



SHARAT INDUSTRIES LIMITED

Registered Office: VENKANNAPALEM VILLAGE, T P GUDUR MANDAL, NELLORE,
ANDHRA PRADESH, 524002

Website: www.sharatindustries.com

**CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY
INSIDERS**

Contents

| | |
|---|----|
| 1. INTRODUCTION | 3 |
| 2. APPLICABILITY | 4 |
| 3. DEFINITIONS | 4 |
| 4. ROLE OF COMPLIANCE OFFICER | 7 |
| 5. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION | 7 |
| 6. TRADING PLANS | 9 |
| 7. TRADING WINDOW AND WINDOW CLOSURE | 11 |
| 8. PRE-CLEARANCE OF TRADE | 12 |
| 9. OTHER RESTRICTION | 13 |
| 10. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES | 15 |
| 11. DISSEMINATION OF PRICE SENSITIVE INFORMATION | 16 |
| 12. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT | 17 |
| 13. REVIEW AND AMENDMENTS | 17 |
| 14. CODE OF FAIR DISCLOSURE: | 18 |
| 15. CODE COMMENCEMENT | 18 |
| ANNEXURE 1 | 19 |
| APPLICATION FOR PRE-CLEARANCE TO TRADE IN THE SECURITIES | 19 |
| ANNEXURE 2 | 20 |
| UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE CLEARANCE OF TRADE IN THE SECURITIES OF THE COMPANY | 20 |
| ANNEXURE 3 | 21 |
| FORMAT OF PRE- CLEARANCE ORDER | 21 |
| ANNEXURE 4 | 22 |
| FORMAT FOR DISCLOSURE OF TRANSACTIONS | 22 |
| ANNEXURE 5 | 23 |
| FORM B | 23 |
| Annexure – 6 | 24 |
| FORM C | 24 |
| Annexure – 7 | 26 |
| FORM D (Indicative Format) | 26 |

CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY INSIDERS

1. INTRODUCTION

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Regulations") seek to govern the conduct of insiders, connected persons and persons who are deemed to be connected persons on matters relating to Insider Trading.

Insider Trading involves trading in the securities of a company listed or proposed to be listed, by connected or any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an 'insider' is regarded unfair when it is predicated upon utilisation of 'inside' information to profit at the expense of other investors who do not have access to the same information.

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("PIT Regulations"), SEBI has broadly prohibited insider trading in the following terms

- a) no insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations
- b) no person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations; and
- c) no insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information

2. APPLICABILITY

This Code shall be applicable to Connected Persons, Insiders, the Designated Persons, and their Relatives, and includes any person in the possession of Unpublished Price Sensitive Information

3. DEFINITIONS

- i. **“Act”** means the Securities and Exchange Board of India Act, 1992.
- ii. **“Board”** means the Board of Directors of the Company
- iii. **“Code of Conduct”** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Sharat Industries Limited as amended from time to time.
- iv. **“Company”**: means Sharat Industries Limited
- v. **“Compliance Officer”** means any senior officer designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Insider Trading Regulations, and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules of preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified under the Insider Trading Regulations under the overall supervision of the Board
- vi. **“Connected Person”** means:
 - a. any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, 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, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - b. 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 Relative of Connected Persons specified in clause a.
 - A holding company or associate company or subsidiary company; or
 - An intermediary as specified in Section 12 of the Securities and Exchange Board of India Act, 1992, as amended or an employee or director thereof; or
 - An investment company, trustee company, asset management company or an employee or director thereof; or
 - An official of a stock exchange or of clearing house or corporation; or
 - 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
 - A member of the board of directors or an employee, of a public 3 financial institution as defined in section 2 (72) of the Companies Act, 2013, as amended; or
 - An official and/or employee of a self-regulatory organization recognized or authorized by the Board.
 - A banker of the Company; or

 - A concern, firm, trust, Hindu undivided family, company, or association of persons wherein a director of the Company or his relative or banker of the Company, has more than ten per cent, of the holding or interest.

 - firm or its partner or its employee in which a connected person specified in sub-clause (a) is also a partner; or

 - a person sharing household or residence with a connected person specified in a
- vii. **“Dealing in Securities”** means an act of subscribing to, buying, selling, or agreeing to subscribe to, buy, sell, or otherwise deal in the securities of the Company either as a principal or an agent
- viii. **“Designated Persons”** means
- i. the promoter of the Company;
 - ii. All directors of the Company (executive, non-executive and independent, whether whole-time or not);
 - iii. All Key Managerial Personnel;
 - iv. All functional / departmental heads of the Company by whatever name called;
 - v. All employees of the Company in finance, accounts, legal, treasury, costing, MIS and secretarial department;

- vi. The Company secretary of the Company
 - vii. Any support staff of the Company, such as IT staff or secretarial staff, including part – time employees, secondees, interns, etc. who have access to Unpublished Price Sensitive Information; and
 - viii. Any other employee or other Connected Person of the Company, as may be designated or notified by the Company from time to time for meeting the objectives of the Code.
- ix. **“Employee”** means every employee of the Company including the directors in 4 the employment of the Company
- x. **“General Available Information”** means information that is accessible to the public on a non- discriminatory basis and shall not include unverified event or information reported in print or electronic media
- xi. **“Informant”** means an individual(s), who voluntarily submits to the Board a Voluntary Information Disclosure Form (as prescribed under the Schedule D of the Insider Trading Regulations) relating to an alleged violation of insider trading laws that has occurred, is occurring or has a reasonable belief that it is about to occur, in a manner provided under Insider Trading, regardless of whether such individual(s) satisfies the requirements, procedures and conditions to qualify for a reward.
- xii. **“Insider”** means any person who is:
 - a. a Connected Person; or
 - b. in possession of or having access to Unpublished Price Sensitive Information
- xiii. **“Insider Trading Regulations”** means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- xiv. **“Key Managerial Personnel”** means person as defined in Section 2(51) of the Companies Act, 2013
- xv. **“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:
- xvi. **“relative”** shall mean the following:
 - a. spouse of the person;
 - b. parent of the person and parent of its spouse
 - c. sibling of the person and sibling of its spouse
 - d. child of the person and child of its spouse;

- e. spouse of the person listed at sub-clause c; and
- f. spouse of the person listed at sub-clause d

- xvii. **“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;

- xviii. **“Takeover Regulation”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

- xix. **“Trading”** means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in any securities, and "trade" shall be construed accordingly

- xx. **“Trading Day”** means a day on which the recognized stock exchanges are open for trading;

- xxi. **“Unpublished Price Sensitive Information”** shall have the meaning assigned to it under the Insider Trading Regulations.

4. ROLE OF COMPLIANCE OFFICER

- a. The Company Secretary shall act as Compliance Officer. The Compliance Officer shall report on insider trading to the Board of Directors of the Company 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. The Compliance Officer 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.

5. PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- i. All information shall be handled within the Company on a need-to-know basis and no Insider shall communicate, provide, or allow access to any Unpublished Price Sensitive Information, relating to the Company or the Securities proposed to be listed, to any person including other Insiders except where such communication is in furtherance of the legitimate purposes, performance of duties or discharge of his legal obligations.

- ii. No person shall procure from or cause the communication by any Insider of Unpublished Price Sensitive Information, relating to a Company or Securities listed or proposed to be listed, except in furtherance of the legitimate purposes, performance of duties or discharge of his legal obligations. For purposes of the Code, 'legitimate purposes' shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing shall not been carried out to evade or circumvent the prohibitions of the Insider Trading Regulations in accordance with the determination made under the Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information.
- iii. Any person in receipt of Unpublished Price Sensitive Information pursuant to a "legitimate purpose" shall be considered an Insider for purposes of the Insider Trading Regulations and due notice shall be given to such persons to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Insider Trading Regulations
- iv. Notwithstanding anything contained herein, Unpublished Price Sensitive Information may be communicated, provided, allowed access to or procured, in connection with a transaction which would entail:
 - i. an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Listed Company; or
 - ii. not attracting the obligation to make an open offer under the Takeover Regulations but where the Board is of informed opinion that sharing such information is in the best interests of the Company and the information that constitutes Unpublished Price Sensitive Information is disseminated to be made Generally Available at least two trading days prior to the proposed transaction being affected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.

For the purposes of clause iii above, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose provided



in clause (iii) above and shall not otherwise trade in Securities of the Company when in possession of Unpublished Price Sensitive Information.

- iii. The Board shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the permanent account number or any other identifier authorized by law where permanent account number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

- v. For the purposes of this Code, "need to know" shall mean
 - a) that Unpublished 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 the information; or
 - b) that all information that is not Generally Available, if directly received by any Employee should immediately be reported to the head of the department.

- vi. Designated Persons in the Company shall be governed by this Code.

6. TRADING PLANS

- i. 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.

- ii. Trading plans shall:
 - a. not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan

 - b. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Issuer of the Securities and the second trading day after the disclosure of such financial results;

- c. entail trading for a period of not less than twelve months;
 - d. not entail overlap of any period for which another trading plan is already in existence;
 - e. set out either the value of trades to be affected 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 affected; and
 - f. not entail trading in securities for market abuse.
- iii. The Compliance Officer shall review the trading plan made as above and shall assess whether the plan would have any potential for violation of the Insider Trading Regulations. He shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan as per provisions of the Insider Trading Regulations.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

- iv. 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 at the time of formulation of the plan, the Insider is in possession of any Unpublished Price Sensitive Information and the said information has not become generally available at the time of the commencement of implementation. The commencement of a trading plan shall be deferred until such Unpublished Price Sensitive Information becomes generally available information. Further, the Insider shall also not be allowed to deal in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

- v. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

7. TRADING WINDOW AND WINDOW CLOSURE

- i. Trading window shall mean a notional trading window which shall be used as an instrument of monitoring trading by Designated Persons.
- ii. The trading window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of Unpublished Price Sensitive Information. Such closure shall be imposed in relation to such Securities to which such Unpublished Price Sensitive Information relates.
- iii. When the trading window is closed, the Designated Persons and their Relatives shall not Deal in Securities of the Company. Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.
- iv. All Designated Persons and their Relatives shall conduct their dealings 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 the trading window is closed, as referred to in clause (c) above or during any other period as may be specified by the Company from time to time.
- v. The Compliance Officer shall intimate the closure of trading window to all the Designated Persons of the Company
- vi. The Compliance Officer after considering various factors including the Unpublished Price Sensitive Information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for reopening of the trading window. In any event such re-opening shall not be earlier than forty-eight hours after the information becomes generally available.

8. PRE-CLEARANCE OF TRADE

- i. All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades during free period is above 50,000 shares or up to Rs. 10 Lakhs (market value) or 1% of total shareholding, whichever is less, should pre-clear the transaction at least one day prior to such execution. However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed and hence, he shall not be allowed to trade. The pre-dealing procedure shall be hereunder:
 - a. An application may be made in the prescribed Form (Annexure 1) to the Compliance officer indicating the estimated number of securities that the Specified 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.
 - b. An undertaking (Annexure 2) shall be executed in favour of the Company by such Specified Employee incorporating, inter alia, the following clauses, as may be applicable:
 - i. 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.
 - ii. That in case the Specified Employee 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.
 - iii. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time
 - iv. That he/she has made a full and true disclosure in the matter.
 - c. All Specified Persons and they shall execute their order in respect of

securities of the Company within one week after the approval of pre-clearance is given. The Specified Person shall file within 2 (two) days of the execution of the deal, the details of such deal with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed. (Refer Annexure 3 & 4).

- d. If the order is not executed within seven days after the approval is given, the employee/director must pre-clear the transaction again.
- e. All Specified Persons who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Specified Persons shall also not take positions in derivative transactions in the shares of the Company at any time. In case of any contra trade be 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 Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act

Provided that this shall not be applicable for trades pursuant to exercise of stock options. In case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

In case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted

- f. In case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

9. OTHER RESTRICTION

- i. The disclosures to be made by any person under this Code shall include those relating to trading by such person's Relatives, and by any other person for whom such person takes trading decisions.

- ii. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be considered for purposes of this Code.
- iii. The disclosures made under this Code shall be maintained for a period of five years.
- iv. Internal Control
 - a. The chief Financial Officer or Managing Director or such other analogous person of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in Insider Trading Regulations to prevent insider trading. Further, the Board is to ensure that the requirements are met by such persons under the Insider Trading Regulations.
 - b. The Internal control shall include the following:
 - Designated Person
 - all the Unpublished Price Sensitive Information shall be identified and its confidentiality shall be maintained as per the requirements of the Insider Trading Regulations;
 - adequate restrictions shall be placed on communication or procurement of Unpublished Price Sensitive Information as required by the Insider Trading Regulations;
 - lists of all employees and other persons with whom Unpublished Price Sensitive Information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons
 - all other relevant requirements specified under the Insider Trading Regulations shall be complied with
 - periodic process review to evaluate effectiveness of such internal controls.
 - c. The Audit Committee of the Company or other analogous body for intermediary or fiduciary shall review compliance with the provisions of the Insider Trading Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
 - d. The Company shall formulate written policies and procedures for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, which shall be approved by the Board and accordingly

initiate appropriate inquiries on becoming aware of such information and inform the Board promptly of such leaks, inquiries and results of such inquiries

- e. If an inquiry has been initiated by the Company in case of leak or suspected leak of Unpublished Price Sensitive Information the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by the Company.
- v. The Company shall not discharge, terminate, demote, suspend, threaten, harass, either directly or indirectly, or discriminate against any Employee who files a Voluntary Information Disclosure Form under the Insider Trading Regulations, irrespective of whether the information is considered or rejected by SEBI or he or she is eligible for a Reward under the Insider Trading Regulations, by reason of: (a) filing a Voluntary Information Disclosure Form under the Insider Trading Regulations; (b) testifying in, or otherwise assisting or aiding SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of the insider trading laws, or in any manner aiding the enforcement action taken by the Board; (c) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with SEBI in any manner.

10. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES

INITIAL DISCLOSURE

- i. Every promoter/member of the promoter Group/ Key Managerial Personnel / Director / Officers / Designated Employees of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of immediate relative(s) in the prescribed Form (Annexure 5) (as prescribed or amended by SEBI, from time to time)
- ii. Every person on appointment as a key managerial personnel 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 7 (seven) days of such appointment or becoming a promoter in (Annexure 5) (as prescribed or amended by SEBI, from time to time).

CONTINUAL DISCLOSURE

- iii. Every promoter, member of the promoter group, designated person (including their immediate relatives) and director of the Company shall disclose to the Company in the format set out in Annexure 6 (as prescribed or amended by SEBI, from time to time) 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.10,00,000/- (Rupees Ten Lakh Only) or such other value as may be specified. The disclosure shall be made within 2 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
- iv. Every Insider shall disclose to the Company the number of such Securities acquired or disposed through an off-market inter-se transaction within two Trading Days of such transaction.

Disclosure by the Company to the Stock Exchange(s)

- v. Within two Trading Days of the receipt of intimation under Clause 10 (iii) or Clause 10 (iv), the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received
- vi. The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors / officers / Designated Persons for a minimum period of five years.

11. DISSEMINATION OF PRICE SENSITIVE INFORMATION

- i. No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of Securities of the Company
- ii. Disclosure or dissemination of Unpublished Price Sensitive Information with special reference to analysts, media persons and institutional investors:

The following guidelines shall be followed while dealing with analysts and institutional investors:

- Only public information to be provided
- At least two Company representatives be present at meetings with

analysts, media persons and institutional investors.

- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes Unpublished Price Sensitive Information, a public announcement should be made before responding
 - Simultaneous release of information after every such meeting.
- iii. Where disclosure of Unpublished Price Sensitive Information is required to be made to any person in the course of a transaction, such disclosure shall be made on a "need to know" basis. Any such disclosure shall be made in accordance with the Insider Trading Regulations

12. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT

- i. Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).
- ii. Any Designated Person who trades in securities or communicates any information for trading in Securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
- iii. Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, claw back, ineligibility for future participation in employee stock option plans, etc.
- iv. The action by the Company shall not preclude the Securities and Exchange Board of India from taking any action in case of violation of the Insider Trading Regulations
- v. In case of the Board becoming aware of any violation by the Designated Person and relatives of Designated Persons of the Insider Trading Regulation, the Board shall promptly inform the Securities and Exchange Board of India ("SEBI") of such violation in the format prescribed by SEBI.

13. REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this Code from time to time. All provisions of this Code would be subject to revision or amendment in accordance with the applicable law as may be issued by relevant statutory, governmental, or regulatory authorities, from time to time. In case of any



amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

14. CODE OF FAIR DISCLOSURE:

A code of practices and procedures for fair disclosure of un-published price sensitive information for adhering each of the principles are set out in Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information.

15. CODE COMMENCEMENT

The Board reviewed and changes approved in this Code - 29th May 2025 (Last Amendment)



ANNEXURE 1

APPLICATION FOR PRE-CLEARANCE TO TRADE IN THE SECURITIES

Date:

To
The Compliance Officer
Sharat Industries Limited
Venkannapalem village, T P Gudur Mandal,
Nellore, Andhra Pradesh 524 002

Dear Sir,

Application for Pre-Clearance Approval in Securities of the Company

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase / sale / subscription of _____ equity shares of the Company as per details given below:

| | | |
|-----|--|--|
| 1. | Name of the applicant | |
| 2. | Designation | |
| 3. | Number of securities held as on date | |
| 4. | Folio No. / DP ID & Client ID No. | |
| 5. | The proposal is for a) Purchase of Securities b) Subscription of Securities c) Sale of Securities | |
| 6. | Proposed date of dealing in securities | |
| 7. | Estimated number of securities proposed to be acquired/sold | |
| 8. | Price at which the transaction is proposed | |
| 9. | Current market price (as on date of application) | |
| 10. | Whether the proposed transaction will be through stock exchange or off-market deal | |
| 11. | Folio No. / DP ID & Client ID No. where the securities will be credited / debited | |

I enclose herewith the form of Undertaking signed by me.

Yours Faithfully

Signature of Designated Person



ANNEXURE 2

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE CLEARANCE OF TRADE IN THE SECURITIES OF THE COMPANY

Date:

To
The Compliance Officer
Sharat Industries Limited
Venkannapalem village, T P Gudur Mandal,
Nellore, Andhra Pradesh 524 002

I, _____, _____ (Designation) of the Company residing at _____, am desirous of dealing in * shares of the Company as mentioned in my application dated for preclearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within (2) Two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance.

I declare that I have made full and true disclosure in the matter.

(Signature)



ANNEXURE 3

FORMAT OF PRE- CLEARANCE ORDER

To,

Name: _____

Designation : _____

Place: _____

This is to inform you that your request for dealing in _____ (nos) securities of the Company as mentioned in your application dated _____ is approved. Please note that the said transaction must be completed within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek pre-clearance again before executing any transaction/deal in the securities of the Company.

Further, you are required to file the details of the executed transactions in the attached form within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours faithfully,

For SHARAT INDUSTRIES LIMITED

COMPLIANCE OFFICER

Date: _____

FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / dealing in securities of the Company)

To
The Compliance Officer
Sharat Industries Limited
Venkannapalem village, T P Gudur Mandal,
Nellore, Andhra Pradesh 524 002

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to securities as mentioned below on (date)

| Name of Holder | No. of Securities dealt with | Bought/ sold/subscribed | DP ID/Client ID/Folio No | Price |
|----------------|------------------------------|-------------------------|--------------------------|-------|
| | | | | |

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

1. Broker's contract note
2. Proof of payment to/from brokers
3. Extract of bank passbook/statement (to be submitted in case of demat transactions)
4. Copy of Delivery instruction slip (applicable in case of sale transaction).

to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (applicable in case of purchase / subscription).

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature: _____

Name: _____

Designation: _____

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]

Name of the Company:

ISIN of the Company: _____

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2)

| Name, PAN/DIN/CIN And address With Contact Number | Category of the Person (KMP/Director/Promoter/ Promoter group/ immediate relative/others) | Date of Appointment of KMP/Director/or Date of Becoming Promoter/ Promoter Group | Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2) (Type of Securities) | % of Shareholding |
|---|---|--|---|-------------------|
| 1 | 2 | 3 | 4 | 5 |
| | | | | |

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

Name & Signature:

Designation:

Date:

Place:

Annexure – 6

FORM C

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(2) read with Regulation 6(2) – Continual disclosure]

Name of the company:

ISIN of the company:

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2)

| Name, PAN, CIN/DIN, & address with contact nos. | Category of Person (Promoter/member of the promoter group /designated person / Director s/immediate relative to/others etc.) | Securities held prior to pledge acquisition/disposal | | Securities acquired/Disposed pledged | | | | Securities held post acquisition/disposal/ pledge | | Date of creation of pledge allotment advice/acquisition | | Date of intimation to company | Mode of acquisition / disposal (Pledge/ on market/ public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.) | Exchange on which the trade was executed |
|---|--|--|----------------------------|--|-----|--------------|--|--|----------------------------|---|----|-------------------------------|--|--|
| | | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of share holding | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. | Value in Rs. | Transaction Type (Buy/ Sale / Pledge / Revoke/ Invoke) | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of share holding | From | To | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| | | | | | | | | | | | | | | |

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

2015.

Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)

| Trading in derivatives (Specify type of contract, Futures or Options etc) | | | | | | Exchange on which the trade was executed |
|---|-------------------------|----------------|--|----------------|--|--|
| Type of contract | Contract specifications | Buy | | Sell | | |
| | | Notional Value | Number of units (contracts * lot size) | Notional Value | Number of units (contracts * lot size) | |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| Not Applicable | | | | | | |

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name :

Designation :

Date :

Place :

Annexure – 7

FORM D (Indicative Format)

**SEBI(Prohibition of Insider Trading) Regulation 2015
Regulation 7(3)- Transactions by other connected Person as identified by the Company**

Details of Trading in Securities by other connected person as identified by the Company

| Name, PAN No., CIN/DIN, & address of connected persons with contact nos. | Connection with Company | Securities held prior to acquisition/disposal | | Securities acquired/Dispose | | % 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 Debenture etc.) | No. | Type of security (For eg. – Shares, Warrants, Convertible Debenture 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 |
| | | | | | | | | | | | | | | | | |

Name :

Designation :

Date :

Place :