

SHYAM TELECOM LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Revised on 29th May, 2018

(Refer Regulation 8 and 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015) ("**PIT Regulations**")

This Code of Conduct ("the Code") is framed to prevent insider trading and also further to the PIT Regulations, as amended from time to time. The Code is to be implemented specifically with reference to the securities of Shyam Telecom Ltd. ("STL" or "the Company").

Recipients should carefully read the PIT Regulations in a detail a copy of which is also available with the Compliance Officer of the Company and contact the Compliance Officer for any clarification or guidance that may be needed.

Attention is particularly drawn to the punitive and other consequences of any violation of this Code and/or of the Regulations under this Code and/or the PIT Regulations, the SEBI Act and other relevant provisions of law.

Terms used in this Code, but not defined herein, shall have the definition as given in the PIT Regulations or the SEBI Act, 1992.

The Company may at its discretion and/or as mandated by law, make changes to this Code from time to time and shall notify the changes/revised Code to the persons to whom this Code is applicable by email and such changes shall take place with effect from issuance of the emails or from such date as specified in the notification.

1. Compliance Officer

- (a) The Company has appointed Mr. Narendra Kumbhat, Director and the person holding the position of Company Secretary of the Company, as the Compliance Officers, who shall act as such for the purposes of this Code and under the PIT Regulations and shall report to the Chairman & Managing Director or Managing Directors of the Company.
- (b) The Compliance Officers is responsible for setting forth policies, procedures, monitoring adherence to the Rules for the preservation of "Price Sensitive Information", Pre-clearing of Designated Employees' and their Dependents' Trades (directly or through respective Department Heads as decided by the Company), monitoring of Trades and the implementation of the Code under the overall supervision of the Board of the Company.

2. **Explanation:** For the purpose of this Code, the term 'Designated Employee' shall include:
- (a) Officers comprising the Top Three Tiers of the Company Management and all Employees in the Finance Department.
 - (b) the Employees Designated by the Company to whom these Trading Restrictions shall be applicable, keeping in mind the objectives of this Code of Conduct.

The Compliance Officer shall maintain a record of the Designated Employees and any changes made in the list of Designated Employees.

The Compliance Officer shall assist all the Employees in addressing any clarifications regarding the PIT Regulations and the Company's Code of Conduct.

3. **Preservation of "Price Sensitive Information"**

Employees/ Directors shall maintain the confidentiality of all Price Sensitive Information. Employees/ Directors shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities.

4. **Need to know:**

- (a) Price Sensitive Information is to be handled on a "need to know" basis, i.e., Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their duty.
- (b) All Non-public Information directly received by any Employee should immediately be reported to the Head of the Department.

5. **Limited access to Confidential Information**

Files containing Confidential Information shall be kept secure. Computer Files must have adequate Security of Login and Password etc.

6. **Prevention of misuse of "Price Sensitive Information"**

All Directors/ Officers and Designated Employees of the Company shall be subject to Trading Restrictions as enumerated below:

7. Trading window

- (a) The Company shall specify a trading period, to be called "Trading Window", for trading in the Company's securities. The trading window shall be closed during the time the information referred to in sub para iii is un-published.
- (b) When the trading window is closed, the Directors, Officers and Designated Employees shall not trade in the Company's securities in such period.
- (c) The trading window shall be, inter alia, closed at the time of:
 - (i) Declaration of Financial Results (quarterly, half-yearly and annual)
 - (ii) Declaration of Dividends (interim and final)
 - (iii) Issue of securities by way of public/ rights/bonus etc.
 - (iv) Any major expansion plans or execution of new projects
 - (v) Amalgamation, Mergers, takeovers and buy-back
 - (vi) Disposal of whole or substantially whole of the undertaking
 - (vii) Any changes in policies, plans or operations of the Company
 - (viii) Such other events or circumstances as may be notified by the Compliance Officer.
- (d) A The time, apart from as specified herein, for commencement of closing of trading window shall be decided by the Company.
- (e) Trading window will be closed before 10 days of happening of the events enlisted in (c) and 5 days after the publication of the price sensitive information.
- (f) All Directors/ Officers/Designated Employees of the Company shall conduct all their dealings in the securities of the Company only in a 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 referred to in sub para above or during any other period as may be specified by the Company from time to time.

8. Pre-clearance of Trades

- (a) All Directors/Officers/Designated Employees of the Company and their dependents who intend to deal in the securities of the Company (above a minimum threshold limit of 1000 Shares) should pre-clear the transactions as per the pre-dealing procedure as described hereunder.
- (b) An application may be made in such form as the Company may notify in this regard, to the Compliance Officer indicating the estimated number of securities that the Designated Employee/ Officer/ Director intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the Company in this behalf.
- (c) An undertaking shall be executed in favour of the Company by such Designated Employee / Director / Officer incorporating, inter alia, the following clauses, as may be applicable:
 - (i) That the Employee/ Director/Officer does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
 - (ii) That in case the Employee/ Director/Officer has access to or receives "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
 - (iii) That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
 - (iv) That he / she has made a full and true disclosure in the matter

9. Other restrictions

- (a) All Directors/Officers /Designated Employees and their dependents shall execute their order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given the Employee/ Director must pre-clear the transaction again.

All Directors/ Officers/ Designated Employees who buy or sell any number of shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All Directors/ Officers/ Designated Employees shall also not take positions in derivative transactions in the shares of the Company at any time.

In the case of subscription in the primary market (initial public offers), the above-mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

- (b) In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing his / her reasons in this regard.

10. Reporting Requirements for Transactions in Securities

- (a) All Directors/Officers /Designated Employees of the Listed Company shall be required to forward following details of their Securities transactions including the statement of dependent family members (as defined by the Company) to the Compliance Officer:
- (i) all holdings in securities of that Company by Directors/Officers / Designated Employees at the time of joining the Company;
 - (ii) As and when sale/purchase happening Statement of any transactions in securities
 - (iii) annual statement of all holdings in securities in April.
- (b) The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the

Directors/Officers / Designated Employees for a minimum period of three years.

11. Penalty for contravention of Code of Conduct

- (a) Any Employee/ Officer / Director who trades in securities or communicates any information for trading in securities in contravention of the code of conduct may be penalized and appropriate action may be taken by the Company.
- (b) Employees / Officers / Directors of the Company who violate the code of conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligible for future participation in Employee stock option plans, etc.
- (c) The action by the Company shall not preclude SEBI from taking any action in case of violation of the PIT Regulations.

12. Information to Securities and Exchange Board of India in case of violation of PIT Regulations

In case it is observed by the Company/Compliance Officer that there has been a violation of the PIT Regulations or the Code, SEBI shall be informed by the Company.