

**Code of Conduct for Prevention of Insider Trading**  
**[Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015]**

## **1. INTRODUCTION**

With a view to govern the conduct of Insiders and Designated Persons on matters relating to insider trading, the Securities and Exchange Board of India (SEBI) has formulated SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto (hereinafter referred to as the 'Regulations').

This Code has been formulated pursuant to the SEBI (Prohibition of Insider Trading) Regulation, 2015 and has been amended and approved by the Board of Directors of Vippy Spinpro Ltd. (the "Company") in its meeting held on 10<sup>th</sup> August, 2019. The effective date of this Code will be 10<sup>th</sup> August, 2019.

The code further amended by the Board of Directors of Vippy Spinpro Ltd. (the "Company") in its meeting held on 11<sup>th</sup> November, 2019.

The Code is applicable to all Designated Persons and immediate relatives of Designated Persons.

The objective of the Code is to regulate, monitor and report trading by Designated Persons and immediate relatives of Designated Persons, Insider, and Connected Persons towards achieving compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended time to time).

This Code is adopted in place of the existing "Code of Conduct for Prevention of Insider Trading".

## **2. DEFINITIONS AND INTERPRETATIONS**

**2.1 Act:** Act means the Securities and Exchange Board of India Act, 1992 (including any amendment or re-enactment thereof).

**2.2 Board or Board of Directors:** Board or Board of Directors means the Board of Directors of the Company.

**2.3 Company:** Company means Vippy Spinpro Ltd.

**2.4 Compliance Officer:** Compliance Officer means the Company Secretary or such other senior officer (having financially literate) appointed by the Board of Directors of the Company for the purpose of these Regulations from time to time.

**2.5 Code:** Code means this Code of Conduct for Prevention of Insider Trading, and shall include modifications made thereto from time to time.

**2.6 Connected Person:** 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 Securities and Exchange Board of India Act, 1992 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 Board; or
  - i) a banker of the company; or
  - j) a concern, firm, trust, Hindu undivided family, company or association of persons herein 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;

**2.7 Designated Person:** Designated Person shall mean the following:

- (i) Directors;
- (ii) Key Managerial Personnel;
- (iii) Chief Executive Officer/Managing Director and employees upto two levels below Chief Executive Officer/ Managing Director of company.
- (iv) Employee working in the finance, accounts, secretarial department;
- (v) Promoters and Promoter Group;
- (vi) Such other persons who may be designated as such from time to time by the Compliance Officer, for the purpose of this Code.

**2.8 Director:** Director means a member of the Board;

**2.9 Generally Available Information:** Generally Available Information means information that is accessible to the public on a non-discriminatory basis;

**2.10 Immediate Relative:** 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;

**2.11 Insider:** Insider means any person who is:

- (i) a Connected Person; or
- (ii) in possession of or having access to Unpublished Price Sensitive Information;

**2.12 Key Managerial Personnel:** Key Managerial Personnel means person as defined in Section 2(51) of the Companies Act, 2013.

**2.13 "Promoter":** 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.

**2.14 "Promoter Group":** 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.

**2.15 "Regulation":** Regulation shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation 2015 and any amendments thereto.

**2.16 "Securities":** 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.

**2.17 "Stock Exchange":** Stock Exchange means exchange where the company's shares are listed and traded.

**2.18 "Takeover regulations":** Takeover regulations mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

**2.19 "Trading":** Trading means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

**2.20 "Trading Day"** Trading Day means a day on which the recognized stock exchanges are open for trading.

**2.21 "Trading Window":** Trading Window means trading period for trading in the Company's Securities. All days shall be the trading periods except when trading window is closed.

**2.22 “Unpublished Price Sensitive Information” (UPSI) :** 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 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, delisting, disposals and expansion of business and such other transactions;
- (v) Changes in the key managerial personnel.

All other words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies(Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under shall have the meanings respectively assigned to them in those legislation.

### **3. ROLE OF COMPLIANCE OFFICER**

3.1. The Company Secretary shall be Compliance Officer for the purpose of the Code.

3.2 The Compliance Officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of Directors.

3.3 The Compliance Officer shall report to the Board of Directors of the Company and shall provide reports to the Chairman of the Audit Committee or to the Chairman of the Board on an annual basis.

3.4 The Compliance Officer shall assist all Designated Persons in addressing any clarifications regarding the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct.

### **4. PRESERVATION OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”**

4.1 Unpublished Price Sensitive 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 legitimate purposes, performance of duties or discharge of legal obligations.

“need to know” basis means 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

4.2. No insider (which term for the purpose of this Clause shall include a Designated Person and his Immediate Relative) 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.

4.3. 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.

4.4. Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction which:

- entails 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 sharing of such information is in the best interests of the Company; or

- 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 sharing of such information 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.

However, the Company 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 limited purpose and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

4.5 The Company shall maintain a structured digital database containing the names of such persons or entities as the case may be with whom information is shared 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.

#### **4.6 LIMITED ACCESS TO CONFIDENTIAL INFORMATION:**

Files containing confidential information shall be kept secure. Computer must have adequate security of login and password, etc.

#### **4.7 CHINESE WALL:**

To prevent the misuse of UPSI, the Company adopts the "Chinese Wall" approach which separates those areas of the Company which routinely have access to UPSI, considered- "inside areas" from those departments which deal with sale/marketing or other departments providing support services, considered-"public areas".

Further as per said Chinese wall:

- The Employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas.
- The Employees in inside area may be physically separated from the Employees in public area.
- The demarcation of various departments as inside area shall be determined by the Compliance Officers in consultation with the Board.
- Only in exceptional circumstances, Employees from the public areas are brought over the wall and given UPSI on the basis of "need to know" criteria.

4.8 Trading by Insiders when in possession of Unpublished Price Sensitive Information shall be governed by Regulation 4 of the "Regulations".

## **5. TRADING PLAN**

5.1 An Insider (which term for the purpose of this Clause shall include a Designated Person and his Immediate Relative) shall be entitled to formulate a trading plan for trading in securities of the Company 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.

5.2 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;
- (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;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (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;
- (vi) not entail trading in securities for market abuse.

5.3 The Compliance Officer shall review the Trading Plan to assess whether the plan would have any potential for violation of the Regulations and 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 Regulations.

5.4 Pre-clearance of trade shall not be required for a trade executed as per an approved Trading Plan.

5.5 Trading Window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved Trading Plan.

5.6 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.

However, 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 the Plan shall be deferred until such Unpublished Price Sensitive Information becomes generally available information.

5.7 Upon approval of the trading plan, the compliance officer shall notify the plan to the Stock Exchanges on which the securities are listed.

## **6. TRADING WINDOW AND WINDOW CLOSURE**

6.1 The Designated Persons and their immediate relatives shall not trade in the Company's securities when the Trading Window is closed. The period during which the trading window is closed shall be termed as Prohibited Period.

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.

6.2 Unless otherwise specified by the Compliance Officer, the Trading Window for trading in Securities of the Company shall be closed for the following purposes-

- (i) Declaration financial results;
- (ii) Declaration dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
- (v) Changes in the key managerial personnel.

6.3 In respect of declaration of financial results, the Trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

The closure of Trading Window for purposes other than declaration of financial results and for which a specific notice/intimation is required to be given to stock exchange shall commence from the date on which intimation of the date of Board meeting for consideration of any such Price Sensitive Information is given to Stock Exchange till forty-eight hours after the information becomes generally available.

However, if the circumstances so warrant, the time for closing the Trading Window may be increased or decreased by the Compliance Officer.

6.4 The timing for re-opening of the Trading Window for the information referred in 6.2 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.

6.5 All Designated Persons and their immediate relatives shall conduct all their trading in the securities of the Company only during the valid Trading Window and shall not trade in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

6.6 Intimation of trading window closure shall be made by the compliance officer.

## **7. PRE-CLEARANCE OF TRADES**

7.1 During a valid Trading Window, Trading by Designated Persons shall be subject to pre-clearance by the Compliance Officer. All Designated Persons and their immediate relatives who intend to trade in the securities of the company above a minimum of 25000 shares of the Company per transaction should pre-clear the transactions as per the pre-trading procedure as described hereunder.

No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person or his immediate relative is in possession of Unpublished Price Sensitive Information even if the Trading Window is not closed.

Designated Persons intending to trade in the Securities of the Company upto the threshold limit specified above may do so without any preclearance from the Compliance Officer. In all other cases, they should pre-clear the transaction as per the procedure as provided hereinafter.

### **7.2 Procedure for Pre-Clearance of Trades**

(i) An application for pre-clearance of Trade alongwith undertaking shall be made to the Compliance Officer in the format attached as **Annexure A** hereto, indicating the estimated number of Securities that the Designated Persons or their immediate relatives intends to trade in, the details as to the depository with which he/she has a security account and such other details as may be required by the Compliance Officer in this regard.

(ii) The Compliance Officer shall on receiving an application, provide the Designated Persons with an acknowledgement on the duplicate of the application or in any electronic form or in any other mode.

(iii) The Compliance Officer shall grant approval within 2 trading days from the date of acknowledgement in the format set out in **Annexure B**.



(iv) In exceptional circumstances consent may not be given if the Compliance Officer is of the opinion that the proposed deal is on the basis of possession of any Unpublished Price Sensitive Information. There shall be no obligation to give reasons for any withholding of consent.

7.3 The Designated Persons and their immediate relatives shall execute their transactions within 7 trading days after the pre-clearance, failing which they have to pre-clear the transactions again

7.4 Pre-clearance of trades would not be required for a trade executed as per an approved trading plan.

### **7.5 Reporting**

The Designated Persons shall file within 2 trading days of the execution of the Trade, the details of such Trade with the Compliance Officer in the prescribed form Annexure C of this code. In case the Trade is not executed, a report to that effect shall be filed with the Compliance Officer along with reasons thereof immediately.

7.6 It shall be the responsibility of Designated Persons to ensure compliance of aforesaid clauses in case of their immediate relatives also.

### **7.7 Minimum Period for holding of Securities**

(i) All Designated Persons and their immediate relatives 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 Designated Persons and their immediate relatives shall also not take positions in derivative transactions in the shares of the Company at any time.

(ii) The compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Regulations.

(iii) If a contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

## **8. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:**

**8.1 Initial Disclosures:** Initial Disclosures shall be as per Regulation 7(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 in prescribed form.

**8.2 Continual Disclosure:** Continual Disclosure shall be as per Regulation 7(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 in prescribed form.

Updated form with regard to Code shall be available with Compliance officer.

The disclosures to be made by any person under clause 8.1 and clause 8.2 shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

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 purpose of clause 8.1 and clause 8.2.

**8.3. Disclosure by other connected person:**

Disclosures by other connected persons shall be as per the SEBI (Prohibition of Insider Trading) Regulation 2015 in prescribed form.

**8.4 Annual Disclosure:**

All Designated Persons shall forward to the Compliance Officer Annual statement of all their holdings in Securities of the Company to be submitted within 15 days of the close of each financial year in the format specified in **Annexure D** hereto.

The Designated persons shall also be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the Company in the format specified in **Annexure D** on an annual basis, within 15 days from the end of the Financial Year and as and when the information changes:

- a) immediate relatives;
- b) persons with whom such designated person(s) shares a material financial relationship;
- c) Phone, mobile and cell numbers which are used by them.

Explanation – The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.

**8.5 OTHER DISCLOSURES TO THE COMPANY:**

The Designated Persons shall be required to disclose the names of educational institutions from which designated persons have graduated and names of their past employers, on one time basis.

**8.6 DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGE(S)**

Pursuant to Regulation 7(2)(b) of SEBI (Prohibition of Insider Trading) Regulations, 2015, within 2 trading days of the receipt of the information under Clause 8.2 above, the Compliance Officer shall disclose to Stock Exchanges on which the Company is listed, the information received.

## **9. MECHANISM FOR PREVENTION OF INSIDER TRADING**

The Managing Director or the Chief Executive Officer of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the 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 person;
- (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) periodic process review to evaluate effectiveness of such internal controls.

The Audit Committee shall review compliance with the provisions of the Regulation at least once in a financial year and shall review effectiveness of internal controls and verify that the systems for internal control are adequate and are operating effectively.

## **10. Inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or Suspected leak of UPSI**

An employee or an Insider or a designated person of the Company, upon becoming aware of an actual or suspected leak of UPSI of the Company, shall promptly inform the same to the Competent Authority as mentioned in the Vigil Mechanism/ Whistle Blower Policy of the Company.

An inquiry in case of leak of UPSI or suspected leak of UPSI, shall be reported and conducted in the manner as stated in the Vigil Mechanism/ Whistle Blower Policy of the Company, as approved by the Board of Directors of the Company from time to time, to the extent applicable. The said Vigil Mechanism/ Whistle Blower Policy shall be available on the Website of the Company.

## **11. Process for how and when people are brought 'inside' on sensitive transaction(s)**

The Managing Director or the Chief Executive Officer of the Company shall decide on how and when any person(s) should be brought 'inside' on any proposed or ongoing sensitive transaction(s).

A person(s) shall be brought inside on any proposed or ongoing sensitive transaction(s) of the Company who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants etc. for furtherance of legitimate purposes, performance of duties, discharge of legal obligations, or for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

Any person(s) who has/have been brought inside on any proposed and/or ongoing sensitive transaction(s) and in receipt of unpublished price sensitive information shall be considered an "insider"

for purposes of this Code. Individuals should be aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.

## **12. DISSEMINATION OF PRICE SENSITIVE INFORMATION**

Disclosure/dissemination of 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 are 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 price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

The Company is to frame a Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information.

## **13. Protection against retaliation and victimization**

The Managing Director or the Chief Executive Officer of the Company shall ensure that such a Code of Conduct provides for suitable protection against any discharge, termination, demotion, suspension, threat, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by the Board or he or she is eligible for reward under these regulations, by reason of:

- (i) Filing a Voluntary Information Disclosure Form under these regulations;
- (ii) Testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board: or
- (iii) Breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner.

*Explanation – For the purpose of this Chapter “employee” means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under these regulations and is a director, partner, regular or contractual employee, but does not include an advocate.*

#### **14. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT**

(a) Every Designated Person/ Insiders shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her relatives).

(b) Any Designated Person/ Insiders 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.

(c) The Designated Persons/ Insiders who violate the Code of Conduct shall be subject to disciplinary action by the Company that may include wage freeze, suspension, recovery, clawback, fine, penalty etc. as may be imposed by the Managing Director or the Chief Executive Officer of the Company.

(d) The action by the Company shall not preclude SEBI or other Regulatory authorities from taking any action against those who are found guilty of Insider Trading.

#### **15. AMENDMENTS/REVISIONS**

The Board may review the Code as and when deemed necessary and make any changes or modification as it may deem fit. The Company Secretary & Compliance officer is being authorized to make necessary changes in the disclosure required, format & other information to make a fair and transparent disclosure in aforesaid Code of Conduct.

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## Annexure A

### Application for Pre-clearance

(By Designated Persons and their immediate relatives in case of trading in the securities of Company above minimum of 25000 shares of the Company)

To  
The Compliance Officer  
Vippy Spinpro Ltd .  
414, City Centre, 570, M.G Road Indore MP 452001

SUB: APPLICATION FOR PRE-CLEARANCE OF TRADE IN SHARES OF THE COMPANY AND UNDERTAKING

Dear Sir,

I am desirous of trading in the below-mentioned securities of the Company in my own name or on behalf of my immediate relatives (write name of relative and relationship) and seek your approval as under:

1.	Name of the applicant, Address, & PAN  Name, Address, & PAN of the relatives, if the transaction is in the name of the immediate relatives	
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 to securities c) Sale of securities
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be acquired/subscribed/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	
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I hereby undertake and confirm that:

- 1) I shall execute the trade of Shares within 7 trading days of your approval failing which we shall apply again to you for your approval. I shall submit a 'NIL' report if the transaction is not undertaken.
- 2) I shall hold Shares of the Company for a minimum period of 6 months from the date of acquisition (In case of application for purchase of shares).
- 3) Neither me nor my immediate relative have any access to or have received "Price Sensitive Information" up to the time of signing this undertaking.
- 4) In case I or my immediate relatives have access to or have received "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction I will inform the Compliance officer of the change in my position and that I would completely refrain from trading in the securities of the Company till the time such information becomes public.
- 5) I have not contravened the prevailing Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons.
- 6) I have not Code of Conduct for Prevention of Insider Trading.
- 7) I have made a full and true disclosure in this matter.

I further confirm that the aforesaid facts are true and correct and shall be fully responsible for any wrongful acts done by me or my relatives including such penalties as may be imposed by the Company.

You are requested to provide the pre-clearance of trade for the above transaction.

Thanking you,

Yours sincerely,

Place:

Date:

Signature:

Name:

Designation:

Address:

**ANNEXURE B**

**FORMAT OF PRE-CLEARANCE ORDER**

To,

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

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_ (no) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed within 7 trading days.

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance 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 format within 2 trading days from the date of transaction/deal. In case the transaction is not undertaken you are required to file "Nil" report.

Yours faithfully,

FOR VIPPY SPINPRO LTD.

COMPLIANCE OFFICER

Date: \_\_\_\_\_



## ANNEXURE C

### FORMAT OF DISCLOSURE OF TRANSACTIONS

To,  
The Compliance Officer,  
Vippy Spinpro Ltd.,  
Indore

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(Rs.)

In connection with 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).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need 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:

Address

Date:

**Annexure D**

From Name of the Designated Person:-  
Designation & Department :-

To The Compliance Officer  
Vippy Spinpro Ltd.,  
414, City Centre, 570, M.G.  
Road, Indore MP 452001

**FORMAT FOR CONTINUAL/ANNUAL DISCLOSURE BY DESIGNATED PERSON**

**I. SHAREHOLDINGS OF DIRECTORS /PROMOTER/ DESIGNATED PERSON OR PERSON WHO IS PART OF PROMOTER GROUP IN OWN NAME**

Name and PAN	Phone, mobile or cell number	Designation & Department	No. of Shares held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during the year ended 31st March	No. of Shares held as on 31st March	Folio No./DP ID & Client ID

**II. DETAILS OF SHARES HELD BY IMMEDIATE RELATIVE(S)**

Name and PAN	Phone, mobile or cell number	Relationship	No. of Shares held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during year ended 31st March	No. of Shares held as on 31st March	Folio No./DP ID & Client ID

**Note: Immediate Relative** means a spouse of a person and includes parent, sibling, and child of that person or of the spouse, if they are either dependent financially on such person, or consults such person in taking decisions relating to trading in securities

**III. DETAILS OF PERSON(S) WITH WHOM DESIGNATED PERSON SHARES A MATERIAL FINANCIAL RELATIONSHIP**

Name and PAN	Phone, mobile or cell number	No. of Shares Held on 1st April	No. of Shares Bought during the year ended 31st March	No. of Shares Sold during year ended 31st March	No. of Shares held as on 31st March	Folio No./DP ID & Client ID

**Note:** "Material Financial Relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions.

I hereby declare and confirm that I shall not enter into any opposite transaction i.e. selling or buying any number of shares during the next six months following the prior transaction.

Date:  
Place:

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

**FORM A**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (1) (a) read with Regulation 6 (2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

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

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

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

Signature:

Designation:

Date:

Place:

**FORM B**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (1) (b) read with Regulation 6(2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

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

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

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

Signature:

Designation:

Date:

Place:

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**FORM C**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (2) read with Regulation 6(2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

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

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

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

Signature:

Designation:

Date:

Place:

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**Form D (Indicative format)**

**Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015**

**Regulation 7(3) – Transactions by Other connected persons as identified by the company**

1	2	3		4		5		6		7	8	9	10	11	12	13				14	15	16	17	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To							Buy		Sell						
																Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)					

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

Name:

Signature:

Date:

Place:

\*\*\*\*\*