

SIMBHAOLI SUGARS LIMITED



(Formerly known The Simbhaoli Sugar Mills Limited)

(Incorporated as a private limited company on 29/06/1936 under the Indian Companies Act, 1913 and later converted into a public limited company on 29/07/1989)

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. Compliance Officer

- 1.1 The Company Secretary of the company shall be Compliance Officer who shall report to the Chairman and Managing Director/Board of Directors for this purpose.
- 1.2 The Board will entrust the follow up role for this purpose to its Compliance Officer.
- 1.3 The Compliance Officer shall be 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 dependent's trades, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board.

Explanation: For the purpose of this code, the term 'Designated Employee' shall include employees in the rank of Deputy General Manager and above.

Explanation: For the purpose of this code Officer of the Company shall include any Director, Company 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.

- 1.4 The Compliance Officer shall maintain a record of the Designated Employees and any changes made in the list of Designated Employees.
- 1.5 The Compliance Officer shall assist all employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Company's code of conduct.

2. Preservation of "Price Sensitive Information"

- 2.1 All Directors/Officers/Employees shall maintain the confidentiality of all price sensitive information. Directors/Officers/Employees shall not pass such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

2.2 Need to know

- 2.2-1 Price sensitive information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty.

2.3 Limited access to confidential information

- 2.3.1 Files containing confidential information shall be kept secure. Computer files shall have adequate security of login and pass word etc.

3. Prevention of misuse of "Price Sensitive Information"

3.1 All Directors/Officers/Designated employees of the Company shall be subject to trading restrictions as enumerated below.

3.2 Trading Window

3.2.1 The Company shall specify a trading period, to be called "trading window", for trading in the Company's securities. The trading window shall be closed during the time the information referred to in para 3.2.3 is un-published.

3.2.2 When the trading window is closed, the Directors/Officers/Designated employees shall not trade in the Company's securities in such period.

3.2.3 The trading window shall be, inter-alia, closed at the time:-

		Commencement of Closure of Trading Window
A	Declaration of financial results (quarterly, half yearly and annually)	From the date of finalization of results by the Auditors/Accounts Department.
B	Declaration of dividends (interim and final)	From the date of inclusion as an item in agenda of Board Meeting
C	Issue of securities by way of public/rights/bonus etc	From the date of inclusion as an item in agenda of Board Meeting
D	Any major expansion plans or execution of new projects	From the date of inclusion as an item in agenda of Board Meeting
E	Amalgamation, mergers, takeovers and buy-back	From the date of inclusion as an item in agenda of Board Meeting
F	Disposal of whole or substantially whole of the undertaking	From the date of inclusion as an item in agenda of Board Meeting
G	Any changes in policies, plans or operation of the Company	From the date of inclusion as an item in agenda of Board Meeting

3.2.4 The trading window shall be opened 24 hours after the information referred to in para 3.2-3 is made public.

3.2.5 All Directors/Officers/Designated employees of the Company shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transactions involving the purchase or sale of the Company's securities during the periods when the trading window is closed, as referred to in para 3.2-3 or during any other period as may be specified by the Company from time to time.

3.3 Pre-clearance of trades

- 3.3-1 All Directors/Officers/Designated employees of the Company who intend to deal in the securities of the Company above 20,000 shares in a period of 30 days should pre-clear the transaction as per the pre-dealing procedure as described thereunder.
- 3.3-2 An application may be made in the form given as per annexure, to the Compliance Officer indicating the estimated number of securities that the Director/Officer/Designated Employee 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.
- 3.3-3 An undertaking shall be executed in favour of the Company by such designated employee/director/officer incorporating the following clauses, as may be applicable:
- (a) I do not have any access or had not received "Price Sensitive Information" up to the time of signing the undertaking.
 - (b) That in case I access to or receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction I shall inform the Compliance Officer of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - (c) That I have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
 - (d) That I have made full and true disclosure in the matter.

4. Other Restrictions

- 4.1 All Directors/Officers/Designated Employees shall execute their order in respect of securities of the Company within six weeks after the approval of pre-clearance is given. If the order is not executed within six weeks after the approval is given, the Directors/Officers/Designated Employees must pre-clear the transaction again.

5. Reporting requirements for transactions in securities

- 5.1 All Directors/Officers/Designated Employees of the Company shall be required to forward following details of their securities transactions including the statement of dependent family members which inter-alia include, spouse, son, daughter, brother, sister, father, mother to the Compliance Officer on an annual basis:
- (a) all holdings in securities of that Company by Directors/Officers/Designated Employees at the time of joining the Company.
 - (b) Statement of any transactions in securities. Reporting requirement will not be applicable where pre-clearance of trade has been obtained in terms of this Code of Conduct;
- 5.2 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.

5.3 The Compliance Officer shall place before the Board of Directors or any committee thereof on regular basis all the details of the dealing in the securities by Directors/Officers/Designated Employees of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

6. Disclosure of interest or holding by directors and officers and substantial shareholders in the Company-Initial Disclosure

6.1 Any person who is a Director/Officer/Employee and holds more than 5 % shares or voting rights in the 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 4 working days of:-

- (a) the receipt of intimation of allotment of shares; or
- (b) the acquisition of shares or voting, as the case may be

6.2 Any person who is a Director or Officer of the Company, shall disclose to the Company(in Form B), the number of shares or voting rights held by such person, within 4 working days of becoming Director or Officer of the Company.

7. Continual disclosure

7.1 Any person who is a Director/Officer/Employee and holds more than 5% shares or voting rights in the Company (in Form C) shall disclose to the Company 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 and such change exceeds 2% of total shareholding or voting rights in the Company.

7.2 Any person who is a Director of the Company, shall disclose to the Company(in Form D), the total number of shares or voting rights held and change in shareholding or voting rights held, if there has been change in such holdings from the last disclosure made and change exceeds Rs. 5 Lakh in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower.

7.3 The disclosure mentioned in para 7.1 and para 7.2 shall be made within 4 working days of:

- (a) the receipt of intimation of allotment of share, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

8. Disclosure by Company to stock exchange

8.1 Company shall within five days of receipt shall disclose to all stock exchanges on which the Company is listed, the information received under para 6.1, 6.2, 7.1 and 7.2.

9. Penalty for contravention of code of conduct

9.1 Any Director/Officer/Employee who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken against such person by the Company, to be decided by the Compliance Officer. Such Director/Officer/Employee of the Company shall also be subject to

disciplinary action by the Company, which may include wage freeze, suspension ineligible for future participation in employee stock option plans, etc.

9.2 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

10. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

10.1 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 shall be informed by the Company.

Corporate Information

Simbhaoli Sugars was set up as a partnership in 1933 and was incorporated on June 29, 1936 under the Companies Act vide a Certificate of Incorporation issued by the Registrar of Joint Stock Companies, United Provinces of Agra and Oudh bearing registration number 25 of 1936-1937. The Company became a public limited company on July 29, 1989 vide a Certificate of Change of Name issued by the Registrar of Companies, Uttar Pradesh. Recently, the name of the Company has been changed to Simbhaoli Sugars Limited.

Registered office:
Simbhaoli, District Ghaziabad,
Uttar Pradesh, 245207,
Tel: +91 5731 223117/6411,
Fax: +91 5731 223039.

Corporate office:
C-11, Connaught Place,
New Delhi, 110001
Tel: +91 11 41510421/22/23,
Fax: + 91 11 23413088.

Information about the Company is also displayed on the Company's website <http://www.simbhaolisugars.com>

Contact person: Mr. Kamal Samtani, Company Secretary
Email: kamal@simbhaolisugars.com

APPLICATION FOR PRE-CLEARANCE OF TRADES

To,

The Company Secretary,
Simbhaoli Sugars Limited
Simbhaoli
Sir,

In pursuance of "Code of Conduct for prevention of Insider Trading" requiring pre-clearance of specified trades in the securities of the Company, I hereby apply for approval to transact/sale/purchase_____ equity/preference shares/debentures of Simbhaoli Sugars Limited. As required I provide the following information:

Name of the Buyer/Seller : _____

Depository Participant Name : _____

Depository Participant A/c No. : _____

I hereby undertake that:

- a. I do not have any access or had not received "Price Sensitive Information" up to the time of signing the undertaking.
- b. That in case I access to or receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction I shall inform the Compliance Officer of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c. That I have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- d. That I have made full and true disclosure in the matter.

I further acknowledge that I will execute the transaction within six weeks from the date of approval and in case of failure to do so the approval will expire.

Dated:
Place :

Signature
APPLICANT