

SARTHAK GLOBAL LIMITED

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS)

(As per the SEBI (Prohibition of Insider Trading) Regulations, 2015)

The Securities and Exchange Board of India (SEBI), for protection of investors and to regulate the securities market, has formulated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the “PIT Regulations”) under the powers conferred on it under the SEBI Act, 1992 and amended the same by SEBI from time to time. The PIT Regulations came into force w.e.f. May 15, 2015 and are applicable to all companies whose securities are listed on an Indian Stock Exchange. Further the same has been amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulation 2019 notified on January 21, 2019.

The Regulations requires every listed company to formulate a code of conduct to regulate, monitor and report trading by insiders, designated persons and other “connected persons” (as defined under the Regulations) towards achieving compliance with these Regulations.

Accordingly, the existing Code of Conduct is being amended to incorporate new amendment made in the Regulations and this revised Code will be applicable from April 1, 2019.

1. DEFINITIONS

For the purposes of this code, the words and expressions given below shall carry the meaning as stated hereinafter.

“**Act**” means the Securities and Exchange Board of India Act, 1992 (15 of 1992).

“**Board**” shall mean the Securities Exchange Board of India.

“**Board of Directors**” means the Board of Directors of the Company.

“**Company**” means Sarthak Global Limited;

“**Code**” means Code of conduct of the Company to regulate, monitor and report trading by designated persons and any amendment thereof;

“**Compliance Officer**” means the Company Secretary of the Company or any other person designated by the Board of Directors as Compliance Officer from time to time;

"Connected person" means,-

- i. any person who is or has during the six months prior to the concerned act been associated with a 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 an employee of the company or holds any position including a 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.
- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - a. an immediate relative of connected persons specified in clause (i) above;
or
 - b. a holding company or associate company or subsidiary company; or
 - c. an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 - d. an investment company, trustee company, asset management company or an employee or director thereof; or
 - e. an official of a stock exchange or of clearing house or corporation; or
 - f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - g. a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
 - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - i. a banker of the company; or
 - j. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

"Designated Persons" Shall include -

- a. Members of the Promoter group
- b. Directors of the Company
- c. Key Managerial Personnel of the Company and its material subsidiaries;
- d. Every employee in the grade of Assistant General Managers and above;
- e. Employees in the Finance, Accounts and Secretarial Department as may be determined by the Compliance Officer,
- f. Employees designated by the Compliance Officer from time to time.
- g. Immediate relatives of the above

"Generally available information" means information that is accessible to the public on a non-discriminatory basis;

"Immediate relative" means a spouse of a person, and includes parent, 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;

"Insider" means any person who is:

- i. a connected person; or
- ii. in possession of or having access to unpublished price sensitive information;

"Key Managerial Person" means person as defined in Section 2(51) of the Companies Act, 2013.

"Promoter" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

"Promoter Group" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

"Regulations" shall mean the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereof.

"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

"Takeover regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

"Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

"Trading day" means a day on which the recognized stock exchanges are open for trading;

"Unpublished Price Sensitive Information" (abbreviated as "UPSI") means any information, relating to the 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 the 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

All other words and phrases not specifically defined herein shall have the same meaning as defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015 and/ or the Companies Act, 2013 and/ or the Securities and Exchange Board of India Act, 1992 and/ or the Depositories Act, 1996 and/ or the Securities Contracts (Regulations) Act, 1956.

2. APPLICABILITY

This amended Code is approved by the Board of Directors and is effective from 01st April, 2019 and shall apply to all insiders including Designated Persons and Connected Persons.

3. DUTIES OF COMPLIANCE OFFICER

- a) He shall report to the Board of Directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors but not less than once in a year.
- b) He shall maintain a record of designated Persons and any changes made therein.
- c) He shall assist all employees in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's code of conduct.
- d) Monitor, review and approve all Trading Plans
- e) Monitor, review and regulate trading Window the Securities of the Company.

4. PRESERVATION OF "PRICE SENSITIVE INFORMATION"

All Designated Persons and Connected Persons shall maintain the confidentiality of all Price Sensitive Information and 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 of the Company. Following practices should be followed in this regard.

5. NEED TO KNOW

Unpublished 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 and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

6. LIMITED ACCESS TO CONFIDENTIAL INFORMATION

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

7. PROHIBITION ON DEALING, COMMUNICATING OR COUNSELING ON MATTERS RELATING TO INSIDER TRADING

No Insider shall –

- a) either on his own behalf, or on behalf of any other person, trade in securities of the Company when in the possession of any unpublished price sensitive information;
- b) communicate, counsel or procure, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required for legitimate purposes or performance of duties under any law.

Any UPSI shared for following purposes shall be deemed to be for 'legitimate purposes':

- (a) Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers;
- (b) Sharing of UPSI for discharge of legal obligation(s);
- (c) sharing information with merchant bankers for any proposed corporate actions;
- (d) sharing information with auditors for carrying out audit;
- (e) sharing information with other advisors, consultants, lawyers or any other persons for seeking advice or consultancy on any matter;
- (f) sharing information with insolvency professional or any other person appointed by appropriate authority for carrying out his official duty;

Provided that sharing of information for 'legitimate purposes' shall be genuine and on need to know basis only.

8. TRADING PLANS

- a) An insider shall be entitled to formulate a trading plan 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.
- b) Such trading plan shall –
 - i. not entail commencement of trading on behalf of the insiders earlier than six months from the public disclosure of the plan;

- ii. not entail trading for the period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
 - iii. entail trading for a period of not less than 12 months;
 - iv. not entail overlap of any period for which another trading plan is already in existence;
 - v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
 - vi. not entail trading in securities of the Company for market abuse.
- c) The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of this Code or “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.
- d) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of this code or “Regulations”.

- e) Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the securities of the Company are listed.

9. TRADING WINDOW

- a) The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company’s securities. This sensitivity is due to the fact that the Directors and Designated employees will, during that period, often possess unpublished price sensitive information.

- b) During such sensitive times, the Directors and Designated employees will have to forego the opportunity of trading in the Company's securities.
- c) The Directors and Designated employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.
- d) **The trading window shall be, inter alia, closed at the time of:-**
 - a) Declaration of Financial results (quarterly, half-yearly and annual)
 - b) Declaration of dividends (interim and final)
 - c) Issue of securities by way of public/ rights/bonus, etc.
 - d) Any major acquisition/ expansion plans or execution of new projects
 - e) Amalgamation, mergers, takeovers and buy-back
 - f) Disposal of whole or substantially whole of the undertaking
 - g) Changes in key managerial personnel
 - h) 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;
- e) The Compliance Officer shall close the trading window five days prior to and up to 48 hours after the Price sensitive information is submitted to the Stock Exchange. However, for the purpose of declaration of financial results (quarterly and annually), the trading window will remain closed from next day after end of every quarter till 48 hours after the declaration of financial results.
- f) The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

10. PRE-CLEARANCE OF TRADES

- a) When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is for more than 10,000 equity shares or of a value of Rs. 5.00 Lacs (Rs. Five Lacs) whichever is less, in a calendar month or such thresholds as the board of directors may stipulate.
- b) When the trading window is open, All designated persons shall trade only subject to pre-clearance by the Compliance Officer, by sending the request for approval in **Form I**. The request can be sent by email at sgl@sarthakglobal.com. If such designated person is in possession of unpublished price sensitive information then no such request can be sent even if the trading window is open.

- c) Prior to approving any trades, the compliance officer shall have the authority to ask for further information and it shall be obligatory for the designated person to furnish the information immediately sought for by the compliance officer. The Compliance Officer will issue Pre-Clearance Order in **Form II**.
- d) The trades that have been pre-cleared shall be executed within Seven (7) trading days by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.
- e) Designated persons who have obtained the pre-clearance are required to submit a report of the transactions done or NIL report if no transaction is done within 7 days from the expiry of the specified time period or the date of execution of trade, whichever is earlier, to Compliance Officer in **Form III**.

11. CONTRA TRADES

- a) All Designated Persons who buy or sell Securities of the Company shall not enter into an opposite transaction (contra trade) during the 6 months period post the previous buy/ sell. However, this shall not be applicable for trades pursuant to exercise of stock options.
- b) The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.
- c) If a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the SEBI under the Act.

12. DISCLOSURES

a) Initial Disclosures

- i. Every Promoter, member of promoter group, Key Managerial Person and Director of the Company shall disclose his / her holding in securities of the Company as on 15th May, 2015 to the Company by 14th June, 2015 in the prescribed Form (**Form A**) under SEBI (Prohibition of Insider Trading) Regulation, 2015;
- ii. Every person on appointment as a Key Managerial Person or a Director of the Company or upon becoming a Promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company, within seven days of such appointment or becoming a Promoter in the prescribed Form (**Form B**) under SEBI (Prohibition of Insider Trading) Regulation, 2015;

b) Continual Disclosures

- i. Every Promoter, member of promoter group, Designated persons and director of the Company shall disclose to the Company, in prescribed Form (**Form C**) under SEBI (Prohibition of Insider Trading) Regulation, 2015, the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lacs or such other value as may be specified.
- ii. The Compliance Officer of the Company shall notify the particulars of such trading to the Stock Exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

Explanation – It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-code, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause b (i) above.

c) Disclosures by other connected persons.

The connected person shall make disclosures of holdings and trading in securities of the Company in prescribed Form (**Form D**) under SEBI (Prohibition of Insider Trading) Regulation, 2015, the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 lacs or such other value as may be specified.

d) Annual Disclosures

- (i) The Designated persons of the Company shall submit Annual Disclosures in **Form IV** for their transaction during the year ended 31st March by 15th April every year to the Compliance Officer.
- (ii) Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons in **Form V** to the company on an annual basis and as and when the information changes:
 - a) immediate relatives
 - b) persons with whom such designated person(s) shares a material financial relationship
 - c) Phone, mobile and cell numbers which are used by them
- (iii) In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one time basis in **Form VI** by 15th April, 2019.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.]

13. PENALTY FOR CONTRAVENTION OF THIS CODE

Any Designated Persons and Connected Persons, who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action will be taken by the Company.

All Designated persons of the Company who violate this Code shall also be subject to disciplinary action by the Company, which may include wage/ salary freeze, suspension, recovery, withholding of promotions, etc. The action by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

In case it is observed by the Company that there has been violation of the Regulations, SEBI shall be informed by the Company promptly.

14. INFORMATION TO SEBI IN CASE OF VIOLATION OF THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

In case it is observed by any Designated Persons that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015, then the violation shall be informed by such Designated Persons to the Compliance Officer promptly. On receipt of such information, the Compliance Officer shall promptly inform to the SEBI.

15. AMENDMENT

The Board can amend or modify the Code in whole or in part, at any time without assigning any reason whatsoever.

(Form I)
Application for pre-clearance of trading in securities of the Company
(Refer Clause 10 of the Code)

To,
The Compliance Officer
Sarthak Global Ltd.

Dear Sir /Madam

I wish to deal in the shares of the Company as per details mentioned below in my own name or on behalf of my immediate relatives_____ (name of relative and relationship) and seek your approval for the same.

Type of Security	Present Holding (No. of Shares)		No. of Shares to be traded	Market Price	Transaction Type (Buy/Sale)	Date by which trade is proposed to be executed	Folio No./ DP ID No./ Client ID No.
	Physical	Demat					

In relation to the above dealing of shares, I undertake that:

- i. I have no access to nor do I have any information that could be construed as “unpublished Price Sensitive Information” upto the time of signing this undertaking.
- ii. If I get access to or receive any “Unpublished Price Sensitive Information” after signing this application but before the execution of transaction, I shall inform you immediately and shall refrain from dealing in Shares till such information is made public.
- iii. I am not in contravention of the Company’s Code on Prevention of Insider Trading as notified by the Company from time to time.
- iv. If approval is granted, I shall execute the transaction within 7 days of approval, failing which I shall apply for pre-clearance again.
- v. During the trading window is closed, I will not enter into the transaction.

You are requested to give your permission to for the transaction as requested.

Yours truly

Signature: _____

Name:

Designation:

Department:

Address:

Form II
Pre-Clearance Order

To,

Dear Sir/ Madam,

Sub.: Pre Clearance Order (No. _____)

This is to inform that your request vide your letter no. _____ dated _____ for dealing in _____ equity shares of the Company is approved/ rejected as _____(reason).

If approved, you are requested to:

- a. Complete the transaction within 7 days from the date of approval.
- b. During the closure of trading window, do not enter into the transaction
- c. Inform to compliance officer for transaction within 7 days of the execution of trade or expiry of specified time period, whichever is earlier, in Form III.

Thanking you,

For Sarthak Global Ltd.

Compliance Officer

Date:

**Report of the transactions
(Form III)**

Date:

To,
The Compliance Officer
Sarthak Global Ltd.

Ref.: Pre-clearance order No._____

Dear Sir,

With reference to your pre-clearance order no._____ dated_____ for dealing in _____equity shares of Sarthak Global Ltd. ("the Company") by me/my relative_____ (Name of relative and relation).

I inform you that:

I/ my relative has purchased/ sold _____ equity shares of the Company on _____*

Or

I/ my relative did not purchase/ sell equity shares as requested by me*

(* Delete, whichever is not applicable)

This is for your information and record.

Thanking you
Yours Faithfully

Name
Designation

**Annual Disclosure (Refer Clause 12(d)(i) of the Code)
(Form IV)**

To,
The Compliance Officer
Sarthak Global Ltd.

Sub.: Annual disclosure for details of shares held in his own name

Period: For the year ended 31st March, _____

Name, Address and PAN	Designation	No. of Shares held at beginning of the year	Shares Purchased/ allotted during the year			Shares Sold during the year			No. of Shares held at the end of the year	Folio No./ DP/ Client ID
			No. of Shares	Date	Value	No. of Shares	Date	Value		

This is for your information and record.

Thanking you
Yours Faithfully

Name:
Designation:
Date:

**Annual Disclosure (Refer Clause 12(d)(ii) of the Code)
(Form V)**

To,
The Compliance Officer
Sarthak Global Ltd.

Sub.: Annual disclosure for details of immediate relatives and other persons with whom Designated person shares a material financial relationship

Period: For the year ended 31st March, _____

Name of Immediate relative and other persons with whom such designated person shares material financial relationship	Address	Relationship	PAN	Phone No. used by him/her	Mobile / Cell No. used by him/her	No. of Shares held by him/her	Folio No./ DP Id/ Client Id

I undertake to inform the changes, if any, in above information as and when it takes place.

Signature
Name:

Designation
Date:

Note:

1. **“material financial relationship”** shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.
2. **“immediate relative”** means a spouse of a person, and includes parent, 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.

**Annual Disclosure (Refer Clause 12(d)(iii) of the Code)
(Form VI)**

To,
The Compliance Officer
Sarthak Global Ltd.

Sub.: Details of Educational institution and past employers

<i>Name of Designated person</i>	<i>Address</i>	<i>Qualification (Graduation and onwards)</i>	<i>Name of College/ Institute/ University</i>	<i>Name of Past Employers</i>	<i>Address of Past Employers</i>	<i>Period of employment</i>

Signature

Name:

Designation

Date: