

SATIA INDUSTRIES LIMITED

Insider Trading Code of Conduct Under SEBI Insider Trading Regulations

A) OBJECTIVE:

- i. To define a set of rules to be followed by the Company and its Directors on its Board of Directors and the designated Employees and to set forth policies , procedures and monitoring adherence to the rules.
- ii. Pre-clearance of trades by the designated employees and their relatives (directly or through department heads), monitoring of trades under the overall supervision of the Board.

B) WHO ARE COVERED:

For this purpose, persons who are covered by the Code shall include:

- (i) Directors of the Company.
- (ii) Employees comprising the top management
- III and all the employees in the finance and legal department.
- (iii) Additional Employees designated by the company to whom these trading restrictions shall be applicable, keeping in mind the objectives of this code of conduct.
- (iv) Key Contractors of the Finance and Legal department and the Auditors and their employee staff.
- (v) Dependents (as per list enclosed), of the above categories.

For the ease of convenience, all persons in sr. nos. (ii) to (iii) above shall be hereinafter referred to as "Designated Employees".

C) WHAT IS COVERED

Directors/ Designated Employees (including their Dependents) shall not either on his own behalf or on behalf of any other person deal in securities of the company on the basis of or when in possession of unpublished price sensitive information. Directors/ Designated Employees (including their Dependents) shall not communicate or counsel or procure any unpublished price sensitive information.

D) COMPLIANCE OFFICER:

The Company has appointed Sh Rakesh Kumar Dhuria as the Compliance Officer. He shall function under the superintendence of the Sh R.K.Bhandari, Whole Time Director.

Please refer to attached operational guidelines for role of Compliance Officer.

E) PRICE SENSITIVE INFORMATION:

Price Sensitive Information is any unpublished information relating to:

- i. Periodical financial results of the company;
- ii. Intended declaration of dividends (both interim and final) and bonus shares;
- iii. Issue of securities or buy-back of securities, Change in Capital Structure etc
- 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. Any significant changes in policies, plans or operations of the company;
- viii. Change in Board/KMP
- ix . Any other information that has a potential to significantly impact the price of securities of the company listed on the stock exchange.

F) REGULATED TRANSACTIONS AND RESTRICTIONS:

i) Transaction in Company Shares only through Trading Window:

Directors/ Designated Employees (including their Dependents) may transact in Shares of the Company only through trading window i.e. trading period specified by the Company. The trading window shall be closed during the time the information specified in Para (E) above is unpublished. When the trading window is closed, the Directors/Designated Employees (including their Dependents) shall not trade in the company's securities in such period.

The trading window shall be closed 7 days prior to the event when the information specified in Para (E) above is being considered and shall open 24 hours after the information is made public.

In addition, the Company may from time to time notify any other event and any other period for closing of trading window.

ii) Pre Clearance of Trade:

Directors/ Designated Employees (including their Dependents) who hold or propose to acquire/sell more than 5,000 Shares of the Company or Rs. 5.00 Lacs in value, whichever is lower, shall make an application in Form 3 to the Compliance Officer stating number of Shares that he/she intends to deal in along with full details of Depository Participant and Client ID. The Directors/ Designated Employees shall make the application on behalf of their Dependents. An undertaking shall also be furnished in said Form 3 stating that he/she does not have access to any price sensitive information and has complied with the Code of Conduct for Insider Trading as specified by the Company from time to time.

If the Director/ Designated Employee (including their Dependents) obtains any price sensitive information after executing the undertaking but prior to transacting in shares of the Company, he/she shall inform the Compliance Officer and refrain from dealing in Shares of the Company.

G) REPORTING REQUIREMENTS FOR TRANSACTIONS:

Please refer to attached operational guidelines for details

H) PENALTIES:

- i) Any communication of price sensitive information or trading in Shares of the Company in contravention of the code of conduct will be penalized and appropriate taken by the Company or Board of Directors as may be deemed appropriate and/or :
- ii) Disciplinary action as may be decided by the Company.
- iii) In addition, SEBI may take action for violation of Insider Trading Regulations as provided in the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time

DEFINITION OF DEPENDENTS:

For the purpose of this definition, Dependents would mean those persons (*not limited to relatives*), who are financially dependent on the Director/ Designated Employee and/or who are dependent on the Director/ Designated Employee for their investment decisions. The Director/ Designated Employee is required to indicate the names of his dependents annually and also every time there is a change in the list of Dependents. This disclosure of Dependents is required to be given in Form no. 1 or 2 as the case may be. An indicative list of dependents is given below:

1. Father
2. Mother
3. Spouse
4. Children
5. Any other person who is financially dependent on the Director/ Designated Employee

Operational guidelines for disclosures/ trading in Shares of the Company

A) Initial Disclosure of Shareholdings in the Company:

All Directors and the designated Employees (including their dependents) of the Company are required to disclose Shares or Voting Rights held in the Company (including Shares held by dependents) on joining the company, to the Compliance Officer. The list of dependents is also required to be filled up and updated as and when there are any changes. Please fill up Form 1 and return the same to the Compliance Officer.

B) Annual Disclosures of Shareholdings in the Company:

All Directors and the designated Employees (including their Dependents) of the Company are required to disclose Shares and Voting Rights held in the Company (including Shares held by dependents) as at 30th June of each year. This information is required to be furnished by 31st July of each year. Please fill up enclosed Form 2 and return the same to the Compliance Officer.

C) Pre-Clearance of Trades:

All Directors/ Designated Employees (including their Dependents) who propose to acquire/sell more than 5,000 Shares of the Company or Rs. 5.00 Lacs in value of Shares of the Company, whichever is lower shall make an application to the Compliance Officer stating number of Shares that he/she intends to trade alongwith other relevant details and execute the undertaking that he/ she is not in possession of any price sensitive information. For this application, please fill up enclosed Form 3 and return the same to the Compliance Officer.

D) Disclosure of change in Shareholdings:

All Directors/ Designated Employees (including their Dependents) shall disclose to the company and also to the Stock Exchanges where the securities of the company are listed viz. The Bombay Stock Exchange Limited and the National Stock Exchange of India Limited, if there has been a change in their shareholdings in the company from the last

Preservation of Price Sensitive Information:

- i) **Need to know basis** - Price Sensitive Information is to be handled on a "need to know" basis i.e. 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.
- ii) **Limited access to confidential information** - All manual files containing confidential information shall be kept secure. All Computer files must have adequate security i.e login, password etc.
- iii) Employees/Directors to maintain 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.
- iv) All unpublished price sensitive information directly received by any Director/ Designated Employee should immediately be reported to the Compliance Officer.

FORM 1

Prevention of Insider Trading

The Compliance Officer
Satia Industries Ltd
Malout-Muktsar Road
Vill. & P.O.Rupana
Muktsar-152026

Dear Sir,

Sub: Initial Disclosure of Shareholding and Undertaking

I, _____, a Director/Employee hold the following Shares in the Company including my Dependents* as on _____:

Name of Director/Employee /Dependents holding Shares in the Company	PAN No.	Address	Relationship	Number of Shares of the Company held	Value of shares	Particulars	
						DP ID	Client Id
			Self				
			TOTAL				

Names of all Dependents holding Shares to be provided.

I confirm on my behalf and on behalf of my Dependents that:

- 1) I will not trade in the Shares of the Company whenever we have access to any unpublished price sensitive information. Further we shall promptly inform you upon obtaining price sensitive information.
- 2) I shall comply with the code of conduct for insider trading as specified by the Company from time to time.
- 3) I shall not trade in Shares of the Company during closure of Trading Window as specified by the Company from time to time and when we have access to price sensitive information.
- 4) In case the value of proposed transaction in the Shares of the Company exceeds Rs.5.00 Lacs or more than 5,000 Shares of the Company, whichever is lower, I shall obtain prior approval of the Compliance Officer as detailed in Form 3;
- 5) Wherever there is a change in my shareholding(including that of my dependents), and such exchange exceeds Rs.5 lakh in value or 25,000 shares or 1% of my total shareholding, whichever is lower, I shall undertake to immediately give disclosure of such change to the company and also to the stock exchanges within two days of such change occurring in form no.4:
- 6) I shall not disclose any price sensitive information to any of my Dependents or any outsiders or any Employee of the Company.

I further confirm that the aforesaid facts are true and correct and shall abide with Insider Trading Code of Conduct of the Company.

Signature
Name
Designation
Department

Place:
Date:

FORM 2

Prevention of Insider Trading

The Compliance Officer
Safia Industries Ltd
Malout-Muktsar Road
Vill. & P.O.Rupana
Muktsar-152026

Dear Sir,

Sub: Annual Disclosure of Shareholding

I, _____, a Director/Employee hold the following Shares in the Company including my Dependents* as on _____:

Name of Director/Employee /Dependents holding Shares in the Company	PAN No.	Address	Relationship	Number of Shares of the Company held	Value of shares	Particulars	
						DP ID	Client Id
			Self				
			TOTAL				

Names of all Dependents holding Shares to be provided.

I confirm that the aforesaid facts are true and correct

Signature
Name
Designation
Department

Place:
Date:

FORM 3

Prevention of Insider Trading

The Compliance Officer
Safia Industries Ltd
Malout-Muktsar Road
Vill. & P.O.Rupana
Muktsar-152026

Dear Sir,

Sub: Application for trading of shares in the company and Undertaking

I, _____, Director/Employee hereby apply for permission to trade in the Shares of the Company as per details as hereunder:

OR

I, _____ Director/Employee hereby apply for permission on behalf of my Dependent _____ to trade in the Shares of the Company as per details hereunder:

Number of Shares held in the Company(A)	Number of Shares of the Company proposed to be Sold(B)	Number of Shares of the Company proposed to be acquired©	Balance holding+©/ (A)-(B)

Name of Depository participant & DP ID No. through whom Shares are proposed to be Debited/Credited:	
Client ID No:	

I confirm on my own behalf and on behalf of my Dependents that:

- 1.I do not have access to any price sensitive information and have complied with the Code of Conduct for insider Trading as specified by the Company from time to time.
- 2.I shall execute the trade of shares with in 7 days of your approval failing which I shall again to you for your approval.
3. I shall hold shares of the Company for a minimum period of six months from the date of acquisition.

I further confirm that the aforesaid facts are true and correct and shall be fully responsible for any wrongful acts of my Dependents including such penalties as may be imposed by the Company.

Signature
Name
Designation
Department

Place:
Date:

FORM 4

Prevention of Insider Trading

The Compliance Officer
Satia Industries Ltd
Malout-Muktsar Road
Vill. & P.O.Rupana
Muktsar-152026

Dear Sir,

Sub:Change in my /our shareholding in the company

I/we hereby give notice to the company of the change in the shareholding in the company.The details of the change in the shareholding in the company.The details of the change in the shareholding are given below:

Details of change in shareholding by Directors/Designated Employees and their dependents

Name of the Directors/designated employee /dependents	
PAN	
Address	
No & % of shares held by the Director/Designated Employee	
Date of receiptof allotment advice	
Date of intimation to the Company	
Mode of acquisition	
No & % of shares held by post acquisition	
Trading member through whom the trade was executed	
Exchange on which the trade was executed	
Buy Quantity	
Buy value	
Sell Quantity	
Sell Value	

I hereby declare that the information given above is true and correct

