



# **KANDAGIRI SPINNING MILLS LIMITED**

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## **CODE OF CONDUCT TO REGULATE,** **MONITORING & REPORTING OF** **TRADING BY INSIDERS**

# CODE OF CONDUCT TO REGULATE, MONITOR & REPORT TRADING BY INSIDERS

[As per SEBI (Prohibition of Insider Trading Regulation, 2015)]

## 1. Introduction

Regulation 9 of the **Regulations** requires inter alia all listed companies to set up an appropriate mechanism and formulate a code of conduct to regulate, monitor and report trading by its employees & other connected persons towards achieving the compliances and enforce a code of internal procedures and conduct based on the standard specified in **Schedule B** of the Regulation.

Kandagiri Spinning Mills Limited (KSML) has formulated this Code of Conduct for Regulating, Monitoring and Reporting of trading by Insiders (Code). All the Directors, Designated Persons, officers and other connected persons of KSML are governed by the Code.

The Code has been formulated by the Board and shall be effective from the date of adoption by the Board

## 2. Objective

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulation in force.

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. No Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) show 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 counseling 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 Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

To achieve these objectives, **Kandagiri Spinning Mills Limited** (hereinafter referred to as “the Company”) hereby notifies that this code is to be followed by all Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) of the Company.

## 3. Definition of terms

In these regulations, unless the context otherwise requires, the following words, expressions and derivations there of shall have the meanings assigned to them as under:-

- (a) **“Act”** means the Securities & Exchange Board of India Act, 1992 (15 of 1992);
- (b) **“Board”** means the Securities and Exchange Board of India;
- (c) **“Company”** means Kandagiri Spinning Mills Limited;
- (d) **“compliance officer”** means Company Secretary of the Company. The Compliance Officer shall maintain records of all the declaration(s) given by the Directors, Officers, Designated Employees and Connected Persons for a minimum period of three years.

(e) **"connected person"** means,-

- i. any person who is or has during the six months prior to the concerned resolution been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
  - (a) an immediate relative of connected persons specified in clause (i); or a
  - (b) holding company or associate company or subsidiary company; or an
  - (c) 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.
- (f) **"Designated Employees"** includes all employees in the top management cadre (up to the level of General Managers in case of other departments and Assistant General Manager and above in the Finance & Accounts department) and Personal Assistants / Secretaries of the Chairman and Managing Director, Chief Financial Officer & Head of the Division of the company and other persons as may be notified from time to time by the Board of Director of the company.
- (g) **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis;
- (h) **"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;
- (i) **"Insider"** means any person who is:
  - i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
- (j) **"Key Managerial Person"** means person as defined in Section 2(51) of the Companies Act, 2013

- (k) **"Officer(s) of the Company"** means any director, secretary, or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the directors is or are accustomed to act including an auditor of the company.
- (l) **"Pre-clearance of Trade"** means prior approval for trading / dealing in the securities of the company.
- (m) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;
- (n) **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;
- (o) **"Specified"** means specified by the Board in writing;
- (p) **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- (q) **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;
- (r) **"Trading day"** means a day on which the recognized stock exchanges are open for trading;
- (s) **"Trading Window"** means the period which is not a 'Window Close Period' for trading in the Company's Securities.
- (t) **"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) Dividend(s);
  - (iii) change in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel; and
  - (vi) material events in accordance with the listing agreement.
- (u) **"Window Close Period"** means
- (i) The period beginning with 10 days before the date of Board Meeting where the Board of Directors to consider the announcement of the financial results (audited or unaudited) of the quarter/half year/the financial year as the case may be and ending up to and including 48 hours after the public announcement; or
  - (ii) the period commencing from the time of announcement of the meeting of the Board of Directors for consideration of all matters (other than financial results) which are deemed to be 'price sensitive information' and ending 48 hours after the public announcement of the decision taken by the Board of Directors at such meeting; or
  - (iii) such other period as may be notified by the 'Compliance Officer' from time to time, under the authority of Board of Director.

Designated Employee and their immediate relatives shall not trade in securities when the trading window is closed.

#### **4. Prohibition on Dealing, Communicating or Counseling on Matters relating to Insider Trading.**

No Insider shall: -

- (i) Communicate, provide, or allow access to any unpublished price sensitive information, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- (ii) Notwithstanding anything contained in this regulation, unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would, after signing a nondisclosure obligation by the party or parties.
  - a. The obligation to make an open offer under the takeover regulations where the Board of Directors of the company is of informed opinion that the proposed transaction is in the best interests of the company;

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 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.

#### **5. Preservation of “unpublished Price Sensitive Information”**

Every Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) shall maintain the confidentiality of unpublished Price Sensitive Information. Insider 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, except in the following circumstances.

- a. the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach any regulation and both parties had made a conscious and informed trade decision;
- b. in the case of non-individual insider(s): –
  - i. the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - ii. appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
- c. The trades were pursuant to a trading plan.

Unpublished 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 and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information

## **6. Trading Plan**

- a. An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

Such trading plan shall

- i. Not commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
  - ii. Not trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
  - iii. trading for a period of not less than twelve months;
  - iv. not overlap of any period for which another trading plan is already in existence;
  - v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and not trading in securities for market abuse.
- b. The trading plan has to be approved by the compliance officer of the Company.
- c. The trading plan once approved shall be irrevocable.
- d. 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.

## **7. Trading Restrictions**

Every Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) shall conduct all their dealings in the securities of the company only in a valid trading window and shall not enter into any transaction in the company's securities during the 'Window Close Period'.

- i. The Compliance officer shall intimate the closure of trading window to all the designated Persons of the Company when he determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates.
- ii. The Compliance officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, which shall be forty-eight hours after the information, becomes generally available.
- iii. 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.

## **8. Pre-clearance of transactions**

- i Every Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) of the company who intend to deal in the securities of the company in excess of **5000 shares** or value of which exceeds **Rs. Ten lakhs**, whichever is lower, **in one transaction or a series of transactions over a calendar quarter**, in any manner whatsoever, shall apply in the prescribed form to the Compliance Officer for pre-clearance together with necessary undertakings as prescribed in annexure along with a statement of holdings at the time of pre-clearance as prescribed in annexure.
- ii The Compliance Officer shall grant the approval or reject the application within two working days of the receipt of application for pre-clearance.
- iii Such persons shall execute the order for which pre -clearance has been obtained within seven working days of such approval. The details of the transaction shall be communicated to the compliance officer within four working days thereof. In case, the person is unable to execute the order within seven working days after the approval, a fresh application for pre-clearance (as mentioned above) shall be made.

## **9. Minimum Holding Period**

Every Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) of the company shall hold their investments in securities of the company including those procured in public offer(s) for a minimum period of 6 months. The holding period shall commence from the date of allotment in case of securities procured in public offer(s) and in other cases from the date of purchase. Under circumstances of personal emergency, such persons shall make an application to the Compliance Officer requesting a waiver of the holding period, explaining the reason for the same. The Compliance Officer may on being satisfied as to the urgency of the situation grant the waiver.

## **10. Disclosures Required to be Furnished**

- A. All Promoter(s), Director(s), Officer(s), Insider(s) and Connected person(s) shall make disclosures to the Company as detailed below:

### **i. Initial Disclosure,**

- a. Every promoter, key managerial person and director of the company shall disclose his/her holding of securities of the company as on the date of these regulations taking effect, to the company within 30 days of these regulations taking effect: in Form 'A'
- b. 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, to the company within seven days of such appointment or becoming a promoter, in Form 'A'

### **ii. Continual Disclosures.**

Every promoter, key managerial personnel, employee and director of the company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or 5000 shares whichever is lower; Form 'B'

- B. Statement in Form 'C' (Appendix-3) reflecting any change in the holdings since the last disclosure where such change exceeds Rupees 10 lakhs in value or 5000 shares or 1% of total shareholding or voting rights, whichever is lower, within four working days of –

- i. the receipt of intimation of allotment of shares or
- ii. the acquisition or sale of shares or voting rights, as the case may be.



- C. Quarterly statement(s) in Form 'D' furnishing details of transactions, if any, during the quarter and the total number of shares or voting rights held, by him and/or relative(s), his dependent family members (whichever applicable) within 4 working days of the end of each calendar quarter.
- D. Statement in Form 'E' disclosing the total number of shares or voting rights held, by him and/or relative(s), his dependent family members (whichever applicable), as at the end of the financial year of the company, within 30 days of the end of the financial year.
- E. Statement in Form 'F' or in Form 'G' as applicable, disclosing the holdings at the time of pre-clearance of a transaction.
- F. Application for preclearance of trade in the Form 'H'
- G. Preclearance order in the Form 'I'
- H. Confirmation of Deal in the Form 'J'
- I. Application for waiver of minimum holding period in the Form 'K'

#### **11. Dealings Under The Pre-Clearance Procedure To Be Reported To The Committee Of Directors / Whole-Time-Director**

The Compliance Officer shall place before the Whole-Time-Director / Committee of Directors, on a monthly basis the details of the dealings in the securities by directors, officers, designated employees and all connected persons and other documents accompanying the applications for pre-clearance.

#### **12. Penalty/Punishment For Contravention Of Code**

Any director, officer, designated employee and all connected persons of the company who trades in securities of the company or communicates any unpublished price sensitive information enabling the trading in securities of the company, in violation/contravention of this code shall be penalised of an amount as may be decided by the Committee of directors and shall also be subject to such disciplinary action as may be considered appropriate by the Whole-Time- Director / Committee of Directors of the company.

Disciplinary action may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, withholding of promotion, etc. and also attracts the penalty specified in SEBI Act, and the Regulations thereof.

#### **13. Intimation To SEBI**

In case it is observed by the Board of Directors that there has been violation of these Regulations, the company shall inform SEBI of such violations for appropriate action. SEBI can initiate necessary proceedings for violation of any of these Regulations.

#### **14. Prohibition of Insider Trading Under Companies Act 2013**

The relevant provisions of the Companies Act, 2013 which every person shall comply with is as under:



### **Section 195:**

- (1) No person including any director or key managerial personnel of a company shall enter into insider trading:

Provided that nothing contained in this sub-section shall apply to any communication required in the ordinary course of business or profession or employment or under any law.

a. "Insider trading" means

- i. An act of subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell or deal in any securities by any director or key managerial personnel or any other officer of a company either as principal or agent if such director or key managerial personnel or any other officer of the Company is reasonably expected to have access to any non-public price sensitive information in respect of securities of company or
  - ii. an act counseling about procuring or communicating directly or indirectly any non-public price-sensitive information to any person.
- b. "price sensitive information" means any information which relates, directly or indirectly to a company and which if published is likely to materially affect the price of securities of the company.

- (2) if any person contravenes the provisions of this section, he shall be punishable with imprisonment for a term which may extend to five years or with fine which shall not be less than five lakh rupees but which may extend to twenty-five crore rupees or three times the amount of profits made out of insider trading, whichever is higher or with both.

### **15. Clarifications / Enquiries**

The Compliance Officer may be contacted for any assistance as to the interpretation and application of this Code.

## FORM A

### Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

#### [Regulation 7 (1) (a) read with Regulation 6 (2)]

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 No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/  immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	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	
		Type of security (For eg. – Shares, Warrants, Convertibl e Debentures etc.)	No.		Numbe r of units (contra cts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2		4	5		6		7

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

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**FORM B****Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015****[Regulation 7 (1) (b) read with Regulation 6(2)]**

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 of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN &  Address with contact nos.	Category of Person (Promoters/ KMP /  Directors/immediate relatives/others etc.)	Date of appointment of  Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of  Director/KMP		% of Shareholding	Open Interest of the Future contracts held  at the time of becoming Promoter/appointment of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointment of Director/KMP	
			Type of security (For eg. – Shares,  Warrants,  Convertible Debentures etc.)	No.		Number of units  (contracts * lot size)	Notional value in  Rupee terms	Number of units (contract s * lot size)	Notional value in  Rupee terms
1	2	3	4	5	5	6	7		

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

Signature:

Designation:

Date:

Place:

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# FORM C

## Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

### Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Name, PAN No.,  CIN/DIN, & address of Promoter/ Employee / Director with contact nos.	Category of Person  (Promoters/ KMP / Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment		Date of intimation to company	Mode of acquisition  (market purchase/ public rights/ preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transa- ction	Post transa- ction	From	To			Buy		Sell		
												Value	Number of units  (contracts * lot size)	Value	Number of units  (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

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

Signature: \_\_\_\_\_

Designation: \_\_\_\_\_

Date: \_\_\_\_\_

Place: \_\_\_\_\_

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**FORM - D**  
(QUARTERLY STATEMENT)

To,  
**The Compliance Officer,**  
**Kandagiri Spinning Mills Limited**  
**CIN: L17111TZ1976PLC000762**  
**Post Box No.3 Udayapatti**  
**Salem – 636 140**

I      **Quarterly Statement of Shareholdings of Promoter(s), Key Managerial Personnel, Director(s)/Connected Persons**

Name	Designation	Department	No. of Shares held on 1 <sup>st</sup> day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

II.      Details of shares held by relatives/Dependent Family Members (as applicable)

Name of Relative	Relationship	No. of shares held on 1st day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

I / We declare that I / we have complied with the requirements of minimum holding period of 30 days with respect to the shares sold.

Place:

Date:

Signature\_\_\_\_\_

Name: \_\_\_\_\_

**FORM - E**

To,  
**The Compliance Officer,**  
**Kandagiri Spinning Mills Limited**  
**CIN: L17111TZ1976PLC000762**  
**Post Box No.3 Udayapatti**  
**Salem – 636 140**

**Annual Disclosure**

I Statement of Shareholdings of Promoter(s), Key Managerial Personnel, Director(s)/connected persons

Name	Designation	Department	No. of Shares held on 1st day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

II. Details of shares held by relatives/Dependent Family Members (as applicable)

Name	Relationship	No. of Shares held on 1st day of quarter	No. of shares bought during the quarter	No. of shares sold during the quarter	No. of shares held on last day of quarter

I / We declare that the shares sold have been held by me / us for 30 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.

Place:

Date:

Signature\_\_\_\_\_

Name: \_\_\_\_\_

**FORM-F**

Date : \_\_\_\_\_

To,  
**The Compliance Officer,**  
**Kandagiri Spinning Mills Limited**  
**CIN: L17111TZ1976PLC000762**  
**Post Box No.3 Udayapatti**  
**Salem – 636 140**

**Statement of Holdings at the time of Pre-clearance**

**I Details of shareholding of Promoter(s), Key Managerial Personnel & Director(s) held in own name**

Name	Designation	Department	No. of Shares held as on date (date of application for pre-clearance)	Folio No. / DP ID / Client ID	Nature of dealing for which approval is sought	No. of shares/value of shares to be dealt

I / We hereby declare that the shares to be sold have been held by me / us for a minimum period of 30 days.

Place:

Date:

Signature \_\_\_\_\_

Name: \_\_\_\_\_



**FORM-G**

To,  
**The Compliance Officer,  
Kandagiri Spinning Mills Limited  
CIN: L17111TZ1976PLC000762  
Post Box No.3 Udayapatti  
Salem – 636 140**

**Statement of Holdings at the Time of Pre-clearance**

**I      Details of shareholding of other Connected Persons**

Name	Nature of Relation	No. of Shares held as on date (date of application for pre-clearance)	Folio No. / DP ID / Client ID	Nature of dealing for which approval is sought	No. of shares/value of shares to be dealt

I / We hereby declare that the shares to be sold have been held by me / us for a minimum period of 30 days.

Place:

Date:

Signature \_\_\_\_\_

Name: \_\_\_\_\_

**FORM H**

**(to be submitted in duplicate)**

**Application for Pre- clearance of Trade**

(For Promoter Director/KMP/ Connected Persons)\*

To,  
**The Compliance Officer,  
Kandagiri Spinning Mills Limited  
CIN: L17111TZ1976PLC000762  
Post Box No.3 Udayapatti  
Salem – 636 140**

**Through Division / Department Head / Whole-Time-Director**

1. Name of the applicant
2. Designation / Nature of Relation :
3. Employee No.\* (if applicable) :
4. Nature of securities held : \*Equity shares
- 5 Number of securities in the company held as on date
- 6 Nature of proposed dealing for which approval is sought: Purchase / Sales of securities
- 7 Estimated number of securities proposed to be acquired / subscribed/ sold:
- 8 Other Details:  
    Name of Depository Participant:  
    DP ID No. :  
    Client ID No.\* \ Folio No.\* :

\* Strike whichever is not applicable

**Undertaking to be submitted along with the Application for Pre-Clearance**

In relation to the above dealing, I undertake that:

- a) I have no access to nor do I have any information that could be construed as ***“Unpublished Price Sensitive Information”*** as defined in the Code upto the time of signing this undertaking;
- b) In the event that I have access to or received any information that could be construed as ***“Unpublished Price Sensitive Information”*** as defined in the code, after the signing of this undertaking but *before executing the transaction for which approval* is sought, I shall inform the Compliance Office of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public;
- c) I have not contravened the provisions of the code for prevention of insider trading as notified by the company from time to time;
- d) I have made full and true disclosure in the matter;
- e) I hereby declare that I shall execute my 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, I undertake to obtain pre-clearance for the transaction again.

Place:

Date:

Signature

Name \_\_\_\_\_

**FORM I**

**PRE-CLEARANCE ORDER**

With reference to your application dated \_\_\_\_\_, we inform you that your request **for dealing in ..... (nos.) or \_\_\_\_\_ worth shares of the Company is approved. Please note that the said transaction must be completed on or before .....(date), that is within seven trading days from today.**

In case you do not execute the approved transaction / deal within the aforesaid period you would have to seek fresh pre-clearance before executing any transaction / deal in the securities of the Company. Further you are required to file the details of the executed transactions in the prescribed format within one day from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary. You shall not execute a contra trade within 6 months from the date of your present trade.

Date:

for **KANDAGIRI SPINNING MILLS LIMITED.,**

Compliance Officer.

**FORM J**

**CONFIRMATION OF DEAL**

To,

**The Compliance Officer,  
Kandagiri Spinning Mills Limited  
CIN: L17111TZ1976PLC000762  
Post Box No.3 Udayapatti  
Salem – 636 140**

I hereby inform that in 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 not bought /sold/ subscribed ..... securities as mentioned below on dt .....

Name of holder	No. of Securities dealt with	Bought/sold/subscribed	DP ID/Client ID/Folio No.	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 brokers
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 agree to hold the above securities for a minimum period of six months. I shall not enter into a contra trade within 6 months from the previous transaction.

I submit the following details of change in holding of securities of the Company

(Signature)

Date:

**FORM K**

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

Date : \_\_\_\_\_

To,  
**The Compliance Officer,  
Kandagiri Spinning Mills Limited  
CIN: L17111TZ1976PLC000762  
Post Box No.3 Udayapatti  
Salem – 636 140**

**Through Division / Department Head / Whole-Time Director**

Dear Sir \ Madam,

I request you to grant me waiver of the minimum holding period of 6 months as required under the Code of 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 reasons)

Thanking you,

Yours faithfully,  
(Name)  
(Designation)

APPROVAL GRANTED / REJECTED  
FOR \_\_\_\_\_

Compliance Officer

Date:

*1 Reasons to be given, if rejected.*