



Sagarsoft (India) Limited  
Code of Conduct

## Sagarsoft (India) Limited

### Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

#### **I. Preamble:**

Regulation (8) of the newly introduced SEBI (Prohibition of Insider Trading) Regulations, 2015, (the `Regulations') requires a listed company to formulate and publish on its official website a Code of Practices and Procedure for fair disclosure of Unpublished Price Sensitive Information (hereinafter referred as "Code") in adherence to the principles set-out in Schedule A to the said Regulations.

#### **II. Objective of the Code:**

The Code is required for Sagarsoft (India) Limited ("the Company") to prevent the misuse and ensure timely and adequate disclosure of Unpublished Price Sensitive Information (UPSI) and to maintain the uniformity, transparency and fairness in dealing with its stakeholders.

#### **III. Principles for Fair Disclosure:**

The Company, Board, Officers, Employees and connected persons shall adhere to the following guidelines involving the compliance of Regulations with respect to principles of fair disclosure of unpublished price sensitive information in letter and spirit.

1. The Compliance Officer shall ensure prompt public disclosure of Unpublished Price Sensitive Information (UPSI) to stock exchanges and on the website of the company, that would impact price discovery, as soon as it has credible and concrete information, in order to make such information `generally available' i.e., to make the information accessible to the public on a non-discriminatory basis.
2. The company shall ensure a uniform and universal dissemination of UPSI to avoid selective disclosure.
3. The Compliance Officer shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information `generally available'.
4. The company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
5. The Compliance Officer shall ensure that information shared with analysts and research personnel is not UPSI.
6. The company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
7. The Compliance Officer shall ensure the handling of all UPSI on a need-to-know basis.
8. The Compliance Officer of the company shall act as the Chief Investor Relations Officer (CIRO) for the purpose of dealing with dissemination of information and disclosure of UPSI as contained herein.

#### **IV. Amendment to the Code:**

The Board may stipulate further guidelines, procedures and rules, from time to time, to ensure fair disclosure in whole or in part. This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the stock exchange where the securities of the company are listed.

## SAGARSOFT (INDIA) LIMITED

### Code of Conduct for Prohibition of Insider Trading under SEBI (Prohibition of Insider Trading) Regulations, 2015

#### 1. Objective

Code of Conduct for Prohibition of Insider Trading applies to all employees of the Company to ensure that information is handled within the organisation on a need-to-know basis and no unpublished price sensitive information is communicated to any person except on a need to know basis and for performance of duties of the insider and / or discharge of his legal obligations.

#### 2. Designated Employees

2.1 All the employees in Head / Corporate Office of the Company have been designated as “Designated Employees” for the purpose of this Code of Conduct:

#### 3. Compliance Officer

Company Secretary shall act as the Compliance Officer 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.

#### 4. Definitions

- a) Act means Securities and Exchange Board of India Act, 1992 as amended from time to time.
- b) "Connected person" means –
  - (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity 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 between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
  - (ii) 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) an immediate relative of connected persons specified in clause (i); or
    - (b) a holding company or associate company or subsidiary company; or

- (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
- (d) an investment company, trustee company, asset management company or an employee or director thereof; or
- (e) an official of a stock exchange or of clearing house or corporation; or
- (f) 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
- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the SEBI; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

**NOTE:** It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

- b) "generally available information" means information that is accessible to the public on a non-discriminatory basis and covers information published on the website of a stock exchange.

Note: It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what unpublished price sensitive information is. Information published on the website of a stock exchange, would ordinarily be considered generally available

- d) "immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

NOTE: It is intended that the immediate relatives of a "connected person" too become connected persons though this is a rebuttable presumption.

- e) "insider" means any person who is:

- i) a connected person; or
- ii) in possession of unpublished price sensitive information;

NOTE: Since “generally available information” is defined, it is intended that anyone in possession of or having access to unpublished price sensitive information should be considered an “insider” regardless of how one came in possession of or had access to such information. Various circumstances are provided for such a person to demonstrate that he has not indulged in insider trading. Therefore, this definition is intended to bring within its reach any person who is in receipt of or has access to unpublished price sensitive information. The onus of showing that a certain person was in possession of or had access to unpublished price sensitive information at the time of trading would, therefore, be on the person leveling the charge after which the person who has traded when in possession of or having access to unpublished price sensitive information may demonstrate that he was not in such possession or that he has not traded or he could not access or that his trading when in possession of such information was squarely covered by the exonerating circumstances.

- f) “Board” “SEBI” means Securities and Exchange Board of India.
- g) “promoter” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2[2018] or any modification thereof;

Note:

- i. “promoter group” 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;].
- ii. “proposed to be listed” shall include securities of an unlisted company:(i) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or (ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013
- h) “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;
- i) “specified” means specified by the Board in writing;
- j) “takeover regulations” means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- k) “trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and “trade” shall be construed accordingly;

Note: Under the parliamentary mandate, since the Section 12A (e) and Section 15G of the Act employs the term 'dealing in securities', it is intended to widely define the term “trading” to include dealing. Such a construction is intended to curb the activities based on unpublished price sensitive information which are strictly not buying, selling or subscribing, such as pledging etc when in possession of unpublished price sensitive information.

- l) “trading day” means a day on which the recognized stock exchanges are open for trading;
- m) “compliance officer” means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, 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 listed company or the head of an organization, as the case may be.
- Explanation – For the purpose of this regulation, “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
- n) “unpublished price sensitive information” means any information, relating to a 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 and it ordinarily includes but not restricted to information relating to the following: –
- (i) financial results;
  - (ii) dividends;
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and

NOTE: Information relating to the company or securities that is not generally available would be considered as a unpublished price sensitive information if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.

## **5. Communication or procurement of unpublished price sensitive information.**

5.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or its 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.

NOTE: This is intended 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. It is also intended to lead to the Company developing practices based on need-to-know principles for treatment of information in its possession.

5.2 No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Note: This provision is intended to impose a prohibition on unlawfully procuring possession of unpublished price sensitive information. Inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this provision

5.3 An unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:–

- (i) 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 the proposed transaction is in the best interests of the Company;

Note: It is intended to acknowledge the necessity of communicating, providing, allowing access to or procuring UPSI for substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control to assess a potential investment. In an open offer under the takeover regulations, not only would the same price be made available to all shareholders of the company but also all information necessary to enable an informed divestment or retention decision by the public shareholders is required to be made available to all shareholders in the letter of offer under those regulations.

- (ii) Not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the Company is of informed opinion that the proposed transaction is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be 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 be adequate and fair to cover all relevant and material facts.

5.4 For purposes of sub-clause (3) above, the board of directors 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 of sub-regulation (3), and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

5.5. The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons 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 database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

5.6. The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings

## 6. Trading when in possession of unpublished price sensitive information

6.1 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:

Provided that the insider 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 SEBI Regulations and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under sub-regulation (3) of regulation 3 of these regulations.

Provided further that such off-market trades shall be reported by the insiders to the company within two working days. Every company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information

- (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 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of these regulations

- (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) 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 SEBI Regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

- (iii) The trades were pursuant to a trading plan set up in accordance with regulation 5 of SEBI (Prohibition of Insider Trading) Regulations, 2015.



NOTE: 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. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated the regulation. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in the proviso, failing which he would have violated the prohibition.

- 6.2 In the case of connected persons, the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board.
- 6.3. The Board may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of these regulations.

## **7. Trading Plans**

- 7.1 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

Note: This provision intends to give an option to persons who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the unpublished price sensitive information came into being.

- 7.2 Such trading plan shall:

- (i) Not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;

Note: It is intended that to get the benefit of a trading plan, a cool-off period of six months is necessary. Such a period is considered reasonably long for unpublished price sensitive information that is in possession of the insider when formulating the trading plan, to become generally available. It is also considered to be a reasonable period for a time lag in which new unpublished price sensitive information may come into being without adversely affecting the trading plan formulated earlier. In any case, it should be remembered that this is only a statutory cool-off period and would not grant immunity from action if the insider were to be in possession of the same unpublished price sensitive information both at the time of formulation of the plan and implementation of the same.

- (ii) 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;

NOTE: Since the trading plan is envisaged to be an exception to the general rule prohibiting trading by insiders when in possession of unpublished price sensitive information, it is important that the trading plan does not entail trading for a reasonable period around the declaration of financial results as that would generate unpublished price sensitive information.

- (iii) Entail trading for a period of not less than twelve months;

NOTE: It is intended that it would be undesirable to have frequent announcements of trading plans for short periods of time rendering meaningless the defence of a reasonable time gap between the decision to trade and the actual trade. Hence it is felt that a reasonable time would be twelve months.

- (iv) Not entail overlap of any period for which another trading plan is already in existence; and

NOTE: It is intended that it would be undesirable to have multiple trading plans operating during the same time period. Since it would be possible for an insider to time the publication of the unpublished price sensitive information to make it generally available instead of timing the trades, it is important not to have the ability to initiate more than one plan covering the same time period.

- (v) 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.

NOTE: It is intended that while regulations should not be too prescriptive and rigid about what a trading plan should entail, they should stipulate certain basic parameters that a trading plan should conform to and within which, the plan may be formulated with full flexibility. The nature of the trades entailed in the trading plan i.e. acquisition or disposal should be set out. The trading plan may set out the value of securities or the number of securities to be invested or divested. Specific dates or specific time intervals may be set out in the plan.

- (vi) Not entail trading in securities for market abuse.

NOTE: Trading on the basis of such a trading plan would not grant absolute immunity from bringing proceedings for market abuse. For instance, in the event of manipulative timing of the release of unpublished price sensitive information to ensure that trading under a trading plan becomes lucrative in circumvention of regulation 4 being detected, it would be open to initiate proceedings for alleged breach of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003.

- 7.3 The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of SEBI Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

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

NOTE: It is intended that the compliance officer would have to review and approve the plan. For doing so, he may need the insider to declare that he is not in possession of unpublished price sensitive information or that he would ensure that any unpublished price sensitive information in his possession becomes generally available before he commences executing his trades. Once satisfied, he may approve the trading plan, which would then have to be implemented in accordance with these regulations.

- 7.4 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 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 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 information so as to avoid a violation of sub-regulation (1) of regulation 4 of SEBI Regulations.

NOTE: It is intended that since the trading plan is an exception to the general rule that an insider should not trade when in possession of unpublished price sensitive information, changing the plan or trading outside the same would negate the intent behind the exception. Other investors in the market, too, would factor the impact of the trading plan on their own trading decisions and in price discovery. Therefore, it is not fair or desirable to permit the insider to deviate from the trading plan based on which others in the market have assessed their views on the securities. The proviso is intended to address the prospect that despite the six-month gap between the formulation of the trading plan and its commencement, the unpublished price sensitive information in possession of the insider is still not generally available. In such a situation, commencement of the plan would conflict with the over-riding principle that trades should not be executed when in possession of such information. If the very same unpublished price sensitive information is still in the insider's possession, the commencement of execution of the trading plan ought to be deferred.

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

NOTE: It is intended that given the material exception to the prohibitory rule in regulation 4, a trading plan is required to be publicly disseminated. Investors in the market at large would also factor the potential pointers in the trading plan in their own assessment of the securities and price discovery for them on the premise of how the insiders perceive the prospects or approach the securities in their trading plan.

## **8 Disclosures**

8.1 Every public disclosure shall be made in the prescribed form.

8.2 The disclosures to be made by any person under this clause shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

NOTE: It is intended that disclosure of trades would need to be of not only those executed by the person concerned but also by the immediate relatives and of other persons for whom the person concerned takes trading decisions. These regulations are primarily aimed at preventing abuse by trading when in possession of unpublished price sensitive information and therefore, what matters is whether the person who takes trading decisions is in possession of such information rather than whether the person who has title to the trades is in such possession.

8.3 The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Chapter:

Provided that trading in derivatives of securities is permitted by any law for the time being in force.

8.4 The disclosures made under this clause shall be maintained by the Company, for a minimum period of five years, in such form as may be specified.

## **9. Disclosures by certain persons**

9.1 Initial Disclosures.

(a) Every promoter, member of promoter group, key managerial person and director of the Company shall disclose his holdings of securities of the Company as on the date of SEBI Regulations taking effect, to the Company within thirty days of SEBI Regulations taking effect.

(b) Every person on appointment as a key managerial person or a director of the Company or upon becoming a promoter or member of promoter group shall disclose his holding of securities of the company as on the date of appointment or becoming a promoter, to the Company, within seven days of such appointment or becoming a promoter.

9.2 Continual Disclosures

(a) Every promoter, member of promoter group, designated person and director of the 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 Rs.10,00,000/- ("Prescribed Threshold").

(b) The Company shall notify the particulars of such trading 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. Explanation. The disclosure of the incremental transactions under this sub-clause, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) above.

(c) The above disclosures shall be made in such form and such manner as may be specified by the Board from time to time

#### **Disclosures by other connected persons**

9.3 The Company may, at its discretion require from time to time any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company in such form and at such frequency as may be determined by the company in order to monitor compliance with SEBI Regulations.

NOTE: This is an enabling provision for listed companies to seek information from those to whom it has to provide unpublished price sensitive information. This provision confers discretion on any company to seek such information. For example, a listed company may ask that a management consultant who would advise it on corporate strategy and would need to review unpublished price sensitive information, should make disclosures of his trades to the company

### **10. Trading Restrictions and Trading Window**

#### 10.1 Trading Restrictions

All Designated employees and their immediate relatives shall be subject to trading restrictions as enumerated in this clause.

#### 10.2 Trading window

10.2.1 The Company shall specify a trading period, to be called "Trading Window", for trading in the Company's securities. The trading window shall be closed during the time the information referred to in clause 10.2.3 remains un-published.

10.2.2 When the trading window is closed, the Designated Persons and their immediate relatives shall not trade in the Company's securities during such period.

10.2.3 The trading window shall be, inter alia, closed at the time of:-

- a) Declaration of Financial results (quarterly, half-yearly and annual)
- b) Declaration of dividends (interim and final)
- c) Issue of securities by way of public/ rights/bonus etc.
- d) Any major expansion plans or execution of new projects
- e) Amalgamation, mergers, takeovers and buy-back
- f) Disposal of whole or substantially whole of the undertaking
- g) Any changes in policies, plans or operations of the Company which is price sensitive.

10.2.4 The trading window shall be closed for the purpose of declaration of financial results from the end of every quarter till 48 hours after the declaration of the financial results by the board of directors in respect of the quarter concerned.

Other than financial results: In respect of other price sensitive matters, the trading window will remain closed from the time the Stock Exchanges are informed of the Board Meeting to be held for considering the matters which are price sensitive till 48 hours of the completion of the board meeting.

10.2.5 All Designated Persons shall conduct all their trading in the securities of the Company only during 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 trading window is closed, as referred to in clause 10.2.3 or during any other period as may be specified by the Company from time to time.

### 10.3 Pre clearance of trades

10.3.1 All Designated Employees and their immediate relatives who intend to trade in the securities of the Company (above a minimum threshold limit of Rs.1,00,000/- whether in one transaction or a series of transactions over any calendar month) should pre-clear the transactions as per the pre-clearance procedure as described hereunder.

10.3.2 An application shall be made in the prescribed form to the Compliance officer indicating the estimated number of securities that Designated Persons and / or their immediate relatives intend to trade in, the details as to the depository with which the Designated Persons and their immediate relatives 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.

10.3.3 An undertaking shall be executed in favour of the Company by the concerned Designated Persons and / or their immediate relatives incorporating, inter alia, the following clauses, as may be applicable:

a) That the Designated Person and / or his immediate relatives does not have any access or has not received Unpublished Price Sensitive Information up to the time of signing the undertaking.

b) That in case the Designated Person and / or his immediate relatives 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 trading in the securities of the Company till the time such information becomes public.

c) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.

d) That he/she has made a full and true disclosure in the matter.

10.3.4 No Designated Person or his immediate relatives shall apply for pre-clearance of any proposed trade if such Designated Persons and / or his immediate relatives is in possession of Unpublished Price Sensitive Information even if the trading window is not closed.

- 10.3.5 The concerned Designated Person shall intimate to the Compliance Officer in the prescribed form of the details of trades executed by him and / or his immediate relatives in the securities of the Company (above a minimum threshold limit of Rs.1,00,000/- whether in one transaction or a series of transactions over any calendar month) within two trading days of such execution.
- 10.3.6 The concerned Designated Person shall intimate to the Compliance Officer in the prescribed form, of his or his immediate relative(s)' decision of not trading in the securities of the Company after securing pre-clearance. Such intimation shall be given within two trading days after the expiry of seven trading days after the approval of pre-clearance is given.

## **11. Other restrictions**

- 11.1 All Designated Persons and their immediate relatives shall execute their order in respect of securities of the company within seven trading days after the approval of pre-clearance is given. If the order is not executed within seven trading days after the approval is given, the concerned Designated Person and / or his immediate relatives must again apply for pre-clearance of the transaction.
- 11.2 All Designated Persons and their immediate relatives who buy or sell any number of shares of the Company shall not execute a contra trade during the next six months following the prior transaction. Should a 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 SEBI for credit to the Investor Education and Protection Fund administered by SEBI under the SEBI Act.
- 11.3 In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his/her reasons in this regard.

## **12. Chinese Wall**

- 12.1 To prevent the misuse of confidential information the Company shall adopt a "Chinese Wall" policy which separates those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sales/marketing or other departments providing support services, considered "public areas".
- 12.2 The employees in the inside area shall not communicate any Price Sensitive Information to anyone in public area.
- 12.3 The employees in inside area may be physically segregated from employees in public area.
- 12.4 Demarcation of the various departments as inside area may be implemented by the Company.
- 12.5 In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information strictly on the basis of "need to know" criteria, under intimation to the Compliance Officer.

**Format for Intimation Regarding Shareholding  
(Pursuant to Clauses 9.2 Code of Conduct)**

Date:

The Compliance Officer,  
Sagarsoft (India) Limited  
Plot No.111, Road No.10  
Jubilee Hills, Hyderabad – 500033  
Telangana

Dear Sir,

**Sub:** Intimation regarding shareholding

...

I / We, the undersigned, hereby state that as on date I / my immediate relatives / we hold \_\_\_\_\_ equity shares of the Company, the details of which are given below:

Name of the holder : \_\_\_\_\_

Relationship with the employee : \_\_\_\_\_

No. of shares held: : \_\_\_\_\_

(In words \_\_\_\_\_)

Nature of Security - Equity Shares DP ID : \_\_\_\_\_ Client ID \_\_\_\_\_

DP Name : \_\_\_\_\_

Kindly take the above information on record.

Thanking you,



**Form for Reporting of Trades Executed In Excess of the Prescribed Threshold (Pursuant to Clause 9.2 (a) of Code of Conduct)**

Date:

The Compliance Officer,  
Sagarsoft (India) Limited  
Plot No.111, Road No.10  
Jubilee Hills, Hyderabad – 500033  
Telangana

Dear Sir,

**Sub:** Form for Reporting of Trades Executed In Excess of the Prescribed Threshold

I / We, the undersigned, hereby state that I / my immediate relative(s) / we have sold / purchased shares of the Company in excess of the value of Rs.1,000,000/- during the quarter from 1st \_\_\_\_\_ to \_\_\_\_\_, 20\_\_\_\_, details of which are given below:

Name of Seller / Purchaser

Relationship with the employee

No. of Shares Sold / Purchased

Date of Trade Sale / Purchase

Price (Rs.) Sale / Purchase Value (Rs.)

DP ID & Client ID DP Name

Kindly take the above information on record.

Thanking you,

**Form A**

**Application for Pre-clearance of trading in securities of the Company by the Directors and designated employees (in terms of Clause 5 of the Code of the Conduct pursuant to regulation 7 (1)(b) read with regulation 6(2) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

To,  
The Compliance Officer

With reference to above, I wish to inform you that I want to purchase / sale \_\_\_\_\_ equity shares of the Company from, details of the same are as mentioned below :

1	Name of the Directors / Designated Employee	:	
2	Designation	:	
3	DIN / Employee Code	:	
4	PAN	:	
5	Address	:	
6	Number and value of securities held in the Company as on date	:	
7	Folio / DP Id. No. and Client Id No.	:	
8	Mode in which securities are held (i.e. physical or demat)	:	
9	The proposal is for ---- (please tick proper option)	:	(a) Acquisition in open market (b) Acquisition out of open market (c) Sale in the open market (d) Sale out of open market (e) subscription of securities
10	Proposed date of the deal	:	
11	Estimated no. of securities proposed to be acquired / sold / subscribed	:	

12	Price at which the transaction is proposed	:	
13	Proposed mode of dealing in securities (physical or demat)	:	
14	Name and address of the Broker (if the deal is to be in the open market) and his SEBI Regn. No.	:	

I/ We declare that I/ we have complied with the requirements of Company's "Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information" based on the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015. I am executing an Undertaking as required and enclose herewith.

You are requested kindly to give your permission to trade in the equity shares/ other securities of the Company as requested above.

Signature: \_\_\_\_\_

(Name : \_\_\_\_\_)

**Encl.** Duly executed Undertaking.

### Undertaking

To,  
The Compliance Officer

With reference to my application dated \_\_\_\_\_ for pre-clearance of trade for purchase/ Sale of \_\_\_\_\_ equity shares of the Company, I confirm, declare and undertake as follow:

- (a) That I do not have any access or has not received “Price-sensitive information” up to the time of signing the Undertaking.
- (b) That in case I have access to or receive “Price-sensitive information” after the signing of the Undertaking but before the execution of the transaction, I shall inform you the change in my position and I shall completely refrain from trading in the securities of the Company till such information becomes public.
- (c) That I have not contravened the Code of practices and procedures and code of conduct to regulate, monitor and report trading in securities and fair disclosure of unpublished price sensitive information pursuant to the requirements of the Securities and Exchange Board of India (SEBI) (Prohibition of Insider Trading) Regulations, 2015 (Code) as notified by the Company from time to time.
- (d) I have made full and true disclosure in the matter.
- (e) I hereby declare that I shall execute my order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, I undertake to obtain preclearance for the transaction again.
- (f) That I hereby confirm that I abide by the provisions of clause (5) the Code of conduct with regard to time norms for execution and holding of securities.
- (g) I hereby solemnly declare that I have made a full and true disclosure in this regard to the best of my knowledge and belief.

Signature: \_\_\_\_\_

(Name : \_\_\_\_\_)

**PRE-CLEARANCE ORDER**

We are glad to inform you that your request for dealing in \_\_\_\_\_ (numbers) Equity Shares of the Company comprised in your application dated \_\_\_\_\_ is approved.

Please note that the said transaction must be completed within one week hereof i.e. or before \_\_\_\_\_. If you fail to complete the transaction within the stipulated period, you will be obliged to make an application for the pre-clearance of the said transaction afresh.

For Sagarsoft (India) Limited

Compliance Officer

Date :

Place :

**Form for Reporting of Trades Executed  
(Pursuant to Clauses 10.3.5)**

Date:

The Compliance Officer,  
Sagarsoft (India) Limited  
Plot No.111, Road No.10  
Jubilee Hills, Hyderabad – 500033  
Telangana

Sir,

**Sub:** Intimation of Execution of Trades in securities of the Company.

...

I / we, the undersigned, hereby state that I / my immediate relative(s) have sold / purchased shares of the Company, details of which are given below:

Name of Seller / Purchaser : \_\_\_\_\_

Relationship with the employee : \_\_\_\_\_

No. of Shares Sold / Purchased : \_\_\_\_\_ (In words \_\_\_\_\_)

Nature of Security - Equity Shares : \_\_\_\_\_

Date of Trade : \_\_\_\_\_

Sale / Purchase Price (Rs.) : \_\_\_\_\_

Sale / Purchase Value (Rs.) : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

DP Name : \_\_\_\_\_

Kindly take the above information on record.

Thanking you,

**Form for Reporting of Decision Not to Trade After Securing Pre-Clearance  
(Pursuant to Clauses 10.3.6)**

Date:

The Compliance Officer,  
Sagarsoft (India) Limited  
Plot No.111, Road No.10  
Jubilee Hills, Hyderabad – 500033  
Telangana

Sir,

**Sub:** Reporting of Decision Not to Trade – Pre clearance Ref. No. dated .....

...

After Securing Pre-Clearance I / we, the undersigned, hereby state that due to the following reasons I / my immediate relative(s) / we have taken a decision not to sell / purchase shares of the Company though we obtained pre-clearance for the above said sale / purchase.

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Kindly take the above information on record.

Thanking you,