

SHREE VASU LOGISTICS LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. INTRODUCTION

Trading in a company's securities by insiders who enjoy a special status, as compared to the investors, as regard price sensitive information and who as a result thereof are able to use their special status for individual benefit, is commonly referred to as Insider Trading.

With a view to govern the conduct of insiders relating to insider trading, the Securities and Exchange Board of India (SEBI) had formulated SEBI (Prohibition of Insider Trading) Regulations 2015 as amended time to time.

Regulation 8 of the above mentioned Regulations requires inter alia all listed companies to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A of the said Regulation.

2. OBJECTIVES

In compliance with the above requirements and Regulation, the Company has adopted this code of practices and procedures for fair disclosure of unpublished price sensitive information based on Schedule A of the said Regulations. Shree Vasu Logistics Limited endeavors to ensure timely and adequate disclosure of price sensitive information. The Company is, committed to fairness and transparency in dealing with all stakeholders and in ensuring compliance with applicable laws and regulations.

To achieve these objectives, maintain decency and to observe set procedure in relation to disclosure of price sensitive information of the Company, Shree Vasu Logistics Limited has implemented this code to be followed and observed as mentioned herein.

3. TITLE AND COMMENCEMENT

This Code is called "code of practices and procedures for fair disclosure of unpublished price sensitive information" or Code of Corporate Disclosure Practices.

The Board of Directors of the Company had approved the original Code at its meeting held on February 06, 2018.

The Board of Directors of the Company have, at their Meeting held on March 28, 2019, decided to revise the existing Code to incorporate the requirements of the Act and the PIT regulations. This Code will supersede the provisions of the earlier Code adopted by the Board.

4. DEFINITIONS AND INTERPRETATION

"Act" means the Companies Act, 2013, for the time being in force and as may be clarified, amended, reenacted from time to time.

"Board" means the collective body of the Directors of the Company.

"Company" means the Shree Vasu Logistics Limited or abbreviated as "SVLL".

"Code" means this "code of practices and procedures for fair disclosure of unpublished price sensitive information" or Code of Corporate Disclosure Practices as amended time to time.

"Compliance Officer" means any senior officer, designated so and reporting to the board of directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these

regulations and who 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 of the company.

"Designated Persons" means persons covered by the code of conduct, in terms of consultation between Board of Directors and Compliance Officer, on the basis of their role and function in the Company and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation and includes:-

- (a) Employees of the company, intermediary or fiduciary designated on the basis of their functional role or access to unpublished price sensitive information in the organization by the board of directors or analogous body;
- (b) All promoters of the Company and promoters who are individuals or investment companies for intermediaries or fiduciaries;
- (c) Chief Executive Officer and employees upto two levels below Chief Executive Officer of the Company, intermediary, fiduciary irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
- (d) Any support staff of the Company, intermediary or fiduciary such as IT staff or secretarial staffs who have access to unpublished price sensitive information.
- (e) All Employees including trainees working in the accounts, internal audit, MIS, taxation, treasury, finance, legal and secretarial departments of the Company.
- (f) Secretaries, personal assistants and persons working closely with the Managing Directors, Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Compliance Officer of the Company.
- (g) Employees or other persons as may be determined by the Board or as per direction of the Board, from time to time or as may be required as per the Regulations.

"Fiduciary/ Fiduciaries" means professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company.

"Financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

"Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.

"Insider" means any person who is:

- i. a connected person; or
- ii. in possession of or having access to unpublished price sensitive information;
- iii. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose

"Legitimate Purpose" includes 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 has not been carried out to evade or circumvent the prohibitions of PIT regulations.

"PIT Regulation" means the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended or reenacted time to time.

"Stock Exchanges" means the stock exchanges where Securities of the Company is listed.

"Unpublished price sensitive information" or "UPSI" means any information, relating to the Company or its securities, directly or indirectly, that is not generally available, which upon becoming generally available, is likely to materially affect the price of the Securities of the Company and shall, ordinarily including but not restricted to, information relating to the following:-

- i. Financial results;
- ii. Dividends;

- iii. Change in capital structure;
- iv. Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. Changes in key managerial personnel.

Words and expressions used and defined and/or used but not defined in this Code shall have the same meaning assigned to them in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the rules and regulations made thereunder, to the extent relevant in connection with this Code, as the case may be or in any amendment thereto.

5. COMPLIANCE OFFICER

The Board of Directors of the Company shall designate a senior officer as Compliance Officer, to deal with dissemination of information and disclosure of unpublished price sensitive information.

The Company Secretary shall act as Compliance Officer, unless the Board decides otherwise.

The Compliance Officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee at such frequency as may be stipulated by the board of directors, but not less than once in a year.

6. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

No insider shall communicate, provide, or allow access to any unpublished price sensitive information, to any other person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The Board of Directors of the Company has framed a policy for determination of "legitimate purposes" as a part of "Codes of Fair Disclosure and Conduct" attached as **Annexure - A**

No insider shall trade in securities of the Company that are listed or proposed to be listed on Stock Exchange, when in possession of unpublished price sensitive information.

When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

7. PROHIBITION IN DEALING IN SECURITIES OTHER THAN DURING A VALID TRADING WINDOW

All Directors and Designated Persons shall conduct all their dealings in the securities of the Company only in a valid trading window within the threshold limit prescribed and shall not deal in any transactions involving the purchase or sale of the Company's securities during the period when trading window is closed.

A notional trading window shall be used as an instrument of monitoring trading by the designated persons. 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.

Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.

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

8. PROCEDURES FOR DEALING IN SECURITIES OF THE COMPANY

All Directors, Officers and Designated Persons who intend to deal in securities of the Company in their own name or in the name of their relatives, above minimum threshold limit, shall obtain pre-clearance of the transactions by Compliance Officer by making an application in this regard and by giving declarations to the effect that he/she is not in possession of any unpublished price sensitive information. The pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

The trades which have been pre-cleared by the Compliance Officer shall be executed within seven trading days, failing which fresh pre-clearance would be needed for the trades to be executed.

9. REPORTING AND DISCLOSURES

A. DISCLOSURES BY PROMOTERS, DIRECTORS AND KEY MANAGERIAL PERSONNEL TO COMPANY

(a) Initial Disclosure

On appointment as a key managerial personnel (KMP) or a director of the company or upon becoming a promoter or member of the promoter group, such KMP or Director or Promoter or member of the promoter group, shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter or member of the promoter group, to the company within seven days of such appointment or becoming a promoter or member of the promoter group.

(b) Continual Disclosure

Every promoter, member of the promoter group, designated person and director of company shall disclose to the company 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 ten lakh rupees or such other value as may be specified;

B. DISCLOSURES BY COMPANY TO STOCK EXCHANGES

The Company shall notify the particulars of trading by promoter, member of the promoter group, designated person and director of company to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information, 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 ten lakh rupees or such other value as may be specified.

C. DISCLOSURE OF PRICE SENSITIVE INFORMATION

The Company shall disclose promptly the unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

Dissemination of unpublished price sensitive information shall be uniform and universal to avoid selective disclosure.

If there would be any unpublished price sensitive information disclosed selectively to meet the statutory or business requirement or inadvertently or otherwise, such information shall be disseminated promptly to make such information generally available.

The Company shall disclose and disseminate the unpublished price sensitive information to the Stock Exchanges on continuous and immediate basis, as may be appropriate and required.

Wherever necessary to make disclosure to Stock Exchanges about events materially bearing on performance / operation of the Company as well as price sensitive information, as per the PIT Regulations, the CFO and Managing Director will take a view on materiality of event that qualify for disclosure, appropriate time and details for disclosures.

10. RESPONDING TO MARKET RUMOURS

The Designated persons and Directors of the Company shall promptly direct any queries or requests for verification of market rumors received from Stock Exchanges or from the press or media or from any other source, to the Compliance Officer.

The Compliance Officer, on receipt of requests as aforesaid, consults the Managing Director and would respond and address the same appropriately and in fair manner.

11. DEALING WITH ANALYSTS AND RESEARCH PERSONNEL

The Compliance Officer shall ensure that the information shared with analysts and research personnel shall not be unpublished price sensitive information.

The Company shall follow best practice to make a transcripts or records of the proceedings of meeting with analysts and other investor relations conference in relation to announcement of financial results and material updates and to post on website of the Company to ensure confirmation and documentation of disclosures made.

12. HANDLING OF INFORMATION ON NEED TO KNOW BASIS

All information shall be handled within the Company 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 legal obligations.

13. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING

The Chief Executive Officer, Managing Director of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.

The internal controls shall include the following:

- a) all employees who have access to unpublished price sensitive information are identified as designated employee;
- b) all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;
- c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
- d) 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;
- e) all other relevant requirements specified under these regulations shall be complied with;
- f) periodic process review to evaluate effectiveness of such internal controls.

The Audit Committee of the Company or shall review compliance with the provisions of PIT Regulations by the Company at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

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

The Board of Directors of the Company has separately framed Code of conduct to regulate, monitor and report Trading by Insiders to regulate, monitor and report trading in securities of the Company by Insiders.

Every Director, Designated Person and person connected with the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work and association with the Company. Director and Designated Persons should not use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating or counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

On appointment of Director or designated person, the Company shares such Code of Conduct with the Director or designated person and they are required to adhere to it in their spheres of activities within the Company.

15. CLARIFICATIONS, AMENDMENT ETC

The Board may, subject to applicable laws amend, alter, modify, substitute any of the provision(s) with a new provision(s) or replace this Code entirely with a new code from time to time based on the requirements as prescribed under the PIT Regulations.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

DISCLOSURE

This Policy shall be uploaded on the Company's website for investors and public information and a web link thereto shall be provided in the Board's Report as part of the Annual Report of the Company.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**1. INTRODUCTION**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 as may be amended time to time, provides that no insider shall communicate, provide, or allow access to any unpublished price sensitive information, to any other person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Regulation 3(2A) of the above mentioned Regulations requires the Board of Directors of every listed companies to frame a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct”.

The Board of Directors of the Company has framed a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct”, to list the circumstances or purposes for which an insider can communicate, provide, or allow access to any unpublished price sensitive information, relating to the company or its securities, where such communication, access of unpublished price sensitive information would not be considered illegal by the insider.

2. OBJECTIVES

Shree Vasu Logistics Limited has implemented this policy to fulfill following objectives as outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015:

- a. to cast an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis.
- b. to develop practices in the Company based on need-to-know principles for treatment of information in their possession.
- c. to impose a prohibition on unlawfully procuring possession of unpublished price sensitive information.

3. CONSTITUENTS OF LEGITIMATE PURPOSE

The communication, provision, procurement or access to any unpublished price sensitive information, relating to the company or its securities in furtherance of legitimate purposes, will be considered as legitimate purpose, if it qualifies certain grounds. Accordingly, legitimate purposes shall include:

- i. 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 has not been carried out to evade or circumvent the prohibitions of PIT regulations.
- ii. Sharing of unpublished price sensitive information in connection with a transaction, where the board of directors of the company is of informed opinion that sharing of such information is in the best interests of the company and the information constituting the unpublished price sensitive information is made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to adequately and fairly cover all relevant and material facts
- iii. Sharing of unpublished price sensitive information in connection with a transaction that would entail 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 company.

4. CONFIDENTIALITY OF UPSI

Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an insider. Such persons are under duty to maintain confidentiality of such unpublished price sensitive information.

The parties are required to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties, as may be required by the Board of Directors. Such parties shall keep information so received

confidential and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

5. SAFEGUARDS FOR TRADING WHEN IN POSSESSION OF UPSI

The insider, who has traded in securities of the Company when in possession of unpublished price sensitive information may prove his innocence by demonstrating the circumstances including the following: –

- i. the transaction is an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 of PIT regulations and both parties had made a conscious and informed trade decision.
- ii. the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 of PIT regulations and both parties had made a conscious and informed trade decision;
- iii. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- iv. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- v. the trades were pursuant to a trading plan set up
- vi. in the case of non-individual insiders: –
 - a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
 - b) appropriate and adequate arrangements were in place to ensure that PIT Regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individual staking trading decisions and there is no evidence of such arrangements having been breached;

6. CLARIFICATIONS, AMENDMENT ETC

The Board may, subject to applicable laws amend, alter, modify, substitute any of the provision(s) with a new provision(s) or replace this Code entirely with a new code from time to time based on the requirements as prescribed under the PIT Regulations.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.