

**SAREGAMA INDIA LIMITED**  
**CIN: L22213WB1946PLC014346**  
**Regd. Office: 33, Jessore Road, Dum Dum, Kolkata – 700028.**  
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### **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

Regulation 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 requires a listed company to formulate a code of conduct to regulate, monitor and report trading by its designated persons (as defined below) and immediate relatives of designated persons, towards achieving compliance with the said regulations and adopting the minimum standards set out in Schedule B to the regulations.

In light of amendments to the Regulations notified on December 31, 2018 and applicable from April 1, 2019, a revised Code of Conduct to regulate, monitor and report trading by insiders for the company is hereby framed in substitution of the earlier Code of Conduct for insider trading as under:

#### **1. Definitions**

1.1 **“Act”** means the Securities and Exchange Board of India Act (“SEBI”), 1992 as amended from time to time.

1.2 **“Board”** means the Board of Directors of the Company.

1.3 **“Code”** or **“Code of Conduct”** shall mean the Code of Conduct to Regulate, Monitor and Report trading by insiders of the Company as amended from time to time.

1.4 **“Company”** means Saregama India Limited.

1.5 **“Compliance Officer”** means Company Secretary or such other senior 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board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.

1.6 **“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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 recognized 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 wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

**1.7 Designated Persons** means:

- (i) All Directors of the Company
- (ii) All Promoters of the Company;
- (iii) Key Managerial personnel as defined in Companies Act, 2013
- (iv) All employees in the grade of Executive Director and above of the Company and its material subsidiaries
- (v) Employees in the grade of Senior Manager and above in the Company and its material subsidiaries.
- (vi) Such employees of the Company and its Material Subsidiaries in finance, secretarial, investor relations and any other department as may be determined by the Compliance Officer from time to time;
- (vii) The chief executive officer and employees up to two levels below chief executive officer of the Company and its Material Subsidiaries irrespective of their functional role in the Company or the Material Subsidiary, as the case may be or their ability to have access to UPSI;
- (viii) Any support staff of the Company and its Material Subsidiaries who have access to UPSI as may be determined by the Compliance Officer from time to time; and
- (ix) Immediate relatives of the persons mentioned above.

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

1.9 **"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.

1.10 **"Insider"** means any person who,

(i) a connected person; or

(ii) in possession of or having access to unpublished price sensitive information.

1.11 **"Material Financial Relationship"** means 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;

1.12 **"Material Subsidiary"** shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year or such other company determined by the Company as material per its policy on determining material subsidiaries.

1.13 **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;

1.14 **"Promoter Group"** shall have the meaning assigned to it under the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modifications thereof;

1.15 **"Securities of the Company"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof;

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

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

1.18 **"Unpublished Price Sensitive Information" ("UPSIF")** 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 include but is 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

Other terms not defined here shall have the same meaning as assigned to it under the regulations.

## **2. Obligations of an Insider**

### **2.1 Communication or procurement of UPSI**

- 2.1.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 2.1.2 Designated persons shall maintain confidentiality of all UPSI. They shall not pass on information to any person, directly or indirectly.
- 2.1.3 No person shall procure from or cause the communication by any insider of UPSI relating to the Company or securities of the Company, listed or proposed to be listed except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 2.1.4 Any UPSI may be communicated, provided, allowed access to or procured in connection with a transaction that meets either of the stipulations laid down in Regulation 3(3) of the regulations, as amended from time to time.
- 2.1.5 Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an “insider” for the purpose of this Code of Conduct and due notice shall be given to such person to maintain confidentiality of UPSI in compliance with the Regulations.
- 2.1.6 Further, if any UPSI is shared with any third party in furtherance of a legitimate purpose, the Compliance Officer shall ensure that such third party is bound by non-disclosure or confidentiality agreements which shall also mention the duties and responsibilities of such Person with respect to such UPSI and the liabilities involved if such person misuses or uses such UPSI in breach of these Regulations.
- 2.1.7 The Board of Directors 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 the 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.”

2.1.8 In case the listed company is sharing UPSI with intermediary or Fiduciary, who is a designated person then Listed Company shall in its Structured Digital Database maintained internally contain following information:

- a. Details of UPSI
- b. Details of Persons with whom such UPSI is shared (alongwith their unique identifier number) and details of persons who have shared UPSI.

For example : The listed company (X) has appointed a Law firm or Merchant Banker (Y) in respect of fund raising activity and (A) from listed company has shared the said UPSI with (B) of Law firm or Merchant Banker. The structured digital database of (X) should capture the nature of UPSI shared, details of (A), (Y) and (B), along with their PAN or other unique identifier (in case PAN is not available).

2.1.9 The Board of Directors 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 SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.”

2.1.10 The term “legitimate purposes” shall be determined in accordance with the Code of Fair Disclosure and Conduct, as amended from time to time.

## **2.2 Trading when in possession of UPSI**

2.2.1 No insider shall trade in securities of the Company that are listed or proposed to be listed on the Stock Exchange when in possession of UPSI.

2.2.2 An Insider trading in securities of the Company that are listed or proposed to be listed on a Stock Exchange when in possession of UPSI may prove his innocence by demonstrating the circumstances including the situations laid down in the proviso to Regulation 4(1) of the SEBI Regulations.

2.2.3 In the case of connected persons, the onus of establishing that they were not in possession of UPSI shall be on such Connected persons and, in other cases, the onus would be on SEBI.

## **2.3. Trading Plans**

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. Further details appear in Paragraph 4 below.

## **2.4 Trading Window and Pre-clearance of trades**

2.4.1 Designated persons shall not trade in securities of the Company when the trading window is closed. The trading window restrictions mentioned hereinabove shall not apply in respect of –

(a) transactions specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of this Regulations and in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the Board;

(b) transactions which are undertaken in accordance with respective regulations made by the Board such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by the Board from time to time.

Further SEBI vide its circular dt: 23<sup>rd</sup> July 2020 has stated that trading window restrictions shall not apply in case of rights entitlement mechanism and OFS Mechanism.

2.4.2 When the Trading Window is open, trading by Designated persons shall be subject to pre-clearance by the Compliance Officer if the value of the proposed trade is above Rs. 10,00,000 (Rupees Ten Lakhs) in value over any calendar quarter or such other limits as the Board may stipulate.

2.4.3 Further details appear in Paragraph 5 below.

## **3. Code of Fair Disclosure**

A code of practices and procedures for fair disclosure of UPSI will be published on the Company's official website. The Code would adhere to each of the principles set out in Schedule A of the Regulations.

## **4. Trading Plan**

4.1. The Trading Plan referred to in Paragraph 2.3 hereof 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 envisaged 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; and
- (vi) not entail trading in securities for market abuse.

4.2 The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these 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.

4.3 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.

4.4. If at the time of formulation of plan, the Insider is in possession of any UPSI that has not become generally available the implementation of the Trading Plan shall not be commenced. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

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

## **5. Trading Window and Pre-clearance of Trades**

5.1 For compliance with the Regulations, a notional trading window shall be used as an instrument for monitoring trading by Designated Persons, who may execute trades subject to compliance with the Regulations as stipulated for them.

5.2 The Trading Window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated persons can be reasonably be expected to have possession of UPSI. Accordingly, the Trading Window shall be, inter alia, closed at the time of:

- (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

5.3 Such closure shall be imposed in relation to securities of the Company to which such UPSI relates.

5.4 The timing of re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and

being capable of assimilation by the market, which in any event shall not be later than 48 hours after the information becomes generally available.

5.5 Prior to approving any trades, the Compliance Officer, for the purpose of pre-clearance, shall be entitled to seek declarations to the effect that the applicant is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

5.6 Trades that have been pre-cleared have to be executed within 7 trading days failing which fresh pre-clearance would be needed for the trades to be executed.

5.7 A designated person who is permitted to trade shall not execute a contra trade for a period of six months. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. 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 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 and trades carried out in accordance with an approved trading plan.

5.8 In case the Compliance Officer or any of his / her Immediate Relative(s) wish to deal in the Securities, he / she would have to make an application to the Managing Director of the Company. The remaining provisions of this clause, as applicable to Designated Person, would also apply to the Compliance Officer.

5.9 In absence of the Compliance officer, the Executive Director and CFO shall deal with the pre-clearance requests.

## **6. Reporting Requirements for transactions in securities**

### **6.1 Initial Disclosure**

Every Promoter, member of the Promoter Group, Key Managerial Personnel and Director of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed Form.

Every person on appointment as a key managerial personnel 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 or member of Promoter group.

### **6.2 Continual Disclosure**

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



(Rupees Ten lakhs).

The disclosure shall be made within 2 working days of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

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

### **6.3 Other Disclosures**

Every Designated Person shall disclose names and Permanent Account Number (“PAN”) or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:

- (i) immediate relatives;
- (ii) persons with whom such Designated Person(s) shares a Material Financial Relationship; and
- (iii) phone, mobile and cell numbers which are used by them.

In addition, the names of educational institutions from which Designated Persons have graduated and names of their past employers shall also be disclosed on a one time basis.

## **7. Miscellaneous Provisions**

7.1 In respect of any non-compliance of this Code (or the Code referred to in Paragraph 3.1. hereof), the Compliance Officer shall report to the Board and in particular, shall provide reports to the Chairman of the Board atleast once every year, or more frequently if so stipulated by the Board, or if the Compliance Officer so considers it necessary.

7.2 In addition to the above, the Audit Committee shall review compliance with the provisions of these Regulations atleast once in a financial year and shall verify that the systems for internal controls which are required to be maintained per these Regulations are adequate and are operating effectively.

7.3 All information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

7.4 In compliance with the Chinese Walls procedures, all files, papers and records including computer files shall be kept secure and employees in possession of such files, papers and records shall be provided with necessary infrastructure to maintain confidentiality and they shall not communicate to or share with anyone other than communication required to be made in the ordinary course of business or under law.

7.5 The Compliance Officer shall, inter alia, be responsible for:

- (a) maintaining an up-to-date list of the Designated Persons and records of all declarations submitted by them; and
- (b) maintaining records of all the declarations received from the Designated Persons for a minimum period of eight years.

7.6 The Company shall initiate appropriate inquiries on becoming aware of leak of UPSI or suspected leak of UPSI in accordance with the policy formulated by the Board and inform the Board promptly of such leaks, inquiries and results of such inquiries.

## **8. Penalty for contravention of the code of conduct**

8.1 Every Designated Person shall be individually responsible for complying with the applicable provisions of this Code (including to the extent the provisions hereof are applicable to their Immediate Relatives).

8.2 Without prejudice of SEBI's power under the Act, in the event of any contravention of this Code, wage freeze, suspension, recovery, clawback and other appropriate sanctions and disciplinary actions may be imposed in a manner that the Compliance Officer may recommend on a case to case basis and agreed to by the Board or a committee thereof.

8.3 Action taken by the Company for violation of the Regulations and the Code against any person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.

8.4 The terms of the Model Code of Conduct for Prevention of Insider Trading for Listed Companies as contained in Schedule B to the Regulations, to the extent not specifically provided herein, shall continue to apply as if the same have been specifically set out herein.

8.5 The Compliance officer shall provide necessary clarification to any query raised by the Designated Person(s) or any other person in respect of the Code and /or the Regulations.

8.6 Designated Employees/ Insiders who violate the Code and/ Regulation, (whether the violation was intentional or unintentional) shall also be subject to disciplinary action, which may include action such as wage freeze, suspension, recovery of wrongful gains, issue of warning letters, termination from employment/ business or other legal or commercial relation, filing a suit and such other remedy as may be available under the law for the time being in force at the sole discretion of the Company. Any amount collected under this Clause shall be remitted to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act

8.7 The Company shall promptly inform the stock exchange where the concerned securities are traded, in the manner provided in the Annexure A to this Code regarding the violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Code of Conduct.

**“Annexure A”**

Sr. No.	Particulars	Details
1	Name of the listed company/ Intermediary/Fiduciary	
2	<i>Please tick appropriate checkbox</i> Reporting in capacity of : <input type="checkbox"/> Listed Company <input type="checkbox"/> Intermediary <input type="checkbox"/> Fiduciary	
3	<p><b>A. Details of Designated Person (DP)</b></p> <p>i. Name of the DP</p> <p>ii. PAN of the DP</p> <p>iii. Designation of DP</p> <p>iv. Functional Role of DP</p> <p>v. Whether DP is Promoter or belongs to Promoter Group</p> <p><b>B. If Reporting is for immediate relative of DP</b></p> <p>i. Name of the immediate relative of DP</p> <p>ii. PAN of the immediate relative of DP</p> <p><b>C. Details of transaction(s)</b></p> <p>i. Name of the scrip</p> <p>ii. No of shares traded and value (Rs.) (Date- wise)</p> <p><b>D. In case value of trade(s) is more than Rs.10 lacs in a calendar Quarter</b></p>	

Sr. No.	Particulars	Details																						
	i. Date of intimation of trade(s) by concerned DP/director/promoter/promoter group to Company under regulation 7 of SEBI (PIT) Regulations, 2015																							
	ii. Date of intimation of trade(s) by Company to stock exchanges under regulation 7 of SEBI (PIT) Regulations, 2015																							
4	Details of violations observed under Code of Conduct																							
5	Action taken by Listed company/ Intermediary/ Fiduciary																							
6	Reasons recorded in writing for taking action stated above																							
7	Details of the previous instances of violations, if any, since last financial year																							
8	<p>If any amount collected for Code of Conduct violation(s)</p> <p>i. Mode of transfer to SEBI - IPEF (Online/Demand Draft)</p> <p>ii. Details of transfer/payment In</p> <p>In case of Online:</p> <table border="1" data-bbox="387 969 1265 1272"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Name of the transferor</td> <td></td> </tr> <tr> <td>Bank Name, branch and Account number</td> <td></td> </tr> <tr> <td>UTR/Transaction reference Number</td> <td></td> </tr> <tr> <td>Transaction date</td> <td></td> </tr> <tr> <td>Transaction Amount (in Rs.)</td> <td></td> </tr> </tbody> </table> <p>In case of Demand Draft (DD):</p> <table border="1" data-bbox="379 1361 1257 1563"> <thead> <tr> <th>Particulars</th> <th>Details</th> </tr> </thead> <tbody> <tr> <td>Bank Name and branch</td> <td></td> </tr> <tr> <td>DD Number</td> <td></td> </tr> <tr> <td>DD date</td> <td></td> </tr> <tr> <td>DD amount (in Rs.)</td> <td></td> </tr> </tbody> </table>	Particulars	Details	Name of the transferor		Bank Name, branch and Account number		UTR/Transaction reference Number		Transaction date		Transaction Amount (in Rs.)		Particulars	Details	Bank Name and branch		DD Number		DD date		DD amount (in Rs.)		
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DD date																								
DD amount (in Rs.)																								
9	Any other relevant information																							

Yours faithfully,

**Date and Place**

**PAN:**

**Email ID:**

**Name and Signature of Compliance Officer**