

RISHAB SPECIAL YARNS LTD.
2070, RASTA BARA GANGORE, JAIPUR302003

**CODE OF INTERNAL PROCEDURE AND CONDUCT FOR PREVENTION
OF INSIDER TRADING**

Index

Sr.no	Topic	Page no
1	Introduction	2
2	Definitions	2
3	Communication or procurement of Unpublished Price Sensitive Information	7
4	Responsibilities and obligations of the Insiders	8
5	Reporting Requirements	9
6	Responsibilities of Compliance Officer	10
7	Internal Controls	12
8	Procedures to maintain confidentiality of UPSI	12
9	Dissemination of UPSI	13
10	Trading Restrictions	13
11	Pre- Clearance of dealing in Securities	15
12	Holding Period	16
13	Trading Plan	17
14	Policy for inquiry in case of leak/ suspected leak of UPSI	18
15	Chinese Wall	18
16	Investigation	19
17	Protection against retaliation and victimization of Informant	19
18	Informant Reward	20
19	Penalty for Contravention of Code of Conduct	21
20	Intimation to SEBI in case of violation of Regulations	21
21	Clarifications	21
22	Amendments	21
23	Disclaimer	21
24	Annexure to Code	23-45

1. Introduction

The Securities and Exchange Board of India (SEBI) vide Regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “the Regulations”) mandates every listed company to frame a “Code of Conduct” to regulate, monitor and report trading by its Designated Persons and their immediate relatives towards achieving compliance with the Regulations by adopting minimum standards set out in Schedule B to the Regulations without diluting provisions of the Regulations in any manner.

In order to comply with the mandatory requirement of Regulation 9 of the aforesaid Regulations, RISHAB SPECIAL YARNS LTD. (hereinafter referred to as “the Company”) has framed this Code of Conduct to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information by any person.

Every Promoter(s), Director(s), Officer(s), Insider(s) and Connected Person(s) of the Company has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. None of the above referred persons shall use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating or counselling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investors’ confidence.

To achieve these objectives, the Company hereby notifies this “Code of Internal Procedure and Conduct for Prevention of Insider Trading” (hereinafter referred to as “the Code”) which shall be followed by all the Designated Persons including Promoter(s), Director(s), Officer(s), Insider(s) and Connected Person(s) of the Company and their immediate relatives.

2. Definitions:

As used in this Code, the following expressions shall, unless repugnant to the meaning or context thereof, have the following meanings:-

2.1. “Act” means the Securities and Exchange Board of India Act, 1992.

2.2. “Board” means the Securities and Exchange Board of India.

2.3. “Chairman” shall mean the Chairman of the Board of Directors of RISHAB SPECIAL YARNS LTD.

2.4. “Company” means RISHAB SPECIAL YARNS LTD.

2.5 “Code” means Code of Internal Procedure and Conduct for Prevention of Insider Trading.

2.6. “Compliance Officer” shall have the meaning assigned to it under Regulation 2 (1) (c) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

2.7."Connected Person"

"Connected Person" means -

- i.** any person who is or has during the six months prior to the concerned act has been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in a 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 (i) above;
 - 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 mutual fund or a member of the board of directors of the asset management company of a mutual fund or 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 SEBI; or
 - i)** a banker of the Company; or
 - j)** a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative(s) or banker of the Company, has more than ten percent of the holding or interest.

2.8 "Dealing in Securities" means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in the securities of the company by any person either as principal or agent. Therefore, a person is said to deal in securities if he subscribes, acquires or disposes of the securities of the company himself, whether for himself or as agent of some other person, or procures an acquisition or a disposal of the securities by someone else.

2.9. "Designated Person" shall include:

- i.** Individual Promoters;
- ii.** Directors;
- iii.** Key Managerial Personnel as defined under Section 203 of the Companies Act, 2013;
- iv.** All employees designated as Heads of a Function, Presidents, Vice Presidents and General Managers of the Company;
- v.** Employees of Accounts, Finance and Secretarial Department who may be engaged in preparation of financial results/ Board Agenda or may handle UPSI;
- vi.** Other employees of the Company as may be designated as such from time to time for the purpose of this code by the Compliance Officer;
- vii.** Any other Connected Person designated by the Company on basis of their functional role and
- viii.** Immediate relatives of (i) to (vi) above.

2.10. "Director" means a director for the time being of the Company.

2.11. "Employee" means every employee for the time being of the Company.

2.12. "Financial Year" shall mean period of 12 months commencing from April 1 and ending on March 31.

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

2.14. "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.

2.15. "Insider" means any person who is:

- i.** a connected person; or
- ii.** in possession of or having access to unpublished price sensitive information.

2.16. "Insider Trading" is the buying or selling or dealing or subscribing or agreeing to subscribe, buy, sell, deal in the securities of a listed company by a director, officer, an employee of the firm or by any other person such as internal auditor, statutory auditor, agent, advisor, analyst, consultant, etc. who has knowledge of material inside information not available to public.

2.17. "Informant" means an individual(s), who voluntarily submits to the Board a Voluntary Information Disclosure Form relating to an alleged violation of insider trading laws that has occurred, is occurring or has a reasonable belief that it is about to occur, in a manner provided under these regulations, regardless of whether such individual(s) satisfies the requirements, procedures and conditions to qualify for a reward.

2.18. "Key Managerial Personnel" means key managerial personnel, as defined under the Companies Act, 2013 and include :-

- i. the Chief Executive Officer or the Managing Director or the Manager;
- ii. the Company Secretary;
- iii. the Whole-time director; and
- iv. the Chief Financial Officer.

2.19. "Monetary Sanctions" shall mean any non-monetary settlement terms or any direction of the Board, in the nature of disgorgement under securities laws aggregating to at least Rupees one crore arising from the same operative facts contained in the original information.

2.20. "Officer" means and includes Key Managerial Personnel and any employee of the Company in accordance with whose directions or instructions the Board or any one or more of the Directors is or are accustomed to act, including an auditor of the Company.

2.21. "Original Information" means any relevant information submitted in accordance with these regulations pertaining to any violation of insider trading laws that is :-

- i. derived from the independent knowledge and analysis of the Informant;
- ii. not known to the Board from any other source, except where the Informant is the original source of the information;
- iii. is sufficiently specific, credible and timely to – (a) commence an examination or inquiry or audit, (b) assist in an ongoing examination or investigation or inquiry or audit, (c) open or re-open an investigation or inquiry, or (d) inquire into a different conduct as part of an ongoing examination or investigation or inquiry or audit directed by the Board;
- iv. not exclusively derived from an allegation made in a judicial or administrative hearing, in a Governmental report, hearing, audit, or investigation, or from the news media, except where the Informant is the original source of the information; and
- v. not irrelevant or frivolous or vexatious.

Explanation. –Information which does not in the opinion of the Board add to the information already possessed by the Board is not original information.

2.22. "Promoter" shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

2.23. "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.

2.24. "Regulation(s)" means SEBI (Prohibitions of Insider Trading) Regulations, 2015, as amended from time to time.

2.25. "Relatives" means a person, as defined in Section 2(77) of the Companies Act, 2013.

2.26. "Reward" means any gratuitous monetary amount for which an Informant is declared eligible as per the provisions of these regulations.

2.27. "SEBI" means the Securities and Exchange Board of India.

2.28. "Securities" means the securities of the Company which are listed on recognized stock exchanges and includes rights & interests thereof

2.29. "Stock Exchanges" means the recognized stock exchanges where securities of the Company are listed.

2.30. "Takeover Regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

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

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

2.33. "Trading Window" shall have the meaning ascribed thereto in Paragraph 10 of this Code.

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

- i.** Financial results;
- ii.** Dividends;
- iii.** Change in capital structure;
- iv.** Merges, de-merges, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v.** Changes in key managerial personal;

2.35. Interpretation

- i.** Words importing the singular number shall include the plural number and vice versa.
- ii.** Words importing the masculine gender shall include the feminine gender and vice versa.
- iii.** Words and expressions used in this Code but not defined herein shall have the meanings respectively assigned to them under the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and Rules and Regulations made thereunder.

iv. The Annexures form an integral part of this Code

3. Communication or procurement of Unpublished Price Sensitive Information.

- 3.1.** The Insider shall not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3.2.** 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.
- 3.3.** Any person in receipt of unpublished price sensitive information pursuant to a "Legitimate purpose" shall be considered an "insider" for purposes of these code and due notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- 3.4.** An unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would :-
- i. entail an obligation to make an open offer under the takeover regulations and 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.
 - ii. 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.
- 3.5.** For sharing of such information as stated in sub clause 3.4. 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 purpose of sub-clause 4.4, and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.
- 3.6.** The Compliance Officer shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom such information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by Law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and Compliance officer shall ensure non-tampering of the database by conducting audit trail and time stamping of such information.
- 3.7.** A Designated Person, who is reasonably expected to have access to UPSI or has had access to such information, shall ensure that:
- i. files containing such information are kept secure;
 - ii. computer files have adequate security of login through a password; and

- iii. follow the guidelines for maintenance of electronic records and systems as prescribed by the Compliance Officer from time to time in consultation with the person in charge of the information technology function.

3.8. No Insider/ Designated Person shall trade in or create pledge on securities of the Company when in possession of UPSI.

3.9. Insider traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in Regulation 4 of the Regulations, failing which he would have violated the prohibition.

3.10. In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the SEBI.

4. Responsibilities and obligations of the Insiders:

4.1. Insider shall not on his own behalf or on behalf of any other person Trade in Securities when in possession of any Unpublished Price Sensitive Information.

4.2. Insider 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 Trading in Securities.

4.3. Insider shall not deal in the Securities during the Trading Window Closure Period. The Compliance Officer shall from time to time announce the Trading Window Period, i.e. the period in which Trading in the Securities may be carried out. Except such period, Insider shall not Trade in Securities unless he obtains prior written clearance from the Compliance Officer.

4.4. No Insider shall deal in Securities above the Threshold Limit as per SEBI (PIT) Regulations, 2015, during the Trading Window Period.

4.5. All Insiders who buy or sell any number of Securities of the Company shall not enter into an opposite transaction i.e. sell or buy any number of Securities during the next six months following the prior transaction. No Insider shall take positions in derivative transactions in the Securities of the Company at any time.

4.6. The Insider shall handle all price-sensitive information relating to the Company within the organization strictly on a 'need-to-know' basis.

4.7. Every Insider who trades in the Securities of the Company shall within two (2) days of such Trade disclose full information of such Trade to the Compliance Officer in such format as may be prescribed.

5. Reporting Requirements:

5.1. Every Promoter, Member of the promoter group, Key Managerial Personnel director and employees of the Company to the extent being covered under the definition of Insider shall disclose his holding of securities of the Company in the form specified in Annexure I hereto as on the date of these Regulations taking effect, to the Compliance Officer within thirty days of these Regulations taking effect.

5.2. Every person on appointment as a Key Managerial Personnel or a Director of the Company or upon becoming a Promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a Promoter, in the form specified in Annexure II hereto to the Compliance Officer within seven days of such appointment or becoming a Promoter.

5.3. The disclosures as specified in 5.1 and 5.2 above shall be made even if holdings on the relevant date are 'NIL'.

5.4. Every promoter, member of the promoter group, designated person and director of the Company shall disclose to the Compliance officer in the form specified in Annexure III hereto the number of securities acquired or disposed of, within two Trading Days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees and every subsequent trade in that calendar quarter.

5.5. The Compliance officer shall notify the particulars of such trading referred to in 5.4 above to the Stock Exchanges within two Trading Days of receipt of the disclosure or from becoming aware of such information

5.6. The Company may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company in the form specified in Annexure IV hereto at such frequency as may be determined by the Company in order to monitor compliance with these Regulations.

5.7. Every Designated person shall disclose his holding of securities of the Company as on March 31st of every year by April 30 in the form specified in Annexure V hereto to Compliance Officer.

5.8. The disclosures to be made by any person under this Code 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 the purpose of this Code.

5.9. The disclosures made under this Code shall be maintained for a period of five years.

5.10. Designated persons shall be required to disclose names and Permanent Account Number 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:

- 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

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.

Explanation: “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.

6. Responsibilities of Compliance Officer:

- i. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of the regulation 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.
- ii. He shall notify the approved trading plan to the stock exchange on which the securities are listed.
- iii. He shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors.
- iv. He shall specify and maintain a record of the designated person and any changes made in the list of designated persons on the basis of their role and function in the organization.
- v. He shall close the trading window when the designated person or class of designated person can reasonably be expected to have possession of unpublished price sensitive information.
- vi. He shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
- vii. He shall determine the timing for re-opening of the trading window 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.

- viii.** Prior to approving any trades, he shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- ix.** 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 the regulations.
- x.** Aid the Board of Directors of the Company to specify the designated persons to be covered by the code of conduct on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.
- xi.** Prescribe the forms in which disclosures will be made by the Insiders.
- xii.** Maintain record of the Insiders.
- xiii.** Provide clarification or send reply to the query/ies raised by the Insiders.
- xiv.** Announce Trading Window Period.
- xv.** Submit periodic reports to the Board of Directors and a monthly/quarterly report to the Chairman of the Board of Directors in respect of any Trading in the Securities by the Insider/s and Designated Person/s.
- xvi.** Be responsible for ensuring compliance under this Code, overseeing and coordinating disclosure of UPSI to Stock Exchanges, Shareholders, Analysts and Media and for educating the Company's staff on disclosure policies and procedure.
- xvii.** In consultation with the Board of Directors, inform SEBI of any violation of PIT Regulations.
- xviii.** Give due notice to any person who is in receipt of UPSI, informing them to maintain confidentiality of such UPSI.
- xix.** Propose the necessary changes to the Code, in line with the applicable laws, from time to time and amend the Code as and when such changes are approved by the Board of Directors.
- xx.** Generally administer this Code.

7. Internal Control:

The internal controls shall include the following:

- i.** all employees who have access to UPSI are identified as Designated Persons;
- ii.** all the UPSI shall be identified and its confidentiality shall be maintained as per the requirements of PIT Regulations;
- iii.** adequate restrictions shall be placed on communication or procurement of UPSI;
- iv.** lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
- v.** all other relevant requirements specified under PIT Regulations shall be complied with; and
- vi.** periodic process review to evaluate effectiveness of such internal controls.

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

8. Procedures to maintain confidentiality of UPSI:

All information shall be handled within the organization 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.

To prevent the misuse of confidential information, the Company shall lay down the procedures to maintain the confidentiality with respect to the Company's business operations and activities by Designated Persons, wherein the Designation Person shall:

- i.** maintain the confidentiality of Company related transactions;
- ii.** securely maintain all documents and files (including computer files) containing confidential information and documents relating to UPSI;
- iii.** handle dissemination of UPSI to any other person on "need to know basis" i.e. UPSI should be communicated to any person only in furtherance of legitimate purposes, performance of duties or discharge of legal obligations;
- iv.** promptly remove and clean up all confidential documents and other materials from conference rooms following the conclusion of any meetings;
- v.** properly dispose of all confidential documents and other papers, after there is no longer any business or other legally required need;
- vi.** immediately report to the Compliance Officer, any non-public information directly received by any them;

- vii. restrict access to areas likely to contain confidential documents or material, non-public information by separating those departments which routinely have access to UPSI from other departments and avoid discussion of material, UPSI in places where the information could be overheard by others such as in elevators, restrooms, hallways, restaurants, airplanes or taxicabs;
- viii. ensure that any personnel involved with material, non-public information, to the extent feasible, should conduct their business and activities in areas separate from other Company activities.

9. Dissemination of UPSI

No UPSI shall be passed by any Insider and Designated Person by way of making a recommendation for the purchase or sale of securities of the Company.

No UPSI shall be disseminated with any special reference to analysts, media persons and institutional investors. The following guidelines shall be followed while dealing with analysts and institutional investors:-

- i. Only public information shall be provided;
- ii. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes UPSI, a public announcement should be made before responding;

10. Trading Restrictions:

All directors / officers and designated Persons of the Company shall be subject to trading restrictions as below:

i. Trading Window

A notional trading window shall be used as an instrument of monitoring trading by all directors / officers and the designated persons. Unless otherwise specified by the Compliance Officer, the Trading Window for Trading in Securities of the Company shall be closed for the Designated Persons when the Compliance Officer determines that a Designated Persons or class of Designated Persons are reasonably expected to have UPSI. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Officers and Designated Persons will, during that period, often possess unpublished price sensitive information. During such sensitive times, the Directors, Officers, and Designated Persons will have to forego the opportunity of trading in the Company's securities, The Directors, Officers and Designated Persons of the Company shall not deal in the securities of the Company when the trading window is closed. The period during

which the trading window is closed shall be termed as prohibited period specifically, the period

beginning from at least 15 days prior to the date of the meeting of the Board of Directors of the Company in which the Board of Directors are to consider the price sensitive information and ending after 48 hours from the time the Price Sensitive information is made public. It is recommended that the gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

ii. The Trading Window for dealing in the Securities shall be closed at the time of:-

- a) Financial results;
- b) Dividends;
- c) Change in capital structure;
- d) Mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions; and
- e) Changes in key managerial personnel;

iii. The Trading Window shall remain closed when the Compliance officer determines that a designated person can reasonably be expected to have possession of UPSI.

The Trading Window shall remain closed from the end of every quarter till the end of forty eight hours after the declaration of financial results.

The Trading Window shall also remain closed from 7 days before the date of the board meeting at which the other UPSI is due to be considered till the end of forty eight hours after the information becomes generally available.

iv. All the directors/ officers/ designated persons of the company shall conduct all their dealings in the securities of the company only in valid trading window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when trading window is closed, as mentioned above and as mentioned time to time by the Company.

v. The trading window restrictions 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 Regulations and in respect of a pledge of shares for a bona-fide 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.

11. Pre-Clearance of dealing in Securities:

11.1. Applicability

In case a Designated Person and/ or his Immediate relative, intends to Deal in the Securities of the Company in a calendar quarter above the threshold limit of Rs. 10,00,000/- (Rupees Ten Lakh) (transaction value) then the Designated Person shall obtain a pre-dealing approval for the proposed transaction as per the pre-dealing procedure prescribed hereunder.

11.2. Pre-Dealing Procedure

11.2.1. The concerned Designated Person shall, for the purpose of obtaining a pre-dealing approval, make an application in the form specified in Annexure VI hereto to the Compliance Officer, who shall forward a copy of the same to the Managing Director.

No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person is in possession of UPSI even if the trading window is not closed.

11.2.2. Such application should be complete and correct in all respects and should be accompanied by (i) an undertaking in the form specified in Annexure VII hereto; and (ii) such other documents as may be prescribed by the Compliance Officer from time-to-time.

11.2.3. The application for pre-dealing approval with enclosures shall be sent by the Designated Person through electronic mail to the address bluechiptex@gmail.com followed by hard copies of the same.

11.3. Approval

11.3.1. The Compliance Officer shall consider the application made as per paragraph 11.2 above and shall convey his approval / rejection to the same through electronic mail and forward a copy of the same to the Managing Director.

11.3.2. Every such approval shall be issued in the form specified in Annexure VIII hereto. Every approval shall be dated and shall be valid for a period of 1 (one) week from the date of approval.

11.3.3. The Compliance Officer shall convey his decision to the concerned Designated Person within 3 working days of receipt of the application. Failure by the Compliance Officer to respond within the above stipulated period shall be deemed to be a rejection of the application. In such case, the Designated Persons must apply to the Compliance Officer for pre clearance of the transaction covered under the said approval once again.

11.3.4. In the absence of the Compliance Officer, the Board may delegate performance of the duties and responsibilities referred to in this paragraph as it may deem appropriate.

11.3.5. An application for pre-dealing approval by Compliance Officer shall be approved by Board of Directors of the Company.

11.4. Completion of Pre-Cleared Dealing

11.4.1. All Designated Persons shall complete execution of the pre-cleared deal in respect of the Securities not later than 1 (one) week from the date of the approval and file the details of such deal in format specified in Annexure IX with the Compliance Officer within 2 working days thereof.

11.4.2. If a deal is not executed within 1 (one) week as above, the Designated Persons must apply to the Compliance Officer for pre clearance of the transaction covered under the said approval once again.

12. Holding Period

12.1. Any Designated Person and his/ her Immediate Relatives who buy or sell any number of shares of the Company shall not execute a contra trade i.e. an opposite transaction to sell or buy any number of securities during the next six months (183 days) following to prior transaction. This restriction about the Holding period shall survive for six months (183 days) of cessation of the status of Designation Person or his/ her Immediate Relative or of date of prior transaction whichever is earlier.

12.2. Requirement of holding period and/ or restriction on contra trade shall not be applicable in respect of securities acquired under ESOP and sale of shares so acquired, i.e. i) Exercise of ESOPs shall not be considered to be "trading" except for the purposes of Chapter III of the Regulations i.e. reporting requirements. ii) other provisions of the Regulations and Code e.g. Possession of UPSI, Trading window, pre-clearance of dealings, reporting requirements etc. shall apply to the sale of shares acquired under ESOP.

12.3. Restrictions with regard to contra trade shall apply to market intermediaries and other persons who are required to handle UPSI in the course of Business operations.

12.4. Derivative contracts entered by the Designated Persons and settled in cash on expiry shall be considered as contra trade.

12.5. Restriction of Contra trade shall not be applicable in case of buy back offers, open offers, rights issue, FPOs, bonus, etc made by the Company of its securities.

12.6. In case the sale of Securities is necessitated by personal emergency, the holding period referred to above may be waived by the Compliance Officer on application by the Designated Person in the form specified in Annexure X here to after recording reasons in this regard. It may however, be noted that in terms of the Regulations, no such sale will be permitted when the Trading Window is closed.

12.7. In case a contra trade is executed, inadvertently or otherwise, in violation of this Code, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Education and Protection Fund.

13. Trading Plan:

13.1. A Perpetual Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

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

13.2. Such trading plan shall:

- i.** Not entail commencement of trading on behalf of the Perpetual Insider earlier than six months from the public disclosure of the plan;
- ii.** Not entail trading if the Perpetual Insider were to be in possession of the same UPSI both at the time of formulation of the trading plan and implementation of the same i. e. the UPSI at the time of formulation of trading plan remain as UPSI even at the time of implementation of trading plan.
- iii.** 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;
- iv.** Entail trading for a period of not less than twelve months;
- v.** Not entail trading during period when Trading Window is closed;
- vi.** Not entail overlap of any period for which another trading plan is already in existence;
- vii.** 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;
- viii.** Not entail trading in securities for market abuse; and
- ix.** Not entail trading by a person beyond the extent and manner disclosed in the trading plan except for pledging of securities

13.3. 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. Before granting approval the Compliance Officer may insist that the Perpetual Insider declares

that he is not in possession of UPSI or that he would ensure that any UPSI in his possession becomes generally available before he commences executing his trades under 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.

13.4. The trading plan once approved shall be irrevocable and Perpetual Insider shall mandatorily have to implement the plan, without any deviation.

13.5. The trading plan shall not be commenced if an UPSI in possession of the Perpetual Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation of the trading plan.

13.6. The Compliance Officer shall notify the plan to the Stock Exchanges.

14. Policy for inquiry in case of leak/ suspected leak of UPSI:

In terms of Regulation 9A (5) of the PIT Regulations, a “Policy for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information” as approved by the Board of Directors as a part of this Code, is annexed as “Annexure XIII”.

15. Chinese Wall

To prevent the misuse of UPSI, the Company has adopted a “Chinese Wall” policy which separates those departments 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”

As per the said policy:

- i.** The Employees in the inside areas are not allowed to communicate any UPSI to anyone in the public areas.
- ii.** The Employees in inside area may be physically separated from the Employees in public area.
- iii.** 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.

16. Investigation:

16.1. The Compliance Officer shall upon receipt of complaint or on his own, upon suspecting contravention of this Code, within fifteen (15) days with the approval of the Managing Director commence investigation.

16.2. The Compliance Officer shall submit a report of his findings to the Managing Director within fifteen (15) days of commencement of investigation or such extended time period as the Chairman may approve.

16.3. The Compliance Officer shall have right to call for information, examination, interrogation, recording evidence, etc.

16.4. In any investigation of suspected contravention of this Code, the onus to prove that there is no violation of this Code shall be on the Insider concerned.

16.5. The Managing Director, after consideration of the investigation report shall communicate the findings to the person being investigated and accord him an opportunity of being heard and or to give explanation in writing before taking any action as contemplated in this Code.

17. Protection against retaliation and victimization of Informant:

17.1. The Company will provide a suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form (Annexure XI) with the Office of Informant Protection of the Board, irrespective of whether the information is considered or rejected by the Board or he or she is eligible for a 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 1. - For the purpose of this Code 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.

Explanation 2. - Nothing in this regulation shall require the employee to establish that :-

- i. the Board has taken up any enforcement action in furtherance of information provided by such person; or
- ii. the information provided fulfills the criteria of being considered as an Original Information under these regulations

17.2. Nothing in these regulations shall prohibit any Informant who believes that he or she has been subject to retaliation or victimization by his or her employer, from approaching the competent court or tribunal for appropriate relief.

17.3. Notwithstanding anything contained in clause 17.2., any employer who violates this code may be liable for penalty, debarment, suspension, and/or criminal prosecution by the Board, as the case may be:

Provided that nothing in these regulations will require the Board to direct re-instatement or compensation by an employer.

17.4. Nothing in these regulations shall diminish the rights and privileges of or remedies available to any Informant under any other law in force.

18. Informant Reward:

18.1. Upon collection or substantial recovery of the monetary sanctions amounting to at least twice the Reward, the Board may at its sole discretion, declare an Informant eligible for Reward and intimate the Informant or his or her legal representative to file an application in the format provided in Annexure XII for claiming such Reward.

18.2. The amount of Reward shall be ten percent of the monetary sanctions collected or recovered and shall not exceed Rupees One crore or such higher amount as the Board may specify from time to time.

18.3. Provided further that the Board may if deemed fit, out of the total Reward payable, grant an interim reward not exceeding Rupees Ten Lakhs or such higher amount as the Board may specify from time to time, on the issue of final order by the Board against the person directed to disgorge.

18.4. In case of more than one Informant jointly providing the Original Information, the Reward, as specified in the intimation under sub-regulation (1), shall be divided equally amongst the total number of Informants.

18.5. The Reward under these regulations shall be paid from the Investor Protection and Education Fund.

19. Penalty for Contravention of Code of Conduct

19.1. Every Designated Person, to whom this Code is applicable, shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her Immediate Relatives).

19.2. Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of the Code may be penalized and appropriate action may be taken by the Company.

19.3. Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery claw back withholding of promotions, ineligibility for future participation in employee stock option plans, etc.

19.4. The action by the Company shall not preclude SEBI from taking any action in case of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

20. Intimation to SEBI in case of violation of Regulations

In case it is observed by the Company / Compliance Officer that there has been a violation of the Regulations, Stock Exchange shall be intimated accordingly.

21. Clarifications

For all queries concerning this Code, the Designated Persons may please contact the Compliance Officer. The decision of Compliance Officer shall be final and binding.

In case of matters not covered by this Code, the provisions contained in the Regulations issued by SEBI shall prevail. Further, in case of any conflict between this Code and the Regulations issued by SEBI, the latter shall prevail.

22. Amendments

The Board may, at any time, modify, alter and amend the provisions of this Code whether pursuant to changes/ amendment made by SEBI or otherwise.

23. Disclaimer

This Code is the internal policy of the Company to prevent the Insiders from Trading in Securities of the Company. However, it is primarily the responsibility of every Designated Person/ Insider to ensure compliance with the provisions of the Regulations and other related laws. The Company or Compliance Officer shall not in any way be responsible or liable and the concerned Insider alone shall be responsible and liable for the consequences of any violation or contravention of the Regulations or any laws in this regard.

In case a question arises with regard to status of any person or with regard to possession of UPSI by a person, it will be the sole responsibility of the concerned person to defend himself/ herself/ itself about the status and/ or possession of UPSI, and for the consequences thereof.

The Code has been amended, approved and adopted by the Board of Directors of the Company on Wednesday, 19th August, 2020.

FORM A

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]

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, CIN / DIN & address with contact nos	Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

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

Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

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		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

FORM B

SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel / Director / Promoter / Member of the promoter group]

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 or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN / DIN & address with contact nos	Category of Person (KMP / Director or Promoter or member of the promoter group / immediate relative to/others etc)	Date of appointment of KMP / Director OR Date of becoming Promoter / member of the promoter group	Securities held at the time of appointment of KMP / Director or upon becoming Promoter or member of the promoter group		% of shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
1	2	3	4	5	6

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

Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).

Open Interest of the Future contracts held at the time of appointment of Director / KMP or upon becoming Promoter / member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director / KMP or upon becoming Promoter / member of the promoter group		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

FORM C**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2) - Continual disclosure]**

Name of the company: _____

ISIN of the company: _____

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and Employee and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoter / member of the promoter group / designated person / Director / immediate relative to/others etc.)	Securities held prior to acquisition/disposal	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding
1	2	3	4

Securities acquired/Disposed				Securities held post acquisition/disposal	
Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge / Revocation/ Invocation / Others-please specify)	Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding
5	6	7	8	9	10

Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
From	To			
11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges.

Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

FORM D (Indicative Format)**SEBI (Prohibition of Insider Trading) Regulations, 2015 Regulation 7(3) – Transactions by Other connected persons as identified by the company****Details of trading in securities by other connected persons as identified by the company**

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the company	Connection with Company	Securities held prior to acquisition/disposal	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding
1	2	3	4

Securities acquired/Disposed				Securities held post acquisition/disposal	
Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge / Revocation/ Invocation / Others-please specify)	Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No. and % of shareholding
5	6	7	8	9	10

Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)	Exchange on which the trade was executed
From	To			
11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges.

Details of trading in derivatives on the securities of the company by other connected persons as identified by the company

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name:

Signature:

Date:

Place:

To
The Compliance Officer
Blue Chip Tex Industries Limited
Mumbai

Annual disclosure

A. Statement of Shareholdings of Promoter(s), Key Managerial Personnel, Director(s)/ Designated Persons / Connected Persons

Name	Designation	Department	No. of shares held on 1 st April, 20__	No. of shares bought during 1 st April, 20__ to 31 st March, 20__	No. of shares sold during 1 st April, 20__ to 31 st March, 20__	No. of shares held on 31 st March, 20__

B. Details of shares held by Immediate relative(s) (as applicable)

<i>Name</i>	<i>Relationship</i>	No. of shares held on 1 st April, 20__	No. of shares bought during 1 st April, 20__ to 31 st March, 20__	No. of shares sold during 1 st April, 20__ to 31 st March, 20__	No. of shares held on 31 st March, 20__

I/ We declare that the shares sold have been held by me/ us for a minimum holding period of 183 days.

I/ We further declare that the above disclosure is true and correct and is in accordance with the previous disclosures given to the Company.

Name:

Signature:

Date:

Place:

**Application for Pre-clearance of Trade
(For Promoter / Director/ KMP/ Connected Persons)***

To
The Compliance Officer
Blue Chip Tex Industries Limited
Mumbai

Dear Sir,

I, _____ intend to deal in equity shares of the Company and hereby seek approval for pre-clearance of the trade as per details given below:

Sr. no.	Details of the Proposed Trade	
1	Trade to be carried out by	
2	Designation / Nature of relation	
3	Employee No. (if applicable) and Location	
4	Number of securities held as on date	
5	Nature of Trade (Buy / Sale / subscription)	
6	Number of shares proposed to be traded	
7	Proposed date of trading in securities	
8	Estimated number of securities proposed to be purchased/subscribed/sold	
9	Current market price (as on date of application)	
10	Whether the proposed transaction will be through stock exchange or off-market trade	
11	Name of Depository Participant	
12	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

*Strike whichever is not applicable

I enclose herewith an undertaking, duly signed by me for the above purpose.

I am aware that I have to execute the trade in respect of securities of the company within seven trading days after the approval of pre-clearance is given. If the trade is not executed within the aforesaid period, I would have to pre-clear the transaction again.

(Signature of applicant)

Date:

Place:

FORMAT OF UNDERTAKING THAT SHOULD ACCOMPANY THE APPLICATION FOR PRE - DEALING

To
The Compliance Officer
RISHAB SPECIAL YARNS LTD., JAIPUR

I, _____, residing at _____, am a Promoter
/ Director /Officer/Employee of RISHAB SPECIAL YARNS LTD. ("the Company").

I declare that I do not have any access and have not received and that I am not aware or in know of any Unpublished Price Sensitive Information as defined in the Company's Code of Internal Procedure and Conduct for Prevention of Insider Trading ("the Code") up to and including the date of this Undertaking.

I shall, in case I have access to, or receive or become aware or come to know/ possess of any Unpublished Price Sensitive Information after the date hereof, but before execution of the transaction referred to in my application dated _____, inform the Compliance Officer of the change in my position and completely refrain from dealing in the Securities as defined in the Code till the time such Unpublished Price Sensitive Information becomes public.

I declare that I have not contravened any provision of the Code or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

I declare that I have made full and true disclosure in the matter.

I am aware that I shall be liable to face penal consequences as set forth in the Code including disciplinary action there under, in case the above declarations are found to be misleading or incorrect in any respect.

I hereby agree to indemnify and keep the Company, its Directors and its officers including Company Secretary and / or Compliance Officer indemnified from and against all and any penalties/fines that may be imposed on them by the Securities and Exchange Board of India and/or any other statutory authorities as a result of contravention by me or on my behalf of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code prescribed by the Company.

(Signature of applicant)

Date:

Place:

FORMAT FOR PRE-DEALING APPROVAL LETTER

Date:

To,

SUB: PRE-DEALING APPROVAL/DISAPPROVAL -YOUR APPLICATION DATED _____

Dear Sir / Madam,

With reference to your above application seeking approval for undertaking transactions in Securities of the Company as detailed therein, please be informed that you are hereby authorised/not authorised to execute the transaction(s) as detailed in your said application.

This approval is being issued to you based on various declarations, representations and warranties made by you in your said application.

This approval is subject to the condition that, if you come to know/ possess or become aware of any Unpublished Price Sensitive Information, you shall suo motto stop all further transactions immediately and seek fresh approval for any transaction after such information has become public.

You have undertaken to indemnify and keep indemnified the Company, its Directors and its Officers including Company Secretary and/ or Compliance Officer from and against all and any penalties/ fines that may be imposed on them by Securities and Exchange Board of India and/ or any other Statutory Authorities as a result of any contravention by you or on your behalf of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code prescribed by the Company.

This approval is valid till _____(i.e. for {1} week). If you do not execute the approved transaction/deal on or before this date you would have to seek fresh pre-dealing approval before executing the same.

Further, you shall file the details of executed transaction in the prescribed format within two days from the date of such transaction/ dealing. In case no transaction is executed within seven days, a NIL report should be submitted.

You shall not execute a contra trade within 6 months from the date of your latest transaction.

Yours truly,
For Blue Chip Tex Industries Limited

Compliance Officer

CONFIRMATION OF TRANSACTION / DEAL

To
The Compliance Officer
RISHAB SPECIAL YARNS LTD., JAIPUR

I hereby inform that in the furtherance of your pre clearance order dated _____ for Purchase/ Sale of _____ shares, I

- have not bought/ sold/ subscribed any securities of the Company for the following reasons

- have bought/ sold/ subscribed _____ securities as mentioned below on date _____

Name of holder	DP ID/Client ID/ Folio No.	Holding before the Transaction	Holding after the transaction	No. of securities dealt with	Bought/ sold/ subscribed	Price (Rs.)

In connection with the aforesaid transaction(s) I hereby undertake to preserve, for a period of 5 years and produce to the Compliance officer/ SEBI any of the following documents:

1. Brokers contract note
2. Proof of payment to/ from broker
3. Extract of bank passbook/ statement (to be submitted in case of demat transaction)
4. Copy of delivery instruction slip (applicable in case of sale transaction)

I shall not enter into a contra trade within 6 months from the previous transaction.

(Signature)

Date:

Place:

**APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD IN CASE OF EMERGENCY
[For Promoter(s), Director(s), Officer(s), Insider(s) and Connected Person(s)]**

Date:

To
The Compliance Officer
RISHAB SPECIAL YARNS LTD., JAIPUR

Dear Sir / Madam,

I request you to grant me waiver of the minimum holding period of 6 months as required under the Code of Internal Procedure and Conduct for Prevention of Insider Trading with respect to _ shares of the Company held by me singly/ jointly which were acquired by me on _____(Date). I desire to deal in the said shares on account of _____(give reason)

Thanking You.

Yours Faithfully,

(Name)
(Designation)
(Department)
(Employee No)

APPROVAL GRANTED / REJECTED

For RISHAB SPECIAL YARNS LTD.

Compliance Officer

Date:

Form for Informant's Voluntary Information Disclosure to be submitted to the Board.
[See regulation 7B SEBI (Prohibition of Insider Trading) Regulations, 2015]

Note: For submission of information through a legal representative, the redacted copy of the Form expunging information that may identify the Informant shall be submitted by the legal representative without expunging any information relating to the legal representative and the details relating to the violation of securities laws.

*Indicates that the required field is non-mandatorily, remaining fields are mandatory

I. PERSONAL INFORMATION OF THE INFORMANT		
A. INDIVIDUAL 1:		
Last Name:	First Name:	Title:
Address:	City / State:	PIN:
Telephone (with State Code):	Mobile:	E-Mail address:
Employment Details*:	Permanent Account Number, if available:	
II. LEGAL REPRESENTATIVE (where applicable)		
Last Name:	First Name:	Title:
Firm Name (if not self-employed):		
Contact address :	City / State:	PIN:
Residence address:	City / State:	PIN:
Telephone (with State Code):	Mobile:	E-Mail address:

Bar Council Enrolment Number:		
-------------------------------	--	--

III SUBMISSION OF ORIGINAL INFORMATION

1. Is it a violation of securities laws? Yes / No

2. If yes to question (1), please describe the type of violation:

3. Has the violation: Occurred / Occurring / Potential to occur in future

4. If the violation has occurred, date of occurrence: dd/mm/yy

(in case exact date is not known, an approximate period may be entered)

5. Have the individual(s) or their representatives had any prior communication(s) or representations with the Board concerning this matter? Yes (Details thereof) /No

6. Does this violation relate to an entity of which the individual is or was an officer, director, counsel, employee, consultant or contractor? Yes (Details thereof) /No

7. If yes to question (6), was the original information submitted first to your Head or internal legal and compliance office? Yes / No

8. If yes question (7), then please provide, Date of submission of original information: dd/mm/yy

9. Please describe in detail why you think the information submitted is a violation?

10. What facts or supporting material is your allegation based on? Please attach any additional documents to this form, if necessary.

11. Identify any documents or other information in your submission that you believe could reasonably be expected to reveal your identity and explain the basis for your belief that your identity would be revealed if the documents were disclosed to a third party.

12. Provide details of connection amongst the Informant, the company whose securities are involved and the person against whom information is being provided:

IV. DECLARATION

I/we hereby declare that,-

- A. I/we have read and understood the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- B. I/we accept that mere furnishing of information by me/us does not by itself confer on me/us right to get reward and that I/we may not get any Reward at all. I/we would be bound by the decisions that the authority competent to grant reward may take;
- C. I/we accept that the Securities and Exchange Board of India is under no obligation to enter into any correspondence regarding action or inaction taken as a result of my/our information.
- D. I/we accept that the reward would be an ex-gratia payment which, subject to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, shall be granted at the absolute discretion of the competent authority. The decision of the authority shall be acceptable to me/us and I/we shall not challenge it in any litigation, appeal, adjudication, etc.
- E. In the event of my/our death before the reward is paid to me/us, it may be paid to
(Details of nominee).
- F. I / we declare that the information contained herein is true, correct and complete to the best of my/our knowledge and belief and not obtained from the categories of persons indicated in sub-regulation (2) and sub-regulation (6) of regulation 7G of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and agree to indemnify the Board in case it is not so found. I/we fully understand that I/we may be subject to action under securities laws as well as Section 182 of the Indian Penal Code, 1860 (45 of 1860) and ineligible for Reward if, in my/our submission of information or in any other dealings with the Board, I/we knowingly and wilfully make any false, fictitious, or fraudulent statements or representations, or use any false writing or document knowing that the writing or document contains any false, fictitious, or fraudulent statement.

Signature:

Date:

Place:

V. CERTIFICATE BY LEAGAL REPRESENTATIVE (Where the information is submitted through legal representative)

I hereby certify as follows,-

- a) I have reviewed the completed and signed Voluntary Information Disclosure Form for completeness and accuracy and the information contained therein is true, correct and complete to the best of my knowledge
- b) I have irrevocable consent from the Declarant, to provide to the Securities and Exchange Board of India, the original Voluntary Information Disclosure Form in the event of a request for it from the Securities and Exchange Board of India due to concerns that the Informant has not complied with these regulations or where the Securities and Exchange Board of India requires the said information for the purpose of verification for declaring any gratuitous reward to the Informant or where the Securities and Exchange Board of India determines that it is necessary to seek such information to accomplish the purpose of the Securities and Exchange Board of India Act including for the protection of investors sharing with foreign securities regulators and foreign and Indian law enforcement agencies, etc;
- c) I am and shall continue to be legally obligated to provide the original Voluntary Information Disclosure Form without demur within seven (7) calendar days of receiving such request from the Securities and Exchange Board of India.

Signature:

Date:

Place:

**Form for Informant's Reward Claim to be submitted to the Board within the time specified in the intimation of prima facie eligibility to receive an Informant Reward
[See regulations 7D and 7E of SEBI (Prohibition of Insider Trading) Regulations, 2015]**

All fields are mandatory

I. PERSONAL INFORMATION		
A. Informant:		
Last name:	First Name:	Title:
Address:	City / State:	PIN:
Telephone (with State code):	Mobile:	E-Mail Address:
Employment Details:	Permanent Account Number:	
II ORIGINAL INFORMATION SUBMITTED		
Online Acknowledgment Receipt Number:		
(Annex Original Form for Voluntary Information Disclosure, if not yet submitted to Securities and Exchange Board of India)		
Subject matter of submission:		Date of submission: dd/mm/20
Case Name:	SEBI Order No.:	Date: dd/mm/20
III CONSIDERATION FOR REWARD:		
Provide any material information that may be relevant in light of the criteria for determining the amount of Reward or denial thereof. Include any supporting documents if necessary		

IV DECLARATION BY INFORMANT:

I/we hereby declare that:-

- A. I/we have read and understood the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- B. I/we accept that mere furnishing of information by me/us does not by itself confer on me/us right to get reward and that I/we may not get any Reward at all. I/we would be bound by the decisions that the authority competent to grant reward may take;
- C. I/we accept that the Securities and Exchange Board of India is under no obligation to pay any reward or enter into any correspondence regarding action or inaction taken as a result of this communication.
- D. I/we accept that the reward would be an ex-gratia payment which, subject to the Securities and Exchange Board of India Prohibition of Insider Trading) Regulations, 2015, shall be granted at the absolute discretion of the competent authority. The decision of the authority shall be acceptable to me/us and I/we shall not challenge it in any litigation, appeal, adjudication, etc.
- E. In the event of my/our death before the reward is paid to me/us, it may be paid to.....(Details of nominee).
- F. I/we declare that the information contained herein is true, correct and complete to the best of my/our knowledge and belief and not obtained from the categories of persons indicated in sub-regulation (2) and sub-regulation (6) of regulation 7G of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and agree to indemnify the Board in case it is not so found. I/we fully understand that I/we may be subject to action under securities laws as well as Section 182 of the Indian Penal Code, 1860 (45 of 1860) and ineligible for an Informant Reward if, in my/our submission of information or in any other dealings with the Board, I/we knowingly and wilfully make any false, fictitious, or fraudulent statements or representations, or use any false writing or document knowing that the writing or document contains any false, fictitious, or fraudulent statement.

Signature:

Date:

Place:

V CERTIFICATE BY LEGAL REPRESENTATIVE (where applicable)

I hereby certify as follows-

- (a) I have reviewed the completed and signed claim form for completeness and accuracy and the information contained therein is true, correct and complete to the best of my knowledge; and
- (b) The declarant is the person who signed the original Voluntary Information Disclosure Form.

Signature:

Date:

Place:

POLICY FOR INQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF UPSI
[Pursuant to Regulation 9A (5) of Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015]

(I) Background

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (“PIT Regulations”), mandates the Board of Directors of every listed company to formulate a policy and procedure for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information (“UPSI”).

Accordingly, this “Policy for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information” (hereinafter referred as “Policy”), prepared in accordance with Regulation 9A(5) of the PIT Regulations, as approved by the Board of Directors of the Blue Chip Tex Industries Limited (“the Company”) at its meeting held on 29th March, 2019, forms part of the “Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in Listed or Proposed to be Listed Securities of Blue Chip Tex Industries Limited”.

(II) Objective

The objective of this Policy is to determine the procedures to be followed by the Company to conduct appropriate inquiries on becoming aware of leak or suspected leak of UPSI.

(III) Applicability

This Policy shall be applicable to the Company with effect from April 1, 2019.

(IV) Definitions

- (A) “Leak of UPSI”** shall mean communication of information which is/ shall be UPSI, by any person, other than where:
- (a) Such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
 - (b) UPSI is communicated, provided, allowed access to or procured, in connection with a transaction that would:

- i. entail an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the sharing of such information is in the best interests of the Company;
- ii. not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Company's Board of Directors may determine.

(B) Words and expressions used and not defined in this Policy shall have the meanings assigned to them in the PIT Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

(V) Constitution of Inquiry Committee

The Board of Directors shall constitute a committee called as "Inquiry Committee" comprising:

- (a) Managing Director;
- (b) Chief Financial Officer; and
- (c) Compliance Officer.

The Board of Directors may add/change/alter/re-constitute the Inquiry Committee as may be required from time to time.

(VI) Duties of Inquiry Committee

The Inquiry Committee shall be responsible to:

- (a) conduct a preliminary inquiry to ascertain the facts relating to the actual or suspected leak of UPSI;
- (b) authorize any person to collect necessary information;
- (c) consider the facts and circumstances and decide on the matter;
- (d) Initiate disciplinary action and submit report thereon to the Board.

(VII) Duties of Compliance Officer ("CO")

The CO shall be responsible to:

- (a) Oversee the compliance of this Policy;

- (b) Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India ("SEBI").

On becoming aware of actual or suspected leak of UPSI in relation to the Company, the CO shall promptly intimate the SEBI.

The CO shall ensure that a report on such actual or suspected leak of UPSI, comprising preliminary inquiry thereon and results thereof shall be promptly submitted to the SEBI.

- (c) Report the incident of actual leak of UPSI to the Stock Exchange(s)

On becoming aware of actual leak of UPSI in relation to the Company, the CO shall promptly intimate the Stock Exchange(s).

The CO shall ensure that a report on such actual or suspected leak of UPSI, comprising preliminary inquiry thereon and results thereof shall be promptly submitted to the Stock Exchange(s).

(VIII) Procedure for inquiry in case of Actual or Suspected Leak of UPSI

The CO after becoming aware of actual or suspected leak of UPSI of the Company by any Promoter, Director, Key Managerial Person, Insider, employee, Designated Person, support staff or any other known or un-known person and after informing the same to the Board of Directors of the Company, shall follow the below mentioned procedure in order to inquire and/or investigate the matter to ensure:

- (a) To take Cognizance of the matter:

CO shall immediately call Inquiry Committee meeting after receipt of the information of actual or suspected leak of UPSI and take cognizance of the matter and decide as follows:

- i. If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed;
- ii. If it is found that the issue requires further investigation, Preliminary Inquiry may be initiated.

(b) Preliminary Inquiry:

Preliminary inquiry is a fact-finding exercise which shall be conducted by the CO. The object of preliminary inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The Inquiry Committee, if required and in addition to CO may also appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an inquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

(c) Report of Preliminary Inquiry to the Inquiry Committee:

The CO or Person(s) appointed/authorized to inquire the matter of actual or suspected leak of UPSI submit his/her report to the Inquiry Committee within 15 days from the date of his appointment on this behalf.

(d) Disciplinary Action:

The disciplinary action(s) shall include wage freeze, suspension, recovery, claw back, termination of employment contract/agreement etc., as may be decided by the Members of the Committee.

(e) Submission of final report to SEBI:

The Inquiry Committee shall submit the final report to the SEBI within 21 days of the occurrence of such leak.

(IX) Amendment

The Board of Directors of the Company is authorised to amend or modify this Policy, in whole or in part, as and when deemed necessary, in line with the applicable laws, rules and regulations (“applicable laws”).

However, the amendment in the regulatory requirements shall be binding on the Company and prevail over this Policy even if not incorporated in the Policy.

In any circumstance where the terms of the Policy differ from any applicable law for the time being in force, the provisions of such applicable law shall take precedence over the Policy.