



ASIAN TEA & EXPORTS LIMITED

4/1, Middleton Street, Kolkata-71

Code of Conduct for Prohibition of Insider Trading

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, has been amended time to time (hereinafter referred to as the 'Regulations') in terms of which the Company is required, inter alia, to frame a Code of Conduct for prevention of Insider Trading by employees of the Company, including the Directors, in relation to the securities of the Company. 'Securities' for the purpose of this Code shall mean and include Equity shares of the Company.

In line with the said Regulations, a Code of Conduct (hereinafter referred to as the 'Code') was adopted by the Board of Directors of the Company at its meeting held on 11th April, 2003 and thereafter amended from time to time with the approval of the Board. The Code, as amended on 12th February, 2014, is given below:

1. INTRODUCTION

This Code is applicable to all Designated Employees, their dependent family members, Promoter and Promoter Group of the Company.

2. DEFINITIONS

• **'Dependant family members'** for the purpose of this Code means dependant parents, dependant children, dependant spouse and any other relative(s) dependant on the Designated Employee.

• **'Designated Employees'** shall cover the following:

- All Directors whether executive, non-executive or independent;
- Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Internal Auditor (CIA), Chief Operating Officer (COO) and Company Secretary or any such equivalent position;
- Heads, Senior Vice Presidents and Vice Presidents; and
- Such other employees as may be determined by the Company from time to time.

• **'Securities'** shall mean and include Equity Shares of the Company.

• **'Promoter' and 'Promoter group'** shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

• **'Working days'** shall mean the working day when the regular trading is permitted on the concerned stock exchange where securities of the Company are listed.

3. PROHIBITION TO BUY / SELL SECURITIES OF THE COMPANY BY DESIGNATED EMPLOYEES

• Designated Employees of the Company when in possession of any unpublished price sensitive information, as defined in the Regulations, pertaining to the Company, shall not:

- Buy / sell securities of the Company, either on their own behalf or on behalf of any other person.
 - Communicate or counsel or procure any unpublished price sensitive information to / from any person.
- Designated Employees shall maintain the confidentiality of all price sensitive information. Designated Employees 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. RESTRICTION TO BUY / SELL SECURITIES BY DESIGNATED EMPLOYEES

- Designated Employees and their dependents shall not buy / sell securities of the Company during Closure of the 'Trading Window', i.e. the period during which trading in the securities of the Company is prohibited.

Trading Window shall be closed during the following periods:

- a. From 30th April up to twenty-four hours after communication of the annual / fourth quarter financial results to the Stock Exchanges.
- b. From 31st July up to twenty-four hours after communication of the first quarter financial results to the Stock Exchanges.
- c. From 31st October up to twenty-four hours after communication of the second quarter and half-yearly financial results to the Stock Exchanges.
- d. From 31st January up to twenty-four hours after communication of the third quarter financial results to the Stock Exchanges.

From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including the following, are proposed:

- Issue of securities;
- Buyback and splitting of securities;
- Dividends;
- Significant expansion plans or new projects;
- Acquisition, amalgamation, merger, takeover of companies/ businesses;
- Disposal of whole or substantially the whole of the undertaking;
- Significant changes in plans or operations of the Company.

The Trading Window shall open 24 hours after close of the Board meeting at which decisions in respect of the above events are taken or after the information in respect of the above events is made public, whichever is later.

- Designated Employees and their dependents shall require prior clearance from the Compliance Officer in respect of purchase / sale of securities of the Company, where the quantity exceeds 25000 (Twenty Five thousand) shares in a month (either in one transaction or in a series of transactions). Such purchase / sale of securities by the Compliance Officer shall require prior clearance from the Managing Director. Purchase / sale transactions, for which prior clearance has been obtained, shall be executed within one week after the approval of preclearance is given.

• Designated Employees who buy or sell any number of Equity shares of the Company shall not enter into an opposite transaction i.e. sell or buy any number of Equity shares during next six months following prior transaction.

5. DISCLOSURES

Designated Employees shall make the following disclosures of shares and other securities held in the Company by them and their Dependants, to the Compliance Officer:

5.1 Annual disclosure of number of shares and other securities held as on 31st March each year, including details of purchase / sale of shares and other securities during the financial year. This disclosure shall be made within 30 days from the close of each financial year.

5.2 Changes in shareholding of Directors, Company Secretary and CMC Members, and their Dependants, when such change exceeds Rs. 5 lakhs in value or 25,000 shares or 1% of the total shares of the Company, or such other limit as may be prescribed under the Regulations. This disclosure shall be made within 2 working days of such change to the Company and to the Stock Exchanges where the Company's securities are listed.

Changes in shareholding of Designated Employees (other than Directors or Company Secretary or CMC Members), when such change exceeds 25,000 shares. This disclosure shall be made to the Company within 4 working days of such change.

5.3 Disclosure shall be required to be made to the Company by persons upon becoming Directors or Company Secretary or CMC Members within 2 working days in respect of -

- their shareholding in the Company and that of their Dependants
- their own and their Dependants' position in derivatives with respect to the securities of the Company.

Disclosure shall also be required to be made to the Company by persons, upon becoming Designated Employees, of the number of shares and other securities held in the Company, within 4 working days of becoming Designated Employees.

6. PENALTIES FOR CONTRAVENTION

Violation of this Code will invite severe appropriate disciplinary action. Such disciplinary action will be irrespective of action that may be taken by SEBI under the Regulations.

7. GENERAL

A copy of the Regulations is enclosed. Designated Employees are advised to read the Regulations carefully and acquaint themselves with all the provisions contained therein. The Compliance Officer will be available for clarification / assistance that may be necessary.

Place: Kolkata

Date : 12th February, 2014

By Order of the Board

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Compliance Officer