

SUPER SPINNING MILLS LIMITED

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors of Super Spinning Mills Limited has adopted this code of conduct for Prevention of Insider Trading. All the Directors and Employees of SSML categorized herein as Designated Person(s) are governed by this code. Any violation of this Code by the persons categorized "Designated Person(s)" shall be deemed to constitute a breach of discipline and would be liable to appropriate disciplinary action by the Company.

1. Applicability

1.1 This Code of Conduct will be applicable to all Directors/Officers/Designated Employees of Super Spinning Mills Limited defined as Designated person(s) in this Code and their dependent relatives.

1.2 This Code is applicable only to dealings in the Company's securities.

2. Definitions

2.1 **Insider** means any person who,

- (i) is or was connected with the company or is deemed to have been connected with the company and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of the Company, or
- (ii) has received or has had access to such unpublished price sensitive information.

2.2 **Designated Person(s)** means

- All Directors of the Company
- Chief Executive
- All Executives in the grade of Manager and above
- All employees in the Corporate Finance and Accounts department, Secretarial Department of the Company, all employees in the office of the Chairman/Managing Director/Whole-time Directors, irrespective of their cadre.
- Any other employee who in the opinion of the Board may have access to price sensitive information.

2.3 **Dependent family members** shall mean the employee's spouse, dependent parents and dependent children.

2.4 Compliance Officer means the Company Secretary for the time being of the Company or the Officer appointed / designated by the Board of Directors of the Company for the purpose of this Code and the Regulation. The Compliance officer shall report to the Chairman and Managing Director.

2.5 Price Sensitive Information means any information, which relates directly or indirectly to the Company and which, if published, is likely to materially affect the price of the securities of the company and includes the following events and information in connection therewith.

- Periodical financial results (quarterly, half-yearly and annual).
- Proposal for declaration of dividends (interim or final).
- Proposal for Issue of shares (public/rights/bonus) or buy-back of shares.
- Any major expansion plans or new projects.
- Proposal for amalgamation, merger or takeover.
- Proposal for disposal of the whole or a substantial part of the Company's undertaking.
- Any significant change in policies and plans relating to operations of the company.

2.6 Trading or Dealing in securities means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities of the company.

2.7 Trading window means the trading period during which trading in the Company's securities by Designated Person(s) and their dependent relatives shall be permissible. The trading period shall be all days except those days during which the trading window shall be closed as specified in Clause 4.2 hereunder.

3. Preservation of Price Sensitive Information

3.1 The Designated Person(s) shall maintain the confidentiality of all Price Sensitive Information until publication thereof and shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

3.2 Need to know : Unpublished price sensitive information is to be handled on a 'need to know' basis, i. e such information should be disclosed only to those within the Company who need the information to discharge their duty and whose position of such information will not give rise to a conflict of interest or appearance of misuse of the information.

3.3 Limited access to confidential information : Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

4. Prevention of misuse of Price Sensitive Information

All Designated Person(s) and their dependent relatives shall be subject to trading restrictions as enumerated below:

4.1 Trading Window :

(i) All Designated Person(s) and their dependent relatives shall trade in the company's securities only in the "Trading window". The trading window shall be closed during the time any price sensitive information including the information referred to hereunder is unpublished.

(ii) During the period when the trading window is closed the Designated Person(s) and their dependent relatives shall not trade in the company's securities. In case of ESOP's (Employee Stock Option Plan), 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 Trading Window is closed.

4.2 The Trading window shall, inter-alia, be closed –

(i) One week before the date of the meetings of the Directors or Committee of Directors until one day after the date of declaration of the Annual / Half yearly / Quarterly results; as the case may be;

(ii) From the date of the Board Meeting where the decision on any of the following matters is taken until one day after the decision is made public;

- a. Intended declaration of dividends (interim and/or final).
- b. Issue of securities (public/rights/bonus) or buy-back of securities.
- c. Any major expansion plans or new projects.
- d. Amalgamation, merger or takeover.
- e. Disposal of the whole or a substantial part of the Company's undertaking.
- f. Any significant change in policies and plans relating to operations of the company.

(iii) Trading Window may be closed by the Company during such time in addition to the above period as it may deem fit from time to time.

(iv) The Trading Window shall be opened 24 hours after the price sensitive information is made public.

5. Pre-clearance of trades

5.1 All Designated Person(s) and their dependent relatives who intend to deal in the securities of the Company in quantities aggregating to 5000 shares or more should pre-clear the transaction as per the pre-dealing procedure as described hereunder: General trading in shares of the company for 5000 equity shares or more is not allowed.

5.2 An application is to be made in Form-1(A) to the Compliance Officer seeking approval for pre-clearance of trade.

5.3 An undertaking shall be executed in favour of the company by such Designated Person(s) in Form-1(B) incorporating, inter-alia, the following clauses, as may be applicable:

a. That the Designated Person(s) and their dependent relatives do not have any access to or have not received any unpublished price sensitive information which is not in the public domain up to the time of executing the undertaking.

b. That in case the Designated Person(s) and their dependent relatives have access to or receive price sensitive information after executing the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his/her position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.

c. That he/she has not contravened any provisions of the Code of Conduct for prevention of insider trading, as may be notified by the company from time to time.

d. That he/she has made a full and true disclosure in the matter.

6. Reporting requirements for transactions in securities

6.1 By Designated Person(s) and their dependent relatives

A. Initial Disclosures

(i) All Designated Person(s) shall disclose to the company the number of shares or voting rights held and positions taken in derivatives by such person and his dependents at the time of joining the company or becoming a Designated Person(s) of the company, as the case may be.

(ii). The disclosure shall be made in **Form 2** within two days from the date of joining the company or becoming a Designated Employee and upon receipt of intimation of allotment or acquisition / sale of shares or voting rights as the case may be.

B. Continual disclosures

(i) All Designated Person(s) shall disclose to the company and to stock exchanges, the total number of share or voting rights held and change in shareholding or voting rights if there has been a change in such holding by such person and his dependents from the last disclosure made under this sub-clause or under **sub-clause 6.1(A)(ii)** and the change exceed Rs.5 lakhs in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.

(ii) The disclosure shall be made in **Form 3** within two working days of

- The receipt of intimation of allotment of shares or
- The acquisition / sale of shares or voting rights as the case may be

(iii) The Compliance Officer shall keep a record of all the particulars furnished by the Designated Person(s) as above for a period of 3 years.

6.2 By other major shareholders

A. Initial Disclosure

(i) Any person holding more than 5% shares / voting rights in the company shall disclose in **Form 4** the number of shares or voting rights held within two working days of receipt of intimation of allotment of shares or the acquisition of shares.

B. Continual Disclosure

(i) Any person who holds more than 5% shares or voting rights in the company shall disclose to the company in **Form 5** the number of shares or voting rights held and change in the shareholding or voting rights held and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure and such change exceeds 2% of total shareholding or voting rights in the company.

7. Other restrictions

7.1 The Designated Person(s) and their dependent relatives shall execute their order in respect of securities of the Company within a week after the approval of pre-clearance is given. If the order is not executed within a week after the approval is given, the person must pre clear the transaction again.

7.2 All Designated Person(s) and their dependent relatives 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.

7.3 In case of subscription in the primary market (initial public offer), 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.

7.4 In case the sale of securities is necessitated by personal emergency, the Designated Person(s) and their dependent relatives may seek the waiver of the holding periods specified above by making an application to the Compliance Officer or Chairman or Managing Director in Form 6. The Compliance Officer or Chairman or Managing Director may waive the holding period after recording in writing, the reasons in this regard.

8. Duties of Compliance Officer

8.1 The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre clearing of Designated Person(s) and their dependents' trades, monitoring of trades and the implementation of the code of conduct under overall supervision of the Chairman and Managing Director of the company.

8.2 The Compliance Officer shall maintain records of all declarations in the appropriate form given by the Designated Person(s) for a minimum period of three years. The compliance officer shall place before the Chairman and Managing Director / Chief Executive Officer of the company on monthly basis all the details of dealings in securities by Directors / officers / Designated Person(s) of the company and the accompanying documents that such persons had executed under the pre-dealing procedure envisaged in this code of conduct.

9. Penalty for contravention of Code of Conduct

9.1 Any Designated Person(s) 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.

9.2 Designated Person(s) who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, inability for future participation in Employees Stock Option Plans etc.,

9.3 The action by the Company shall not preclude SEBI from taking any action in case of any violation of SEBI (Prohibition of Insider Trading) Regulations, 1992.

10. Information to SEBI in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 1992

In case it is observed by the Company / Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 1992, the company shall keep SEBI informed about such violation.

11. Registers

A register of pre clearance of trade shall be maintained in Form at Annexure I, similarly, a register of disclosures made and received under the Code shall be maintained in Form at Annexure II.

Form - 1(A)

The Compliance Officer,
Super Spinning Mills Ltd
Elgi Towers
737-D Green Fields
Pullekulam Road
Coimbatore - 641 045.

Sir,

Sub : Pre-clearance of trade

I intend to deal in securities of Super Spinning Mills Ltd as under:

1. Estimated No of equity shares proposed to be dealt in : To buy / Sell ----- shares.

2. Particulars : Name of DP :

DP ID No :

CL ID No :

3. Details of securities in depository mode on date : Name of Co. No of shares

1		
2		
3		
4		
5		

4. Source of proposed investment :

5. Purpose of Investment :

You are requested to provide the pre-clearance for the above securities early.

Thanking you,

Yours faithfully,

Designation

Address

Date

Form - 1(B)

**UNDERTAKING FOR PREVENTION OF INSIDER TRADING
IN SECURITIES OF SUPER SPINNING MILLS LTD**

I ----- Son/Daughter/Wife of Mr ----- aged --- years, resident of ----- and working as ----- with
M/s Super Spinning Mills Ltd, Elgi Towers, 737-D Green Fields, Puliakulam Road, Coimbatore - 641 045.
do hereby solemnly undertake and affirm as under:

1. That I do not have any access or have not received "price sensitive information" upto the time of signing the undertaking.
2. That in case I have access to or receive "price sensitive information" after signing of the undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the company of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
3. That I have not contravened and shall not contravene the code of conduct for prevention of insider trading as notified by the Company from time to time.
4. That I have made a full and true disclosure in the matter.

Signed and verified this ----- day of ----- 2008.

Place :

Deponent

Date :

Witnesses :

1

2

FORM 2

Form B of SEBI (Prohibition of Insider Trading) Regulations, 1992

Regulation 13(2) - details of shares held or positions taken in derivatives by Director or Officer of a Listed Company and his dependents

Name, PAN NO. & address of Director / Officer / Dependent Relative	Date of assuming office of Director / Officer	No & % of shares/voting rights held at the time of becoming Director/Officer	Date of intimation to Company	Mode of acquisition (market purchase/ public rights/ preferential offer, etc)	Trading member through whom the trade was executed with SEBI Registration No of the TM	Exchange on which the trade was executed	Buy quantity	Buy value

Note: Disclosures of positions taken in derivatives are also to be made in the above format with appropriate changes.

FORM 3

Regulation 13(4) - Details of change in shareholding of Director or Officer of a Listed Company and his dependents

Form D of SEBI(Prohibition of Insider Trading) Regulations, 1992

Name, PAN No. & address of Director/ Officer	No. & % of shares/ voting rights held by the Director/ Officer	Date of receipt of allotment/ acquisition/ sale of shares/ voting rights	Date of Intimation to company	Mode of acquisition on (market purchase/public rights/preferenda offer etc)	No. & % of shares/post acquisition/ voting rights sale	Trading member through whom the trade was executed with SEBI Registration No of the TM	exchange on which the trade was executed	Buy quantity	Buy value	Sell quantity	Sell value

Note: Disclosures of positions taken in derivatives are also to be made in the above format with appropriate changes.

Form 6

SUPER SPINNING MILLS LIMITED

APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD
(under Super Spinning Mills Ltd Code of Conduct for Prevention of Insider Trading)

Date :

To

The Compliance Officer
Super Spinning Mills Ltd

From :

Name :
Employee No :
Designation :
Department :

I request you to grant me waiver from the minimum holding period of 30 days as required under the Code with respect to ----- (nos) ----- (description of the Securities) of SSML held by me [Name of dependent family member(s)] singly/jointly acquired on --- -- [Date(s)].

I / [Name of dependent family member(s)] desire to sell the above securities on account of ----- (give reasons)

I declare that the above details are true, correct and complete in all respects.

Signature :

For Office use

With reference to the above application, I approve/reject the selling of ----- (no. & description of securities) of SSML.

Date :

Signature of Compliance Officer