



Lambodhara Textiles Limited

GSTIN: 33AAACL3524B129

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TIN # 33521781162 CST # 268405 / 19.05.94 I.E. Code # 3201006181 CIN : L17111TZ1994PLC004929

04.11.2017

To

The Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai – 400 051	The Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001
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Sir/Madam,

Sub: Amendment of Policy under Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015

Ref: Circular Resolution passed by the Board of Directors

Symbol: LAMBODHARA


Series: EQ

We wish to inform you that the Company has issued a Circular Resolution on 03rd November, 2017 to amend the policy on 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders'. The Company had received assent from majority of the Directors on 04th November, 2017 to amend the said policy and the same will come into force from 04th November, 2017.

Attached herewith, amended policy on 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' for your kind information and record.

Thanking you,
Yours faithfully

for Lambodhara Textiles Ltd.,


Priyadarshini.V

Company Secretary & Compliance Officer



Encl: a.a

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

1. PREAMBLE

- 1.1 Lambodhara Textiles Limited (the company) endeavours to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. The Company is committed to transparency, fairness on dealing with all shareholders and in ensuring adherence to all laws, and regulations in force.
- 1.2 The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (the **Regulations**), which replace the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, make it mandatory for every public listed company to lay down a code of conduct for regulation, monitoring and reporting of insider trading by directors, and other “connected persons” (as defined in the Regulations), in relation to the securities of the company (this “**Code**” or “the **Code**”).
- 1.3 This Code is applicable to every Designated Employee of the company (as defined below), their Immediate Relatives (as defined below) and other connected persons (as defined in the Regulations) (together referred to as “**Designated Persons**”), and each such Designated Person has a duty to safeguard the confidentiality of all information obtained, including during the course of his or her employment at the company.
- 1.4 The Amended Code shall come into force on 04th November, 2017 and shall replace the erstwhile Code of Conduct for Prevention of Insider Trading of the company which was approved vide Board meeting dated 29th May, 2015.

2. DEFINITIONS AND INTERPRETATIONS

Definitions

- 2.1 Terms used but not defined herein, shall unless the context requires otherwise have the meaning to them below:

Board or **Board of Directors** means the Board of Directors of the company or any Committee thereof;

Company means Lambodhara Textiles Limited.

Compliance Officer shall mean the person designated as the compliance officer of the company to administer this code and other requirements under the Regulations;

Connected Person shall have the meaning given to it in the Regulations;

Dealing in Securities means subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities either as principal or agent;

Designated Employee Means:

- (a) All Directors;
- (b) All employees of the rank of General Manager and above of the Company.
- (c) All employees of the rank of Manager and above in the Finance and Accounts, Secretarial and Internal Audit function/department; and
- (d) Any other employee of the company designated by the Board of Directors in consultation with the compliance Officer, from time to time;

Director means a member of the Board of Directors;

Disciplinary Action means any punitive action taken by the company, including but not limited to wage freeze, suspension or termination of employment.

Financial Results means the quarterly, half yearly or annual financial statements of the company;

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

Immediate Relative for the purpose of this Code means spouse of a Designated Employee, and includes parent, sibling and child of such Designated Employee or of the spouse, any of whom is either dependent financially on such Designated Employee or consults such Designated Employee in taking decisions relating to trading in Securities;

Insider Trading means the use of Unpublished Price Sensitive Information by an Insider to engage in Dealing in Securities of the company;

Insider means any person who is (a) a "Connected Person" or (b) any person in possession of or having access to unpublished price sensitive information;

Listing Agreement means the listing agreements entered into/to be entered into by the company with the stock exchanges, as amended;

Prohibited Period means the period of time when the Trading Window is closed and as specified in Clause 5;

SEBI means the Securities and Exchange Board of India;

SEBI Act means the Securities and Exchange Board of India Act, 1992, as amended;

Securities shall have the same meaning given to it in the Regulations with respect to the Company and shall include shares and derivatives on shares of the company;

Specified Persons means the Directors, Connected Persons, the Insiders, the Designated Employees, Promoters and their Immediate Relatives collectively

Trading means Dealing in Securities of the Company;

Trading Window means the period of time when Trading is allowed; and

Unpublished Price Sensitive Information shall have the meaning given to it in the Regulations.

Interpretation

2.2 This Code shall be interpreted as follows:

- (a) Terms that have been defined in this Code shall have the meaning assigned to them in the Regulations;
- (b) This Code can be modified/amended/alterd only by the Board of Directors subject to the condition that such alteration shall not be inconsistent with the provisions of the Regulations;
- (c) A reference to a statute or statutory provision includes, to the extent applicable at any relevant time:
 - (i) That statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and
 - (ii) Any subordinate legislation or regulation made under the relevant statute or statutory provision;
- (d) Unless the context otherwise requires, all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders, and words importing the singular include the plural and vice versa; and
- (e) Any reference to a **person** includes any individual, firm, corporation, partnership, company, trust, association, joint venture, government (or agency or political subdivision thereof) or other entity of any kind, whether or not having separate legal personality. A reference to any person in this code shall, where the context permits, include such person's executors, administrations, heirs, legal representatives and permitted successors and assigns.

3. COMPLIANCE OFFICER

3.1 The company has designated the Company Secretary as the Compliance Officer. The Compliance Officer shall report to the Board of the company and to the Chairman of the Audit committee and in particular, shall provide reports annually to the Chairman of the Board.

3.2 The Compliance Officer shall be responsible for, *inter alia*, the following:

- (a) Maintenance of records required under the Regulations including (i) the record of Designated Employees and any changes made in the list of Designated Employees; and (ii) a record of declarations for a minimum period of five years;
- (b) In consultation with the Chairman of the company and as directed by the Board, the specification and announcement of a prohibited period;
- (c) Maintenance of a record of Prohibited Periods specified from time to time
- (d) Setting forth policies, procedures, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, approval of the trading plan, Pre-clearing of Designated Persons, monitoring of Trading and the implementation of this Code under the overall supervision of the Board.

4. UNPUBLISHED PRICE SENSITIVE INFORMATION

Preservation of Unpublished Price Sensitive Information

- 4.1 Designated Persons shall maintain the confidentiality of all Unpublished Price Sensitive Information and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities.

Need to Know

- 4.2 All information is to be handled within the Company on a “need to know” basis and no Unpublished Price Sensitive Information should be communicated to any person except in furtherance of the Insider’s legitimate purposes, performance of duties or discharge of his legal obligations.

Limited access to confidential information

- 4.3 Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted/ destroyed after its use. No such related documents should be kept lying at any place accessible to other employees/persons.
- 4.4 If any Designated Person wants to cross the “Chinese Wall”, they shall seek permissions from the Compliance Officer in writing stating the reasons/ justification for doing so. The Compliance Officer shall require such Designated Person to produce an undertaking that the information will not be shared with any other person except as permitted and neither he nor the person with whom the information is shared or their Immediate Relatives shall Trade in or induce others to Trade in the Securities of the Company.

5. PROHIBITION OF INSIDER TRADING

Prohibition

- 5.1 No Insider shall:

- (a) Trade in Securities of the company, either on their own behalf or on behalf of any other person when in possession of any Unpublished Price Sensitive Information; or
- (b) Communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including other insiders except where such communication is for legitimate purposes, performance of duties or discharge of legal obligations.

Trading Plan

5.2 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 and subject to the Regulations.

Trading Restrictions

5.3 Designated persons shall not indulge in Trading during a Prohibited Period.

5.4 The following events shall trigger a Prohibited Period, the duration of which shall be in accordance with clause 5.5 below:

- (a) Declaration of Financial Result;
- (b) Declaration of Dividends, whether interim or final;
- (c) Issue of securities by way of public issue, rights issue or bonus issue;
- (d) Acquisition, amalgamation, merger, de-merger, takeover of companies/ businesses, delistings, disposals or expansion of business, new projects or such other transactions in respect of the company;
- (e) Buy-back and splitting of Securities or any other change in capital structure;
- (f) Changes in key managerial personnel;
- (g) Any changes in policies, plans or operations of the company;
- (h) Material events in accordance with the Listing Agreement.

5.5 The Prohibited period for trading in shares of the Company:

Commencement of Trading window Closure:

- a) The period of closure shall be effective from 15 days prior to the date of the board meeting in which an unpublished price sensitive information shall be discussed.
- b) However in case of a board meeting being called at shorter notice, and in case of an unpublished price sensitive information being proposed, the period of closure shall be effective from the date on which the shorter notice is issued, subject to consent by majority of directors [including atleast one independent director] to conduct the meeting at shorter notice. .

Cessation of Trading window closure period:

The Trading Window shall be opened after 48 hours from the closure of the board meeting at which decisions in respect of any of the price sensitive information are taken or after the information in respect of the above events is made public, whichever is later, or at a later date as may be determined by the Compliance Officer.

The Compliance officer shall intimate the commencement of the prohibited period for trading to all Designated Persons.

- 5.6 Designated Persons shall undertake Trading only when the Trading Window is open and shall not Trade during the prohibited Periods or all other periods 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.
- 5.7 The Trading Window and prohibited period shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants, etc., assisting or advising the company.

Pre-Clearance or pre-dealing of Trading

- 5.8 Designated Persons who intent to undertake Trading in 1000 or more equity shares of Rs.5/- each or the value of the proposed trades exceed Rs.5,00,000/- whichever is less, when the Trading Window is open, shall pre-clear the transactions as per the pre-dealing procedure as described below. No Designated Person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the Trading Window is not closed.
- 5.9 An application for pre-clearance of Trading shall be made to the Compliance Officer.
- 5.10 The Application shall incorporate, *inter alia*, the following clauses:
- (a) The estimated number of securities that the Designated Person intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by the Compliance Officer;
 - (b) An undertaking shall be executed in favour of the Compliance Officer and the company, by such Designated Person which shall *inter alia* state that the applicant is not in possession of any unpublished price Sensitive information.
- 5.11 The Compliance Officer shall on receiving an application for pre-clearance provide the relevant Designated Person with an acknowledgement on a duplicate of the application.
- 5.12 If the application for pre-clearance has been duly complete the compliance Officer shall grant approval, at his sole discretion, within [2] working days from the date of acknowledgement.

5.13 The Compliance Officer shall retain copies of all applications and acknowledgements.

Other Restrictions

5.14 Within one week of the grant of pre-clearance under clause 5.14, the relevant Designated Person shall complete the proposed transaction in respect of which such approval was granted. If such transaction is not completed within this period of one week, the relevant Designated Person must seek a fresh pre-clearance in accordance with the code.

5.15 The Designated Person shall make declarations of pre-clearance transactions even in cases where the transaction has not been undertaken; the same should be reported by the Designated Person together with reasons for non-execution of the trade. The Compliance Officer shall maintain a record of the reasons provided in relation to the non-execution of trades by Designated Persons who have secured pre-clearance.

5.16 Designated Persons who Trade in any Securities of the company shall not execute a contra trade during the next six months following the prior transactions. To the extent permitted under the Regulations, the compliance Officer may, in his discretion, grant relaxations from this restrictions for reasons to be recorded in writing provided that such relaxation does not violate the Regulations. In case a contra trade is executed, inadvertently or otherwise, in violation of such restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India ("SEBI") for credit to the Investor Protection and Education fund administered by it under the SEBI Act. In case of subscription for Securities in the primary market (initial public offers) and to the extent required under the Regulations, Designated Persons shall hold their investments for a minimum period of 30 days commencing from the allotment of the relevant Securities to such Designated Persons.

6. DISCLOSURES

Designated Employees, Promoters and members of Promoters Group, shall make disclosure of Securities and other voting rights in the company held by them and their Immediate Relatives to the Compliance Officer.

7. RECORDS OF DISCLOSURES RECEIVED BY THE COMPANY.

7.1 The compliance Officers shall maintain records of all declarations in the appropriate form made by the Designated Persons for a minimum period of five years. The compliance Officer shall also maintain a record of the Designated Employees and any changes made in the list of the Designated Employees.

7.2 The Compliance Officer shall place before the Managing Director of the Company, on a monthly basis, all the details of the Dealing in the Securities by Designated Persons of the company together with the accompanying documents provided by the Designated Persons in accordance with this Code.

8. PENALTIES FOR CONTRAVENTION

8.1 Specified Persons who violate the Code shall be subject to appropriate Disciplinary Action.

8.2 The Disciplinary Action taken by the company shall not preclude **SEBI** from taking any action if a violation of this Code also results in a violation of the Regulations.

9. INFORMATION

Where there is a violation of the Regulations, the Compliance Officer or the company shall immediately inform SEBI about such violation.

10. GENERAL

All Specified Persons are advised to review this Code and the Regulations carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification/ assistance that may be necessary and format for all application, undertaking and disclosure forms are available with the Compliance Officer.

By order of the Board
Bosco Giulia
Whole-Time Director

Place: Coimbatore
Date : 04.11.2017