

## **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

### **I. PREAMBLE**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, (hereinafter referred to as the 'Regulations') requires a Company to frame a Code of Conduct for prevention of insider trading by employees of the Company, including the Directors, in relation to the securities of the Company.

In line with the said Regulations, this Code for Prevention of Insider Trading has been formulated and adopted by the Board of Directors of the Company.

### **II. DEFINITIONS**

1. 'Code' means this Code for Prevention of Insider Trading
2. 'Company' means Lakshmi Energy and Foods Limited (formerly Lakshmi Overseas industries Ltd.)
3. 'Compliance Officer' shall mean Company Secretary of the Company.
4. 'Dealing in Securities' means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities either as principal or agent.
5. Designated Employee' shall mean:-
  - a) All Directors, Executive and Non-Executive;
  - b) All Presidents/Vice Presidents;
  - c) All Managers & Deputy Managers;
  - d) All employees of Corporate Affairs, Corporate Planning, Finance & Accounts Department; and
  - e) Other employees as designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.
6. Dependent Family Members shall mean a relative of the designated employee who is dependent on designated employee.
7. Price Sensitive Information any information, which relates directly or indirectly to the company and which if published, is likely to materially affect the price of securities of Company. The following is deemed to be price sensitive information:-
  - a) Periodical financial results of the company;
  - b) Intended declaration of dividends (both interim and final);
  - c) Issue of securities or buy-back of securities;
  - d) Any major expansion plans or execution of new projects;
  - e) Amalgamation, mergers or takeovers;
  - f) Disposal of the whole or substantial part of the undertaking; and
  - g) Any significant changes in policies, plans or operations of the company.

8. Relative shall mean any of the following persons:

- a) Husband
- b) Wife
- c) Father
- d) Mother (including step-mother)
- e) Son (including step-son)
- f) Son's wife
- g) Daughter (including step-daughter)
- h) Father's father
- i) Father's mother
- j) Mother's mother
- k) Mother's father
- l) Son's son
- m) Son's son's wife
- n) Son's daughter
- o) Son's daughter's husband
- p) Daughter's husband
- q) Daughter's son
- r) Daughter's son's wife
- s) Daughter's daughter
- t) Daughter's daughter's husband
- u) Brother (including step-brother)
- v) Brother's wife
- w) Sister (including step-sister)
- x) Sister's husband

## **II. INTERPRETATION**

1. Terms that have not been defined in this Code shall have the same meaning assigned to them in the Companies Act, 1956 and/or any other SEBI Regulation(s) as amended from time to time.
2. This Code can be modified/amended/alterd only by Board of Directors of the Company.

## **III APPLICABILITY**

1. This Code shall be applicable on all the designated employees, present and future.

## **IV CODE**

### **1.0 PROHIBITION TO BUY / SELL SECURITIES OF THE COMPANY BY DESIGNATED EMPLOYEES**

1.1 Designated Employees when in possession of any unpublished price sensitive information pertaining to the Company, shall not:

- 1.1.1 Buy/sell securities of the Company, either on their own behalf or on behalf of any other person.

1.1.2 Communicate, counsel or procure any unpublished price sensitive information to/from any person.

## **2.0 RESTRICTION TO BUY / SELL SECURITIES BY DESIGNATED EMPLOYEES**

2.1 Designated Employees shall not buy/sell securities of the Company during Closure of the 'Trading Window', i.e. the period during which trading in the securities of the Company is prohibited.

2.2 The closure of trading Window shall commence as follows:

<b>Nature of financial results</b>	<b>Date of Declaration</b>	<b>Date of closure of Trading Window</b>
Unaudited Results for the quarter (January to March)	On or before April 30	w.e.f. April 1
Unaudited Results for the quarter (April to June)	On or before July 31	w.e.f July 1
Unaudited Results for the quarter (July to September)	On or before October 31	w.e.f October 1
Unaudited Results for the quarter (Oct to December)	On or before January 31	w.e.f January 1

The Trading Window shall be opened after passing of 24 hours of conclusion of Board Meeting in which the Financial Results as above are approved.

2.3 The trading window for following events shall be advised by the Compliance officer appointed by the Board for the purpose of this Code:

2.3.1 Proposal in respect of issue of securities by way of public/ rights/ bonus etc.;

2.3.2 Proposal in respect of significant expansion plans or execution of new projects;

2.3.3 Proposal in respect of amalgamation, mergers, takeovers and buyback;

2.3.4 Proposal in respect of disposal of whole or substantially the whole of the undertaking;

2.3.5 Declaration of Dividends (Interim and Final);

2.3.6 Any change in Policies, plans or operations of the Company; and

2.3.7 Any other information which can be considered to be price sensitive

2.4 All Securities acquired by Designated Employees must be held for a

minimum period of 30 days. However, in circumstances of personal emergency, an application may be made to the Compliance Officer requesting for a waiver of the holding period, explaining reasons for the same. The application for permission to sell securities within 30 days of Purchase shall be made to compliance Officer of Company in format specified in Annexure II of the Code. The Compliance Officer, on being satisfied of the reasons may grant a waiver from this condition.

2.5 Designated Employees are required to obtain the pre-clearance of the proposed acquisition/purchase/sale transactions by themselves or through their dependent family members as per the procedure described hereunder if the said transaction of the securities of Company is in excess of 5,000 in number or Rupees One Lac in market value, whichever is lower, in transaction(s) in a single day. The application for pre-clearance shall be made to compliance officer of Company in format specified in Annexure II of the Code.

2.6 The Compliance Officer will scrutinize the application within 2 working days of submission and communicate the approval/ refusal (alongwith reasons therefore) to the applicant. The decision of the Compliance Officer in this regard will be final. In the absence of the Compliance Officer, the preclearance application will be decided upon by the Managing Director.

2.7 The pre-clearance approval shall be valid only for one week from the date of communication and shall lapse thereafter. If the transaction is not consummated within one week from the approval date, the employee/director will be required to follow the process of pre clearance again.

2.8 The requirements of pre- clearance of a proposed transaction shall not apply in the following cases:

2.8.1 In the event of participation of a public event i.e a rights or a bonus issue.

2.8.2 In the case of any acquisition of shares through transmission or inheritance, or like mode.

2.8.3 By way of any court settlement or award thereof.

### **3.0 DISCLOSURES**

3.1 Designated Employees shall make the following disclosures of shares and other securities held in the Company by them and their dependant family members, to the Compliance Officer:

<b>Periodicity of Disclosure</b>	<b>Disclosure Requirement</b>	<b>Time period within which disclosure is to be made</b>
Initial Disclosure by Designated Employee	Number of Securities or voting rights held by them & their dependent family members (as per format specified in Annexure I of this Code).	Within 4 days of his becoming designated employee of the Company. In case of existing designated employee within 4 days of coming into effect of this Code.
Annual Disclosure by all Designated Employee	Number of Securities or voting rights held by them & their dependent family members (as per format specified in Annexure I of this Code).	Annual disclosure of number of securities held as on 31st December shall be made within 30 days.
Disclosure by Designated Employee if there has been Change in shareholding and such change exceeds Rs. 5 lacs in market value or 25,000 shares or 1% of the total shareholding of the Company or any other limit notified by SEBI, whichever is lower	Number of Securities or voting rights held by them & their dependent family members(as per format specified in Annexure III of this Code).	Within 4 working days of acquisition/sale / transfer / of shares.

#### **4.0 PENALTIES FOR CONTRAVENTION**

4.1 Violation of this Code will invite severe disciplinary action. Such disciplinary action will be irrespective of action that may be taken by SEBI under the Regulations.

#### **5.0 GENERAL**

5.1 Employees are advised to pursue the Code and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time, carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

## **Annexure I**

Date :

Compliance Officer  
Lakshmi Energy and Foods Limited  
(formerly Lakshmi Overseas industries Ltd.)  
SCO 18-19, First Floor,  
Sector-9D, Madhya Marg,  
Chandigarh

### **Sub : Initial Disclosure/Annual Disclosure of Securities held pursuant to Code for Prevention of Insider Trading**

Dear Sir,

I, hereby disclose that I am holding \_\_\_\_\_ Number of Securities of Lakshmi Energy and Foods Limited (including those held by dependent family members) as per following details as on.....\*:

1. Name :
2. Designation, Department & Employee Code :
3. Client Id & Details of Depository :
4. Name(s) of Account Holder(s)\*\* :
5. Relation with Designated Employee\*\* :
6. Number of securities held (including those held by dependent family members)

Thanking you,

(Signature)

Notes:

1. \* Strike out whichever is not applicable
2. \*\* Applicable in case of dependent family member of Designated Employee
3. A separate Statement should be attached in respect of number of Shares held by dependent family members.

## **Annexure II**

Date :

Compliance Officer  
Lakshmi Energy and Foods Limited  
(formerly Lakshmi Overseas industries Ltd.)  
SCO 18-19, First Floor,  
Sector-9D, Madhya Marg,  
Chandigarh

**Sub : Application for Selling before 30 days of Purchase of Security pursuant to Clause 2.4 of Code for Prevention of Insider Trading/Pre-clearance of the Transaction pursuant to Clause 2.5 of Code for Prevention of Insider Trading\***

Dear Sir,

I intend to deal in the Securities of Company. Detailed particulars of Proposed Transaction are as follows:

1. Name :
2. Designation, Department & Employee Code :
3. Client Id & Details of Depository :
4. Name(s) of Account Holder(s)\*\* :
5. Relation with Designated Employee\*\* :
6. No of securities held (including those held by: dependent family members) before proposed Transaction
7. Nature of Proposed Transaction :
8. Estimated number of securities to be dealt in : proposed Transaction (including by dependent family members)
9. Reason for proposed Transaction :

You are requested to pre-clear the above transaction.

Thanking you,

(Signature)

Notes:

1. \* Strike out whichever is not applicable
2. \*\* applicable in case of dependent family member of Designated Employee
3. A separate statement should be attached in respect of number of Shares held by dependent family members.

### **Annexure III**

Date :

Compliance Officer  
Lakshmi Energy and Foods Limited  
(formerly Lakshmi Overseas industries Ltd.)  
SCO 18-19, First Floor,  
Sector-9D, Madhya Marg,  
Chandigarh

Sub : Disclosure Pursuant to Clause 3.1 of Code for Prevention of Insider Trading of Lakshmi Energy and Foods Limited (formerly Lakshmi Overseas industries Ltd.) for change in shareholding in excess of Rs. 5 lacs in market value or 25,000 shares or 1% of the total shareholding of the Company or any limit notified by SEBI, whichever is lower

Dear Sir,

I am disclosing herewith details of securities held by me (including those held by dependent family members) pursuant to Clause 3.1 of Code for Prevention of Insider Trading of Lakshmi Energy and Foods Limited.

1. Name :
2. Designation, Department & Employee :  
Code
3. Client Id & Details of Depository :
4. Name(s) of Account Holder(s)\* :
5. Relation with Designated Employee\* :
6. Shareholding prior to acquisition/sale :  
(including those held by dependent family members)
7. Number and % of shares/voting rights :  
acquired /sold
8. Receipt of allotment/advice/acquisition :  
of shares/sale of shares
9. Mode of acquisition on (market :  
Purchase/public/rights/preferential offer etc.)
10. Trading member through whom the :  
trade was executed with SEBI  
Registration No. of Trading Member
11. Exchange on which the trade was :  
executed
12. Buy quantity :
13. Buy Value



14. Sell quantity :
15. Sell Value :

You are requested to pre-clear the captioned transaction.  
Thanking you,

(Signature)

Notes:

1. \* Applicable in case of dependent family member of Designated Employee
2. A separate statement should be attached in respect of number of Shares held by dependent family members