



SUJANA TOWERS LIMITED

Code of Conduct for Prevention of Insider Trading

The Policy and Obligations

Sujana Towers Limited 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 regulations.

Every director, officer, designated employee 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 director, officer, designated employee may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party.

To achieve these objectives, Sujana Towers Limited (Herein after referred to as "the Company") hereby notifies that this code of conduct is to be followed by all directors, officers, designated employees and connected persons.

Part A - Definitions

'Insider Trading': When insiders use unpublished price sensitive information to arrive at securities trading (including buying as well as selling) decisions, the action is referred to as insider trading;

'Insider' means any person who is or was a "Connected Person" or a "Deemed Connected Person" and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a Company or who has received or has had access to such unpublished price sensitive information.

'Company' means Sujana Towers Limited;

'Compliance Officer' means the Company Secretary of the Company;

'Connected Persons' means any person who

1. is a director of the Company; or
2. an officer or designated employee of the Company; or
3. has a professional or business relationship with the Company

'Deemed Connected Persons' means and includes:

1. Any group Company, Company under the same management or subsidiary of the Company;
2. Dependent family members of connected persons;
3. Bankers of the Company;
4. Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker or any employee thereof having a fiduciary relationship with the Company;
5. Trustees of any trust the beneficiaries of which include any of the Connected Persons;
6. Trustees of any trust who are conferred with the Power of Attorney to act on behalf of beneficiaries in respect of securities of the Company;
7. Any person who was a connected person, whether temporary or permanent six months prior to an act of insider trading;
8. Persons having professional or business relationship between themselves and the Company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;
9. Any other person or category of persons mentioned in Regulation 2 of the SEBI (Prohibition of Insider trading) Regulations, 1992;

'Dealing in Securities' means buying, selling or agreeing to subscribe, sell or deal in any securities either as principal or agent and includes exercising of options;

'Officer' means any person as defined in Section 2(30) of the Companies Act 1956;

Designated Employee' shall mean:

1. Managing and Whole-time Directors;
2. All Senior Vice Presidents ;
3. All Executive Directors /Vice Presidents / Sr. Managers;
4. Every employee of Accounts Department, Finance and Legal & Secretarial Department.
5. Employees designated by the Board of Directors from time to time to whom the trading restrictions shall be applicable.

'Dependent Family Members' shall mean the employee's spouse, dependent parents and dependent children;

'Price Sensitive Information' any information, which relates directly or indirectly to a Company and which if published, is likely to materially affect the price of securities of Company.

Explanation: The following shall be deemed to be price sensitive information: -

1. Periodical financial results of the Company;
2. Intended declaration of dividends (both interim and final);
3. Issue of securities or buy-back of securities;
4. Any major expansion plans or execution of new projects;
5. Amalgamation, mergers or takeovers;
6. Disposal of the whole or substantial part of the undertaking;
7. Any significant changes in policies, plans or operations of the Company.
8. Disruption of operations due to natural calamities;
9. Commencement of any new commercial production or commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;
10. Developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
11. Litigation/dispute with a material impact;
12. Revision of credit ratings assigned to any debt or equity instrument of the Company;
13. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

'Prohibited Period' means;

1. Period effective from the date on which the Company send intimation to the Stock Exchanges advising Board Meeting in which the Board of Directors are to consider any price sensitive information and ending after 48 hours from the time the Price Sensitive information is made public.
2. Such other period as may be specified by the Compliance Officer from time to time in consultation with the Chairman & Managing Director.

'Free Period' means any Period other than the Prohibited Period.

Words and expressions not defined in these Regulations shall have the same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India Act, 1992.

Part B

1. Compliance Officer

The Company has appointed the Company Secretary as compliance officer who shall report to the Managing Director / Executive Director of the Company.

1.1 Duties of Compliance Officer

1. He shall maintain a record of designated employees and any changes made to the list of Connected Persons.
2. He may in consultation with the Managing Director / Executive Director and shall as directed by the Board, specifies Prohibited Period from time to time and immediately make an announcement thereof.
3. He shall maintain a record of Prohibited Period specified from time to time.
4. He shall be 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, monitoring of trades and the implementation of the Code of Conduct under the overall supervision of the Board of the Company.
5. He shall maintain records of all the declarations submitted in the appropriate form given by the Directors, Officers and Designated Employees for a minimum period of three years.
6. He shall place before the Managing Director/ Executive Director, on a quarterly basis all the details of the dealing in the securities by Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in these rules.
7. He shall from time to time inform the Stock Exchanges of any price sensitive information on immediate basis.
8. He shall intimate to all Stock Exchanges on which the securities of the Company are listed the information received under clause 5 of Part II.
9. He shall be responsible for overseeing and coordinating disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure and report to the Managing Director/ Executive Director.
10. He shall ensure that prohibited period is intimated to all concerned at least 48 hours before the commencement of the said period by putting the intimation on the notice board of the Company.
11. He shall inform SEBI of any violation of SEBI (Prohibition of Insider Trading) Regulations, 1992 within 7 days of knowledge of violation.

2. Preservation of "Price Sensitive Information"

Designated Employees, Directors, Officers 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. Following practices should be followed in this regard.

2.1 Need to Know

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.

2.2 Limited access to confidential information

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.

3. Prohibition on Dealing, Communicating or Counseling on Matters Relating To Insider Trading

No Insider shall -

1. Either on his own behalf, or on behalf of any other person, deal in securities of the Company when in the possession of any unpublished price sensitive information;
2. Communicate, counsel or procure, directly or indirectly any unpublished price sensitive information to any person. However these restrictions shall not be applicable to any communication required in the ordinary course of business or under any law.

4. Trading Restrictions

All directors/ officers and designated employees of the Company shall be subject to trading restrictions as enumerated below: -

4.1 Trading Window

The period prior to declaration of price sensitive information is particularly sensitive for transactions in the Company's securities. This sensitivity is due to the fact that the Directors, Officers and Designated Employees will, during that period, often possess unpublished price sensitive information.

During such sensitive times, the Directors, Officers and Designated Employees will have to forego the opportunity of trading in the Company's securities.

The Directors, Officers and Designated Employees of the Company shall not deal in the securities of the Company when the trading window is closed. The period during which the trading window is closed shall be termed as prohibited period.

4.2 The trading window shall be, inter alia, closed at the time of: -

1. Declaration of Financial results (quarterly, half-yearly and annual)
2. Declaration of dividends (interim and final)
3. Issue of securities by way of public/ rights/bonus, etc.
4. Any major expansion plans or execution of new projects
5. Amalgamation, mergers, takeovers and buy-back
6. Disposal of whole or substantially whole of the undertaking
7. Any changes in policies, plans or operations of the Company disruption of operations due to natural calamities;
8. Commencement of any new commercial production/commercial operations where the contribution therefrom is likely to exceed 5% of the total turnover of the Company during that financial year;
9. Developments with respect to changes in pricing/realisation on goods and services arising out of changes in government policy;
10. Litigation/dispute with a material impact;
11. Revision of credit ratings assigned to any debt or equity instrument of the Company;
12. Any information which, if disclosed, in the opinion of the person disclosing the same is likely to materially affect the prices of the securities of the Company;

4.3 The period of closure shall be effective from the date on which the Company sends intimation to the Stock Exchanges advising the date of the Board Meeting upto 48 hours after the information is submitted to the Stock Exchange.

4.4 The trading window shall be opened 48 hours after the information referred in 4.3 is made public.

4.5 All Directors, Officers, Designated Employees of the Company shall conduct all their dealings in the securities of the Company only during the free period and shall not deal in any transaction involving the purchase or sale of the Company's securities during the prohibited periods or during any other period as may be specified by the Company from time to time.

4.6 As and when applicable, in case of ESOPs, exercise of option may be allowed in 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.

5. Pre-clearance of trades

All Directors, Officers, Designated Employees of the Company who intend to deal in the securities of the Company in excess of 1000 equity shares in number or value of more than Rs.3 lacs shall pre-clear the transactions as per the pre-dealing procedure as described hereunder. The Compliance Officer is authorised to change the number of Securities from time to time.

5.1 Pre-dealing Procedure

An application for pre-clearance of trade may be made in **Form 'I'** to the Compliance Officer.

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:

1. 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.
2. That in case the Designated 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 or she shall inform the Compliance officer of the change in his position and that he or she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
3. That he or she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
4. That he or she has made a full and true disclosure in the matter

The Compliance Officer shall on receiving an application provide the Director, Officer and Designated Employee with an acknowledgement on the duplicate of the application.

The Compliance Officer shall grant approval within 2 days from the date of acknowledgement.

The Compliance Officer shall retain copies of all applications and acknowledgements.

In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent.

If so requested by the Compliance Officer, Director, Officer, Designated Employee must ensure that his stockbroker is authorised to disclose to the Company all matters relevant to his share dealings.

5.2 Other restrictions

All Directors, Officers and Designated Employees 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 Directors, Officers and Designated Employees must pre clear the transaction again.

All Directors, Officers and Designated Employees shall hold their investments in securities for a minimum period of 30 days irrespective of mode of acquisition in order to be considered as being held for investment purposes.

In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in **Form 'II'**.

6. Reporting Requirements for transactions in securities

6.1 Initial Disclosures

1. Any person who holds more than 5 % shares or voting rights in the Company shall disclosed to the Company in **Form "A"** the No. of shares or voting rights held by such person, on becoming such holder within 4 working days of:

- (a) the receipt of intimation of allotment of shares; or
- (b) the acquisition or sale of shares or voting rights as the case may be

2. Every Director or Officer of the Company on being appointed as such shall disclose to the Company, in **Form 'B'**, the number of shares or voting rights in the Company held by him and their dependent members within 4 working days of becoming a Director or Officer of the Company.

6.2 Continual Disclosures

1. Any person who holds more than 5 % Shares or voting rights in the Company shall disclose to the Company in **Form "C"** the No. of shares 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 made under sub-regulation (1) of Clause 6.2 or under this sub-regulation, and such change exceeds 2 % of total shareholding or voting rights in the Company.

2. Any person who is a Director or officer of the Company shall disclose to the Company in **Form "D"** the total No. of shares or voting rights held and change in

shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under sub-regulation (b) of Clause 6.1 or under this sub-regulation and the change exceeds Rs. 5 Lakhs in value or 25,000 shares or 1% of the total shareholding or voting rights, whichever is lower or any revised limits notified by SEBI from time to time

"Change" means a net change arrived at after taking netting off purchases and sale of securities.

3. The aforesaid disclosure has to be made within 4 working days of :-

- (a) the receipt of intimation of allotment of shares; or
- (b) the acquisition or sale of shares or voting rights as the case may be

4. The disclosures under this Clause shall be sent to the Compliance Officer of the Company.

6.3 Quarterly/Annual Disclosures

All Directors, Officers, Designated Employees and their dependent family members dealing in the Securities of the Company shall be required to forward following details of their Securities transactions including the holdings of dependent family members to the Compliance officer:

1. All holdings in securities of the Company by Directors, Officers, Designated Employees at the time of joining the Company in **Form "III"**;

2. In respect of existing Directors, Officers, Designated Employees, all holdings in securities of the Company as on the date specified by the Company Secretary ;

3. Statement of any transactions in securities of the Company, whether pre-clearance of trade was obtained or not, in **Form 'IV'** on a quarterly basis within 15 days from the end of each quarter; and

4. Annual statement of all holdings in securities of the Company in **Form 'V'** as on March 31 of each year, before April 30 of that year.

6.4 Disclosure by the Company to Stock Exchanges

Within 5 days of the receipt of the information under Clause 6.1 and 6.2, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received.

6.5 Records of disclosures received by the Company

The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors, Officers and Designated Employees for a minimum period of three years.

The Compliance officer shall place before the Managing Director, on a quarterly basis all the details of the dealing in the securities by the Designated Employees, Directors, Officers of the Company and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this code.

7. Penalty for contravention of Code of Conduct

Any Director, Officer, Designated Employee who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct may be penalised and appropriate action may be taken by the Company. Directors, Officers, Designated Employees of the Company who violate this Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage, salary freeze, suspension, withholding of promotions, etc.

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

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

In case it is observed by the Company and / or Compliance Officer that there has been a violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992, SEBI shall be informed by the Company

Place: Hyderabad

Date: 03.09.2007

By Order of the Board

Sd/-

Compliance Officer

Form -I

**Application for Pre-clearance of Trade under SEBI
Prohibition of Insider Trading) Regulations, 1992**

The Compliance Officer
M/s Sujana Towers Limited
Through Division / Department Head

1.	Name of the applicant		
2.	Designation		
3.	Employee Pay Roll		
4.	Number and value of securities in the Company held as on date (with folio / DP ID / Client ID No.)		
5.	Nature of securities held		"Equity Shares / Debentures / Other Securities
6.	Mode in which the securities are		physical / Dematerialized
7.	The Proposal is for		(a) Acquisition in the open market (b) subscription to the securities (c) sale of securities
8.	Proposed date of dealing in		
9.	Nature of proposed dealing		Purchase / Sale of securities
10.	Estimated number of securities proposed to be acquired /		
11.	Price at which the transaction is		
12.	Current market price (as on the date of application)		
13.	Whether the proposed transaction will be through stock		
14.	Proposed mode of dealing in		* Physical / dematerialised
15.	If securities are held / proposed to be dealt in dematerialized form		
	Name of the Depository DP ID Number Client ID number		

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 "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 "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval sought, I shall inform the Compliance Officer 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 of conduct 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

* strike whichever is not applicable

Pre-clearance order

This is to inform you that your request for dealing in _____
(numbers) shares of the Company as mentioned in your above mentioned application is
approved. Please note that the said transaction must be completed on or before _____
(Date), that is within one week from today.

For Sujana Towers Limited

Compliance Officer

Date:

CONFIRMATION OF DEAL

To: The Compliance Officer

I confirm that the share dealing for which approval was granted on _____ was
Completed on _____ to purchasing / selling _____
(Numbers) equity shares of the Company.

Employee Name :
Designation :
Pay Roll No. :

Form -II

Application for waiver of minimum holding period

Date: _____

The Compliance Officer

Through Division / Department Head

Dear Sir,

I request you to grant me waiver of the minimum holding period of 30 days as required under the Code of Conduct for prevention of insider trading with respect to _____ Shares of the Company held by me/ _____ (name of relative) singly / jointly acquired by me on _____ (Date) I desire to deal in the said shares on account of _____ (give reasons).

Thanking you,

Yours faithfully

(Name)
(Designation)
(Department)

Form-III
(Form for initial disclosure)

Date: _____

To
The Compliance Officer
Sujana Towers Limited
Plot No:18, Nagarjuna Hills,
Panjagutta
Hyderabad – 500082

I, DETAILS OF SHAREHOLDINGS OF DIRECTOR* / OFFICER* / DESIGNATED EMPLOYEES* HELD IN OWN NAME

Name	Designation	Department/Date of joining	Date of Becoming Director/Officer	No. of Shares Held	Folio No/ DP ID / Client ID

II. DETAILS OF SHARES HELD BY RELATIVES / FAMILY MEMBERS (AS APPLICABLE)

Name of Relative	Relationship	No. of Shares Held	Folio No/ DP ID / Client ID

* Delete whichever is not applicable.

Name and Signature

Form-IV
(Quarterly statement)

Date: _____

To
The Compliance Officer
Sujana Towers Limited
Plot No:18, Nagarjuna Hills,
Panjagutta
Hyderabad – 500082

I Quarterly Statement of Shareholdings of Director¹ / Officer' / Designated Employee / Connected Person

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

II. Details of Shares held by Relatives³ / Dependent Family Members⁴ (as applicable)

Name of Relative	Relationship	No. of shares held on 1 st 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 day with respect to the shares sold.

Name and Signature

1. Delete whichever is not applicable
2. Connected person should mention the nature of association.
3. Applicable to Director
4. Applicable to Officer/ Designated employee and Connected Person.

Note: To be submitted within 4 working days of end of each calendar quarter as per Clause 10.1 of the code.

Form - V

Annual disclosure

Date: _____

To
The Compliance Officer
Sujana Towers Limited
Plot No:18, Nagarjuna Hills,
Panjagutta
Hyderabad – 500082

I Statement of Shareholdings of Director¹ / Officer ' / Designated Employee. ¹

Name	Designation Department	No. of Shares Held on 1st April, 200_	No. of Shares Bought During the year	No. of Shares Sold during The year	No. of Shares held on 31st March, 200_	Folio No./ DP ID / Client ID

II. Details of Shares held by dependent family members

Name of Relative	Relationship	No. of Shares Held on 1st April, 200_	No. of Shares Bought During the year	No. of Shares Sold during the year	No. of Shares held on 31st March, 200_	Folio No./ DP ID / Client ID

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

Name and Signature

*. Delete whichever is not applicable

FORMB

Securities and Exchange Board of India (Prohibition of insider Trading Regulations, 1992)
{Regulation 13(2) and (6)}

Regulation 13(2)-Details of Shares held by Director* or officer* or Designated Employees* of a Listed Company

Name& Address of Director/ Officer/ Designated employee	Date assuming officer of Director/Officer/ Designated employee	No. & % of shares/voting rights held at the time of becoming Director/Officer/ Designated employee	Date of intimation to the 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

* Details of dependent(s) shareholding are also to be given in same format.

FORM D

Securities and Exchange Board of India (Prohibition of insider Trading Regulations, 1992)
(Regulation 13(4) and (6))

Regulation 13(4)-Details of change in Shareholding of Director * or officer* or Designated employees *of a Listed Company

Name & Address of Director / Officer/ Designated employees	No.&% of shares / voting rights held by the Director /Officer/ Designated employees	Date of Receipt of allotment advice Acquisition / sale of share /voting rights (Specify)	Date of intimation to the Company	Mode of acquisition (market purchase / public / rights/ preferential offer etc.)	No. & %age 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 trade was executed	Buy quantity	Buy value	Sell quantity	Sell value

* Details of dependent(s) shareholding are also to be given in same format.

