

## JAY SHREE TEA & INDUSTRIES LIMITED

### CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS

Regulation 9(1) of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [as amended by the Securities & Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018] (“the Regulations”) requires a listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations.

In compliance with the aforesaid Regulations, the Board of Directors (“the Board”) of Jay Shree Tea & Industries Limited (“the Company”) has approved this Code (Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons), as formulated by the Board of the Company which shall be effective from 1st April, 2019.

#### **Applicability**

This Code shall be applicable to all designated persons and relatives of designated persons.

#### **Definitions**

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

**“COMPANY”** means Jay Shree Tea & Industries Limited (JSTIL) and all its offices

**“COMPLIANCE OFFICER”**-for the purpose of the Regulations and this Code means the Company Secretary of the Company.

**“DESIGNATED PERSON”**– shall generally include-

- Directors, Key Managerial Personnel, Specified Employees and Promoters (referred to as “Designated Persons”) who may have access to unpublished price sensitive information; and
- Immediate Relatives of the above
- Connected person as defined in the Regulations

**“GENERALLY AVAILABLE INFORMATION”**- means information that is accessible to the public on a non- discriminatory basis.

**“INSIDER”**– means any person who is:

- A connected person; or
- In possession of or having access to unpublished price sensitive information.

**“TRADING”**- means and includes of subscribing, buying, selling, or agreeing to subscribe, buy, sell or deal in any equity shares or listed securities of JSTIL by any person either as a principal or as an agent.

**“TRADING DAY”**-means a day on which the recognized stock exchanges are open for trading.

**“TRADING WINDOW” shall have the meaning ascribed thereto in clause 8 of the Code**

**“UNPUBLISHED PRICE SENSITIVE INFORMATION”**– means any information which relates to the following matters or is of concern, directly or indirectly to JSTIL, and is not generally known or published by JSTIL for general information, but which if published or known, is likely to materially affect the price of shares/ securities of JSTIL in the market –

- Financial results
- Dividends
- Change in Capital Structure
- Mergers, Demergers, Acquisitions, delisting, Disposals, and Expansion of business and such other transactions
- Changes in Key Managerial Personnel and
- Material events in accordance with the listing agreements

### **Reporting**

The Compliance Officer shall report to the Board of Directors (“Board”) and in particular shall provide reports to the Chairperson of the Board at such frequency as may be stipulated by the Board.

### **Duties of Compliance Officer**

1. The Compliance Officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors and shall have access to all information and documents relating to the Securities of the Company for the aforesaid purpose.
2. Grant of pre-trading approvals to the Designated Persons for trading in the Company’s Securities by them / their Immediate Relatives and monitoring of such trading.
3. The Compliance Officer shall maintain a record (either manual or in electronic form) of the Designated Persons and their Immediate Relatives and changes thereto from time-to-time.
4. The Compliance Officer shall assist all the Specified Persons in addressing any clarifications regarding the Regulations and this Code.

5. The Compliance Officer shall place a report to the Board and the Audit Committee on annual basis on the following:

- Status of compliance of the Code;
- Status of Compliance of the Code of Fair Disclosure;
- Details of trading in securities of the Company by Designated Persons;
- Violation(s), if any, of the Code.

**Information on a need to know basis & Chinese Wall procedures**

All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his/her legal obligations.

Norms for appropriate Chinese Walls procedures & processes will be as under –

i. To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing/investment advise or other departments providing support services, considered "public areas".

ii. The employees in the inside area shall not communicate any price sensitive information to any one in public area.

iii. The employees in inside area may be physically segregated from employees in public area.

iv. Demarcation of the various departments as inside area may be implemented by the Company.

v. In exceptional circumstances employees from public areas may be bought "over the wall" and give confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

**Restriction on Trading while in Possession of UPSI**

A few numbers of our employees have been holding JSTIL shares and may have transacted in them at some time. The objective of prescribing this Code is to primarily ensure that the employee is dealing in the shares at a time when any unpublished price sensitive information that could be known to him/her is also reasonably made known/is available to the public at large and the both are reasonably aware/ have access to such information. The objective is to adhere to compliance of policies, procedures, maintenance of records, preservation of unpublished price sensitive information and implementation of the Code of Conduct .

1. Employee shall mean and include all persons as defined above as INSIDER and DESIGNATED PERSON, and shall additionally include the spouse, children and Parents of the employees.
2. No employee is permitted to deal in the shares/listed securities of JSTIL during the closure of trading window.

**Trading Plan:**

- a) Insider may formulate a trading plan and present the same to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his/her behalf in accordance with such plan.
- b) The following are the requirements of the trading plans:
  - (i) Trading can be done after six months of commencement / public disclosure of the trading plan.
  - (ii) Trading plan shall not entail trading for the period between twentieth trading day prior to 31st March of every year and the second trading day after the disclosure of financial results.
  - (iii) The trading plan shall not be for less than 12 months.
  - (iv) The Trading Plan shall not entail overlap of any period for which another trading plan is in existence.
  - (v) Insider shall 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.
- c) 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.
- d) 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 its 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.

**Trading Window:**

- a) The trading window shall be closed from the end of every quarter and shall remain closed upto 48 hours after the declaration / publication of financial results.
- b) However if the circumstances so warrants the time for closing the window may be Increased or decreased with the approval of Compliance officer and Chairman & Managing Director.

- c) All designated employees and their immediate relatives shall conduct all their trading in the securities of the Company only when the Trading Window is open and shall not trade in any transaction involving the purchase or sale of the company's securities during the periods when the trading window is closed or as specified by the company from time to time.

**Pre-Clearance & Trades:**

For days other than those specified in the above period, employees can deal in shares/ listed securities of JSTIL subject to the pre-dealing procedure here-under:

- a) Employees of the Company shall require prior clearance for dealing in the securities of the Company if the value of the proposed trade(s) is above minimum threshold limit i.e Rs. 10,00,000/- (Rupees Ten Lakhs) in value over any calendar quarter, or such other limits as the Board may stipulate (Refer "Annexure- I") prior Clearance is required to be taken from the Compliance officer. In respect of the Compliance officer, prior clearance is required to be taken from the Managing Director of the Company. No employee shall apply for pre-clearance of any proposed trade if such employee is in possession of unpublished price sensitive information even if the trading window is not closed.
- b) The compliance officer shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
- c) An undertaking ("Annexure-I") shall be executed in favour of the Company by the

employee incorporating the following clauses, as may be applicable :

1. That the employee/director/officer does not have access or has not received "Unpublished Price Sensitive Information" upto the date of signing the undertaking.
2. That in case the Employee has access to or receives "Unpublished 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 securities of the Company till the time such information becomes public.
3. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
4. That he/she has made a full and true disclosure in the matter.

- d) Purchase/sale of transactions for which prior clearance has been obtained by the employees shall be executed within seven (7) days of such clearance, failing which fresh pre clearance will be required to be taken.

- e) Employees who buy or sell any number of shares of the company shall not enter into an opposite transactions i.e sell or buy any number of shares during the next six (6) months following the prior transactions. In the event, any such 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

### **Reporting Requirements For Transactions In Securities**

#### **GENERAL DISCLOSURE**

- a) The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
- b) The disclosures made under this Code shall be maintained for a period of five years.

#### **INITIAL DISCLOSURES**

Every promoter, key managerial personnel and director of the Company shall disclose (Form A) his holding of securities of the Company as on the date of these Regulations taking effect, to the Company within thirty (30) days of these Regulations taking effect;

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose (Form B) his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven (7) days of such appointment or becoming a promoter.

#### **CONTINUAL DISCLOSURE**

Every promoter, employee and director of the Company shall disclose to the Company (Form C) the number of such securities acquired or disposed of within two (2) trading days of such transactions 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. 10,00,000/- (Rupees Ten Lakh) or such other value as may be specified;

The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.

## **ANNUAL DISCLOSURE**

Every Directors, Promoters, KMP and Designated Employee of the Company shall Disclose the Annual statement of his/her holding of securities of the company as on 31<sup>st</sup> March every year, by 30<sup>th</sup> April of that year in prescribed form (Form E).

## **INTERNAL CONTROL**

The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading and the Audit Committee of the Company is entrusted with responsibility to verify that the systems for internal control are adequate and are operating effectively

## **Penalty for Contravention of Code of Conduct**

The Designated Persons who violate the code of conduct shall be subject to disciplinary action by the Company that may include wage freeze, suspension, recovery and clawback etc. and shall be ineligible for future participation in Employees Stock Option Plan (ESOP). In case the Company observes that there has been a violation of these regulations, they shall inform the Board promptly The action by the Company shall not preclude SEBI or other Regulatory authorities from taking any action against those who are found guilty of Insider trading.

## **Amendment / Modification**

The Board of Directors of the Company may, subject to applicable laws, amend/substitute any provision(s) with a new provision(s) or replace the Code entirely with a new Code. In any circumstance where the terms of the Code differ from any law, rule, regulation, etc. for the time being in force, the law, rule, regulation, etc. shall take precedence over the Code.

**Annexure-I**

**1. APPLICATION-CUM-UNDERTAKING FOR PRE-CLEARANCE OF TRADE  
(For persons intending to trade in the securities of the company beyond the threshold limit)**

To  
The Compliance Officer,  
Jay Shree Tea & Industries Limited

I intend to trade in securities of Jay Shree Tea & Industries Limited as per particulars given below:

Name of designated person : .....  
No. of securities intended to be purchased/sold : .....  
Current Folio No./DP ID No./Client ID No. : .....  
Name and Address of the DP : .....

I undertake that:

- I do not have any access or have not received any Unpublished Price Sensitive Information (UPSI) upto the date of signing of undertaking.
- In case, I receive any UPSI after the signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the changed position and that I would completely refrain from trading in the securities till the time such information becomes public.
- I have not contravened the Code of Conduct for Regulation of Insider Trading as notified by the Company from time to time;
- I have made a full and true disclosure in the matter;
- Order in respect of securities shall be executed within one week after approval is granted by Compliance Officer, failing which I shall apply for pre-clearance again from the Compliance Officer;
- I shall not execute a contra trade for a minimum period of six months. 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 SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act;

I confirm having read the Code of Conduct for Regulation of Insider Trading framed by the Company and undertake to abide by the same.

In light of the above application-cum-undertaking, kindly grant pre-clearance of trade.

Place: .....  
Date: ..... (Signature of an applicant)

Notes: 1. Minimum threshold limit is trading of Rs.10,00,000/- per calendar quarter.  
2. 'Designated Person' means Directors, KMP, Promoter and specified employees.

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**2. AUTHORISATION TO DEAL**

The above transaction has been authorized. Your dealing must be completed within ..... days from today / ..... (insert date).

Please confirm the transaction by completing Section 3 below and returning this form to us.

Date: ..... (Signature of Compliance Officer)

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**3. CONFIRMATION OF DEALING**

I confirm that the share dealing was completed on ..... (insert date)

Place: .....  
Date: ..... (Signature of an applicant)



**FORM A**

**Securities and Exchange Board of India (Prohibition of Insider Trading)  
Regulations, 2015  
[Regulation 7 (1) (a) read with Regulation 6 (2)]**

**Name of the company: JAY SHREE TEA & INDUSTRIES LIMITED**

**ISIN of the company: INE364A01020**

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN No., CIN/DIN * address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

**FORM B**

**Securities and Exchange Board of India (Prohibition of Insider Trading)  
Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2)]**

**Name of the company: JAY SHREE TEA & INDUSTRIES LIMITED**

**ISIN of the company: INE364A01020**

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relatives/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/ appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP	
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>			

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

**FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading)  
Regulations, 2015  
[Regulation 7 (2) read with Regulation 6(2)]**

**Name of the company: JAY SHREE TEA & INDUSTRIES LIMITED**

**ISIN of the company: INE364A01020**

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN, & address of Promoter/ Employee /Director with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of Allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public rights/preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

**FORM E**

**ANNUAL DISCLOSURE**

**Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
[Regulation 7(1)]**

**Details of securities held by Promoter, Director, Key Managerial Personnel & Specified Employees (collectively referred to as 'designated person') of the Company & his 'immediate relatives'**

'Designated Person' & 'Immediate Relatives'				No. of securities held as on 31 March/Type of Securities	DP ID/ Client ID Folio No.	Date of intimation to Company
Name	Relation	PAN	Address			

**Note:**

1. Annual Disclosure in the above format is to be given as on 31<sup>st</sup> March by 30<sup>th</sup> April every year.
2. "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
3. 'Immediate Relative' refers to spouse, dependent children, dependent parents & dependent siblings; 'Dependent' here refers to financial dependence or where such person consults the concerned Promoter/Director/KMP in taking decisions relating to trading in securities.
3. Use Annexure, if required.

Signature:

Designation:

Date:

Place: