**RAHIMA FOOD CORPORATION LIMITED**

**“THE POLICY FOR PROHIBITION OF INSIDER TRADING”**

**(DETERMINATION OFMATERIAL/PRICE SENSITIVE INFORMATION AND**

**PRINCIPLES ON DISCLOSURE)**

**INTRODUCTION :**

Rahima Food Corporation Ltd. ( hereinafter referred to as “the Company” ) endeavors to maintain the confidentiality of unpublished Price Sensitive Information and for this purpose a policy titled “The Policy for provision of Insider Trading” has been framed in compliance with instruction given by Bangladesh Securities and Exchange Commission in Clause 3(2) of Prohibition of Insider Trading Rules 2022 and as per guideline given by them vide Notification No. BSEC/ CMRRCD/2021-396/52/admin/140 dated December 28, 2022 .

**OBJECTIVES OF THE POLICY :**

The objective of the policy is -

* To determination of all material and price sensitive events as well as price- sensitive decisions relating to the performance/ operations of the Company that will have an effect on trading of its securities and for the purpose of Prohibition of Insider Trading.

\* To ensure adequate, accurate and timely disclosure of all material and price sensitive Information of the Company to the BSEC and Stock Exchanges and disseminate the information as per Rules so as to enable the investors to take proper investment decisions.

\* To protect the confidentiality of material / price sensitive information of the company within the context of the Company’s disclosure.

1. **DEFINITIONS:**

All words and terms in the policy will have the samemeaning as assigned to them under Prohibition of Insider Trading Rules 2022 of the Bangladesh Securities and Exchange Commission (BSEC), dated 28.12.2022 and is as under :

1. "Unpublished Price Sensitive Information" means any unpublished information that may affect the market price of the security of the Company or may significantly affect the value of its net worth on publication of the information.
2. "At a significant rate” means the possibility of affecting the value of the existing net assets of the Company at the rate of 10% (ten percent) at least or at such rate as may be determined by the Commission from time to time;
3. “Material Information” means, the information that an independent investor would consider necessary in making an investment decision ;
4. “Immediate Relative" means parent, spouse, child, or any such person who is financially dependent on any person or takes advice from such person regarding securities transactions;
5. ‘Chief Executive" means the Chief Executive Officer, Chief Financial Officer, and Company Secretary, including the principal 05 (five) officers of the Company;
6. ‘Stock" means any security of the Company traded on Stock Exchanges;
7. “Insider Trading" means purchase or sale or otherwise transfer of any security of the Company by a beneficiary based on undisclosed price-sensitive information.

Provided that securities acquired by order of a court or by inheritance of a deceased person or securities acquired through confiscation shall not be considered as Insider Trading.

1. **PERSONS TO BE CONSIDERED AS THE INSIDERS :**

2.1 As defined in the Prohibition of Insider Trading Rules 2022 issued by the BSEC vide Notification No. BSEC/ CMRRCD/2021-396/52/admin/140 dated December 28, 2022,the following persons shall be considered as Insider of the Company :

(a) Promoters/Sponsor Shareholders / Directors

(b) Significant Shareholder

(c ) Family members of the directors (spouse, son, daughter, father, mother, brother, and sister)

(d) Officers / employees

(e) Auditors

(f) Asset Appraisers

(g) Legal Advisor / Consultants

(h) Bankers / Credit Rating Companies / Managing Agents / Advisers / all officers, employees or persons related with them

(i) Related parties

 **2.2** All market intermediaries, including any stock broker or stock dealer,issuemanager, portfolio manager, or any person or entity thereof or its director orrelated party.

 **2.3** All other persons as defined in the BSEC’s Notification No. BSEC/ CMRRCD/2021-396/52/ admin/140 dated December 28, 2022 and other Notifications to be made from time to time by BSEC, will be considered as insiders.

**3. MATERIAL/ PRICE SENSITIVE INFORMATION :**

 **3.1** If by an information or by an event, the regular price of securities of the Company is effected or influenced or is anticipated to be effected or influenced, such information or event will be considered as material or Price sensitive Information except fake/propaganda having no relation whatsoever with the company.

 3.2 The following information of the Company will be considered as material/price sensitive information as outlined in “ Schedule – ka”ofProhibition of Insider Trading Rules 2022 issued by BSEC vide Notification No. BSEC/CMRRCD/2021- 396 /52/admin/140, dated December 28, 2022 and other Rules/Notifications to be made from time to time by BSEC.

 3.2.1 I**nformationrelated to changes in financial conditions :**

Information that may cause significant change in financial condition of the Company due to increase or decrease in income, expenses, cash flows, receivables, liabilities or assets, etc. and any information or report on the revaluation or significant decrease / increase of most essential assets of the company will be considered as Basic information.

More over the following comparative information in the financial statements will be considered as Basic information :

 i. Earnings per Share;

 ii. Net operating cash flow per share;

 iii. Net asset value per share;

 iv. Material changes in the value or composition of assets of the Company;

 v.Any special instruction of the Regulatory Authority for marking any provision or changes of any instruction of the Regulatory Authority for making any provision previously given ;

 vi. Any change in the Accounting policy of the Company ;

**3.2.2 Information regarding corporate announcements :**

 i. Any decision relating to dividends;

 ii.Declaration relating to issueof rights share, bonus share or similar anyother benefit to security holders

 iiiCorporate announcements or information regarding the availability of any benefit for the security holders;

 iv.Changes in Dividend Distribution policy

 **3.2.3 Information relating to changes in the corporate structure:**

 i.Byacquisition or by disposal of assets, more or less than 5% of the existing assets;

 ii. By amalgamation of the company with any other Company or acquisition of substantial quantity of shares of any other company;

 iii. ByDemerger of any unit of the Company;

ivBy conversion or winding up of any unit of the Company;

 v.Change in activities of the Company by way of capital reorganization or merger or demerger,

 vi. Any proposal to take-over of other Company or proposal to take over internal service

 of a company;

 viiAny changein ownership of the Company that may affect control of the Company;

 viii .Change in name or address, etc. of the Company

 **3.2.4 Information regarding changes in capital structure :**

 i.Any decision related to the change in Private or public or rights offer of securities or its capital structure;

 ii.Planned Repurchase or Redemption of Securities :

 iii.Any decision regarding consolidation of shares, exchange of shares, conversion of any security into equity security, or conversion of debentures into shares; And

 iv.Any significant change in the rights of security holders, etc

 3.2.5 **Information relating to the expansion or change of business activitiesof theCompany or any other change, etc. in the company** :

 i. Any material change or development relating to Company's technology, production or installation;

 ii. Any substantial capital investment or significant change in the object of the Company;

 iii. Significant new contracts, change in production, patent, service, or change of business;

 iv. Recovery of a substantial amount of long-term bad debt;

 v. Change of the Board of Directors, change of Chief Executive, MD/CEO, CFO, and Company Secretary due to resignation or removal from the post;

 vi. Change of Statutory Auditor or Corporate Governance Compliance Auditor, Credit

 Rating company

 vii. Initiate any legal proceedings or develop regulatory matters or any significant judgments or order;

 viii. Delisting of security from a stock exchange or change from one category to another;

 ix. Any significant management contract, investors relation agreement, service agreement, or related party transaction that may affect the financial statements significantly;

 x. The decision to buy Or sell of any fixed asset or renovation or improvement of plant or machinery or expansion (BMRE) or setting up of new units and,

 xi. Significant advances between inter-company or subsidiary, or associate entities giving or receiving loans or exchanging loans with directors, etc.;

 **3.2.6 Information related to debt management:** -

**i.** Taking or repayment of loan amounting to or exceeding 25% of paid-up capital or net asset value, whichever is higher;Giving mortgage/releasing of any significant asset,

 ii. Defaulting to pay Off loan/liability of any bank or lender or debt-instrument for more than (06) six months;

1. Any significant new loan agreement;
2. And any foreign loan agreement or investment agreements, etc

 **3.2.7 Other information**

1. Signing of any material agreement or the cancellation or substantial modification of any previously signed agreement;
2. Loss of any substantial assets of the Company or any event that may hamper itsreputation;
3. Cancellation or significant modification of any scheme of project previously announced;

3.3 In case of repeal of BSEC/CMRRCD/2021-396/52/Admin/140 dated December 28,2022 published in official Gazette on January 30,2023, the substantial Rules be framed by BSEC all provisions of such Rules shall be applicable and shall be deemed to have been incorporated in the Policy including MATERIAL/PRICE SENSATIVE INFORMATION and shall be continued to be applicable, constructed and acted upon accordingly instantly without having any further amendment in this Policy.

1. **DETERMINATION OF MATERIALITY :**

4.1 The Company will determine materiality of any information on case-to-case basis depending on specific facts and circumstances and considering its potential effect on regular price or value of the Securities of the Company . If the regular price of the Securities of the Company is anticipated to be influenced in the regular course due to revelation of the information or event, such information or event will be considered as material information or event.

4.2 The Board of Directors of the Company will consider all information/events described in “Schedule- Ka” of Prohibition of Insider Trading Rules 2022 issued by BSEC as material information .

**5.PROHIBITION OF INSIDER TRADING**

5.1 No Insider shall carry on Insider Trading by himself or through any other persons or give any personal advice or assistance with regard to such business.

5.2 Before two months fromclosing date of the Annual Accounts and till the date for final consideration of the Accountsby the Board of Directors of the Company,the following persons shall not purchase, sell or otherwise transfer (receive/give) the shares of the said Company:

 i. Any sponsor, Director, Chief executive, related officer-employee of the Company , Auditors, Asset appraiser, Credit rating company, Consultant, Legal advisor, or persons engaged or involved in such activities Or its holding Company or its or its directors,subsidiary companies Or the beneficial owner mentioned in Section-12 of the Securitiesand Exchange Ordinance, 1969; or

ii. The manager, trustee, custodian of fund, other Fund managed by the same fund management company or its directors, trustees, members, chief executives and auditors and persons engaged in auditing; or

 iii. Any Other person(s) prescribed by the Commission by Notification in the Official Gazette shall be added to the above.

**6.PRINCIPLES OF DISCLOSURE PRICE SENSITIVE INFORMATION :**

 6.1 Chairman, Managing Director/Chief Executive Officer, or Company Secretary of the Company shall be obligated to disclose all price-sensitive information.

 6.2 The Company shall disclose all Price Sensitive Information (PSI) to the BSEC, and the relevant Stock Exchanges within 2 (two) hours after taking of the decision by the Board of Directors or on the day immediately after the information comes into notice of the Company. The PSI shall be issued under signature of Chairman, Chief Executive Officer or Company Secretary through Email, Fax, digital submission platform and publish the information in two daily newspaper ( one in Bangla and the other in English) and in one On-line Newspaper and in the Website of the Company.

 6.3 If any price sensitive information of the Company is sent for approval of the regulatory Authority, it shall be mentioned in the PSI and within 02 (two) hours after receiving the approval or decision of the regulatory authority, the matter shall be re-disclosed as price sensitive information.

 6.4 All Price Sensitive Information of the Company will be hosted on the website of the Company and will be maintained for a minimum period of 3 (three) years.

 **7. AUTHORIZED PERSONS FOR MONITORING INSIDER TRADING POLICY :**

Following top five Executives of the Company are authorized for monitoring proper implementation of Insider Trading Policy of the Company):

 i. Managing Director/Chief Executive Officer

 ii. Company Secretary CCS)

 iii. Chief Financial Officer (CFO)

 iv. Head of Internal Audit and Compliance

 v. Such Other Officers of the Company as may be authorized by the Board of Directors from time to time.

**8.** **REVIEW AND AMENDMENT :**

The Board of Directors of the Company may amend/modify any or all clause of the Policy based on changing requirements of the BSEC/Stock Exchange(s), Companies Act-1994, and/or any applicable laws in this regard**.**

 **9. IMPLEMENTATION OF THE POLICY :**

The Policy shall be implemented as per ~~instruction of the BSEC~~ applicable laws, Rules, Regulations, Bye laws, Notifications, Orders etc. promulgated, passed and issued by proper authority having lawful jurisdiction from time to time.

 10. **APPLICATION & INCONSISTENCY:**

 10.1 This is applicable upon such persons applying the process and methods as prescribed from time to time, under the applicable laws, Rules, Regulations, Bye-laws, Notifications, Orders etc. as in force during the relevant time.

 10.2 In case of any inconsistency or contradiction in between the terms of this Policy and the provisions of applicable laws, Rules, Regulations, Bye-laws, Notifications, Orders etc., as in force, the provisions of such laws and the Rules and other delegated legislations made thereunder shall prevail and applicable accordingly.



 Md. Zakir Hossain

 Company Secretary