Name:-

**FORM 'A**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(1) and (6)]

Regulation 13(1) - Details of acquisition of more than 5% shares in a listed company

Name, PAN No. & Address of Shareholder with telephone number	Shareholding Prior to acquisition	No. & % of shares/ voting rights acquired	Date of receipt of allotment advice/ Date of acquisition	Date of intimation to company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)	Shareholding subsequent to acquisition	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value
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Signature:

Name:

**FORM 'B'**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(2) and (6)]

Regulation 13(2)— Details of shares held by Director or Officer of a Listed company

Name, PAN No. & Address of Director / Officer  Shareholder with telephone number	Date of assuming office of Director / Officer	No. & % of shares/ voting rights held at the time of becoming Director / Officer	Date of intimation to company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value
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Signature  
Name:-

**FORM 'C**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(3) and (6)]

Regulation 13(3)— Details of change in shareholding in respect of persons holding more than 5% shares in a listed company

Name, PAN No. & Address of Shareholders	Shareholding prior to acquisition sale	No. & % of shares/ voting rights acquired / sold	Receipt of allotment advice/ acquisition of shares / sale of shares specify	Date of intimation to company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)	No. & % of shares/ post acquisition/ sale	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value	Sell quantity	Sell value
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Signature  
Name:-

**FORM 'D'**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992

[Regulation 13(4) and (6)]

Regulation 13(4)— Details of change in shareholding of Director or Officer of a Listed Company

Name, PAN No.& Address of Director/ Officer	No. & % of shares/ voting rights held by the Director/ Officer	Date of receipt of allotment advice/ acquisition/ sale of shares/ voting rights	Date of intimation to company	Mode of acquisition (market purchase/ public/ rights/ preferential offer etc.)	No. & % of shares/ post acquisition/ voting rights sale	Trading member through whom the trade was executed with SEBI Registration No. of the TM	Exchange on which the trade was executed	Buy quantity	Buy value	Sell quantity	Sell value
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Signature  
Name:-

**FORM 'V'**

Date:

To  
The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

Half Yearly DISCLOSURE  
For the period ended- \_\_\_\_\_

I have been identified as Designated Employee/ Officer/ Director during the Half year ended\_\_\_\_ I and my dependent family members have made the following transaction in the Equity Shares of the Company

Folio No./Client ID	Name and relation	No. of Shares	Nature of Transaction	Pre-clearance taken (Yes/No)

Thanking you,

Signature  
Name:-

**FORM 'VI'**

Date:

The Compliance officer,  
**Sezal Glass Limited**  
201/202, 2<sup>nd</sup> Floor,  
Abhilasha, S. V. Road,  
Kandivali (West),  
Mumbai- 400 067

ANNUAL DISCLOSURE

I have been identified as Designated Employee/ Officer/ Director, as on 31<sup>st</sup> March \_\_\_\_ my holdings in the Equity shares Capital of the Company are as under:

Folio No/ Client Id	No. of Shares

Thanking You

Signature  
Name:-