

SUNGOLD MEDIA AND ENTERTAINMENT LIMITED

CODE OF CONDUCT FOR INSIDER TRADING

SUNGOLD MEDIA AND ENTERTAINMENT LIMITED

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INTRODUCTION

This Code of Conduct has been made pursuant to Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (herein referred as Regulations) as amended and may be modified by the Board of Directors of the Company from time to time. The Board of Directors of the Company has adopted this “Prohibition of Insider Trading Policy” (the “Policy”) to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI Regulations”) as amended from time to time.

APPLICABILITY

This policy shall be applicable to all Insiders (as defined herein) of the Company including designated persons and immediate relatives of designated persons as defined in this policy. The SEBI Regulations prohibit an Insider from Trading in the securities of a company listed on any stock exchange when in possession of any unpublished price sensitive information.

OBJECTIVE OF THE CODE

The Code of Conduct aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the directors, key managerial personnel, designated employees and connected persons of the Company.

DEFINITIONS

1. **“Act”** means Securities and Exchange Board of India Act, 1992.
2. **“Board”** means Securities and Exchange Board of India.
3. **“Board of Directors”** means Board of Directors of **SUNGOLD MEDIA AND ENTERTAINMENT LIMITED**.
4. **“Code”** means Code of Conduct to Regulate, Monitor and Report and Report Trading by Insiders as modified from time to time.
5. **‘Company’** means **SUNGOLD MEDIA AND ENTERTAINMENT LIMITED**(“SMEL”)
6. **‘Compliance Officer’** for the purpose of this regulation means the Company Secretary of the Company. In absence of the Company Secretary, the Board of Directors may authorized any officer of the Company to discharge the duties of Compliance Officer under the regulations;
7. **“Connected person”** means,- any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business

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

8. "Designated Person" means –

- i. The Promoter of the company
- ii. All persons forming a part of the promoter group of the company
- iii. Board of Directors
- iv. Key Managerial Personnel
- v. Designated Employees of the Company
- vi. Connected person as defined above

9. "Designated Employee of the Company" means –

- i. All General Managers and above
- ii. All Heads of the Spheres
- iii. All Executives working in Company Secretary, Public Relations, Planning, Corporate Affairs, Business Development, Finance & Accounts Department
- iv. All Executives working in Secretariat of Chairman & Managing Director , Functional Directors, Resident Chief Executive (RCE) and Chief Vigilance Officer

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- v. Any other executive which in opinion of Compliance Officer be covered under the designated employees
- 10. "Generally available information "** means information that is accessible to the public on a non-discriminatory basis;
- 11. "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;
- 12. "Insider "** means any person who is:
- i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information;
- 13. "Key Managerial Personnel "** means–
- i. Chairman & Managing Director
 - ii. All whole time Directors
 - iii. Company Secretary
 - iv. Such other officer as may be prescribed under Companies Act 2013
- 14. "Trading "** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly
- 15. "Trading day"** means a day on which the recognized stock exchanges are open for trading;
- 16. "Trading Window"** means a trading period in which Com "Trading Window" Company's securities can be traded.
- 17. "Regulations"** means SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereto.
- 18. "Unpublished Price Sensitive Information"** – means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall ordinarily including but not restricted to, information relating to the following:
- i. financial results
 - ii. dividends
 - iii. change in capital structure
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
 - v. changes in key managerial personnel
 - vi. material events in accordance with the listing agreement
 - vii. Any such other information which may affect the price of securities

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All other words and phrases will have the same meaning as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Words and expressions used and not defined in these regulations but defined in 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 & Regulations made there-under shall have the meanings respectively assigned to them in that legislation.

RESRICTION ON TRADING BY INSIDERS

A. Trade in securities when in possession of unpublished price sensitive information

1. No insider shall trade in securities of the company when in possession of unpublished price sensitive information provided that the insider may prove his innocence by giving valid reasons of the circumstances like

- (i). In case of non – individual insiders (company, firm etc), the individuals who were in possession of the unpublished price sensitive information were different from the individuals who took the decision for trade and there are such appropriate and adequate arrangements were in place that the information of the unpublished price sensitive information is not transferred from the individuals who were in possession of the unpublished price sensitive information to the individuals who took the decision for trade.
- (ii). Trading is done pursuant to the trading plan
- (iii). Trade by connected person, the onus of establishing that they were not in possession of unpublished price sensitive information shall be on such connected person.
- (iv). in any other case, the onus would be on the Board.

B. Trading Plan

- (i) Insider may formulate a trading plan and the same shall be approved by the Compliance Officer after evaluation with regard to the regulations and shall be notified to the stock exchange.
- (ii) By virtue of the pre-planned trading plan, he/she shall not be prohibited from execution of such trades being that he had pre-decided even before the unpublished price sensitive information came into existence.
- (iii) The following are the requirements of the trading plans
 - a. Trading can be done after six months of commencement / public disclosure of trading plan.
 - b. Trading plan should not entail trading between period twentieth trading day prior to the 31st March every year and second day after the disclosure of such financial results.

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- c. Insider can give one trading plan at a time. Plan should not entail overlap of any period for which another trading plan is in existence.
 - d. The trading plan should not be for less than 12 months.
 - e. Insider should entail the basic parameters i.e. acquisition or disposal should be set out and also he/she may set out the value/number /type of securities to be invested or divested, along with specific dates and time intervals.
- (iv) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4.

C. Trading Window

- (i) The Designated persons and their immediate relatives can trade company shares only during the trading window.
- (ii) The trading window shall be closed when Compliance Officer determines that designated person or a class of designated person are expected to be in possession of unpublished price sensitive information.
- (iii) The trading window shall remain closed for a period of at least seven days prior to the happening of any of the following events in general:
 - Declaration of financial results (quarterly, half-yearly and annually)
 - Declaration of dividend
 - Issue of securities by way of public / rights / bonus etc.
 - Any major expansion plans or execution of new projects
 - Amalgamation, mergers, acquisitions, takeovers and buy back of shares
 - Disposal of whole or substantially the whole of the company
 - Any changes in policies, plans or operations of the company
 - Acquisition, de-merger, restructuring, scheme of arrangement, spin-off of divisions etc.
 - Consolidation / splitting of shares
 - Voluntary de-listing of shares by the company
 - Forfeiture of shares
 - ADR / GDR or any other class of securities to be issued abroad

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- Cancellation of dividend/right/bonus etc.

- (iii) The Compliance Officer (in consultation with the Board of directors of the company) may for a longer period, close the Trading Window for the events mentioned above or on any such other matter as they deem fit after taking into account the sensitivity of the event / case.
- (iv) The Compliance Officer shall take all reasonable steps to ensure that the designated persons and/or Insiders are informed in advance, about the date of closing and opening of the Trading Window.
- (v) The timing for re-opening of the trading window shall be determined by the Compliance Officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
- (vi) The trading window 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.
- (vii) In case of Employee Stock Option Plans (ESOPs), exercise of option may be allowed during the period when the Trading Window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the Trading Window is closed.

D. Pre-Clearance of trades' clearance of trades

- (i) All Designated persons of the Company who intend to deal, on their behalf and / or on behalf of their dependent family members, in the securities of the Company and where the number of shares intended to be dealt exceeds 1000 shares in single trade and 3000 shares in a week, should pre-clear the transactions as per the pre-dealing procedure as described hereunder.
- (ii) Any pre cleared trade not executed by the designated person within 7 days of its pre clearance would require fresh clearance for the trades to be executed.
- (iii) An application may be made in the prescribed format, to the Compliance Officer indicating the estimated number of securities that the Designated person intend 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 specified in this behalf.
- (iv) Along with the request for pre-clearance of transaction, an undertaking shall be executed in favour of the Company by such Designated person, that he is not in possession of unpublished price sensitive information.
- (v) An undertaking shall be executed by the director / officer / designated employee as per the format annexed herewith as per prescribed format.

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- (vi) No contra trade shall be executed by the designated person within the period six months from date of execution of the pre-cleared trade.
- (vii) The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.
- (viii) In case of execution of a contra trade, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by the Board under the Act.

DISCLOSURE OF TRADING

A. Initial Disclosure

1. Every Promoter, Key Managerial Personnel and Director shall provide the disclosure of his holding of securities of the company within 30 days of the implementation of the Regulations to the Compliance officer as per prescribed format.
2. Every person appointed as Key managerial personnel or a director of the company or upon becoming the promoter shall within 7 days shall provide disclosure of his securities to the Compliance Officer as per prescribed format.

B. Other Disclosure

1. Every promoter, employee and director of every company shall disclose, within 2 trading days, to the Compliance officer the number of securities acquired or disposed of, whether one transaction or in series of transactions over any calendar quarter and the value of such transactions is in excess of Rs 10 lakhs as per prescribed format.
2. The Compliance Officer shall notify the stock exchanges within 2 trading days of either receipt of disclosure or becoming aware of such information.
3. 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 such form and at such frequency as may be determined by the Compliance Officer in order to monitor compliance with the Regulations.

C. Reporting to the Audit Reporting to the Audit & Ethics Committee & maintenance of disclosure.

The Compliance Officer shall periodically report to the Audit committee about the disclosure received and action taken on the same. The disclosures made under this chapter shall be maintained for a period of five years.

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Structured Digital Database (SDD)

The Board shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under SEBI (PIT) 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 checks such as time stamping and audit trails to ensure non-tampering of the database. Even if the UPSI is shared only within the Company, then also Company is required to maintain this structured digital database. If Nominee Directors shares UPSI for legitimate purpose with the Bank/FIs, it would be considered as communication of UPSI. Accordingly, the same would be recorded in the SDD of the Company

AMENDMENT

The Company is committed to continuously reviewing and updating its policies, and the Company therefore reserves the right to amend this Policy at any time, for any reason, subject to applicable law.

These Rules are subject to the applicable prevailing law in relation to prevention of Insider Trading and if there is any inconsistency between any of the provisions of these Rules and applicable law, the applicable law shall prevail.

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Application for Pre-clearance in dealing of securities

Date:

To,
The Compliance Officer,
Sungold Media And Entertainment Limited.

Dear Sir/Madam,

Pursuant to SEBI (Prohibition of Insider trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval for purchase/sale/subscription of shares (No. of shares) of the Company as per the details given below:

1.	Name of the Applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	Folio No / DP ID / Client ID No.	
5.	The proposal is for	(a) Purchase of securities (b) Subscription of securities (c) Sale of securities
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be purchased/subscribed/sold	
8.	Current market price (as on date of application)	
9.	Whether the proposed transaction will be through stock exchange or off market trade	
10.	Folio No / DP ID / Client ID No. where the securities will be credited/debited	

I enclose herewith the form of Undertaking signed by me.

Thanking you,

Yours faithfully,

(Signature of the application)

Name:

SUNGOLD MEDIA AND ENTERTAINMENT LIMITED

Undertaking for Pre-clearance in dealing of securities

To,
The Compliance Officer,
Sungold Media And Entertainment Limited.

Dear Sir/Madam,

I, _____, _____ of the Company residing at _____, am desirous of trading in _____ shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

In the event of this transaction being in violation of the Rules or the applicable laws, I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

I declare that I have not executed a contra trade in last 6 months and shall not execute a contra trade in the next 6 months.

I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time.

I am aware that, I shall be liable to face penal consequences set forth in the Code including disciplinary action under the Code, in case the above declaration are found to be misleading or incorrect at anytime.

I undertake to submit the necessary report within two days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

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

(Signature of the applicant)

Name:

Date:

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Format of Pre-Clearance Approval by the Company

Date:

To,

Name:

Designation:

Dear Sir/Madam,

With reference to your application seeking approval for undertaking certain transactions in shares of the company detailed therein.

The Company hereby gives its consent to buy/sell not more than _____ on the assumption that all the information provided in your application and the undertaking are true and correct.

This approval letter is valid till _____ (i.e. for 7 trading days from the date hereof). If you / your Immediate Relative _____ (Name) does not execute the approved transaction / trade on or before this date you would have to seek fresh Pre- Clearance approval before executing any transaction / deal in the shares of the Company.

Securities thus acquired should be held for six months. In the case of issues, the holding period would commence when the Securities are actually allotted.

Further, you are required to file the details of the executed transactions in the prescribed format within two trading days from the date of transaction / deal. In case the transaction is not undertaken a Nil Report shall be necessary.

Thanking you,

Yours Faithfully,

**For Sungold Media And Entertainment Limited,
(Company Secretary and Compliance Officer)**
