

***Insider Trading Policy***

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***Phyto Chem (India) Limited***

**CIN: L24110TG1989PLC009500**

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1. **BACKGROUND**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 issued on December 31, 2018, the Board of Directors of the Company at its meeting held on 30th March, 2019 has approved and have taken a note of the same the "PHYTO CHEM (INDIA) LIMITED - Code of Internal Procedures and Conduct for Regulating and Reporting of Trading by Insiders". The code shall be effective from 1st April, 2019

This code supersedes the Company’s existing Code of Conduct for prohibition of Insider Trading.

1. **OBJECTIVE**

The objective of this Code is to serve as a guiding charter for all concerned persons associated with the functioning of the company and their dealings in its securities. Further, the Code also seeks to ensure timely and adequate disclosures of Price Sensitive Information to the investor community / other relevant stakeholders, by the company to enable them to take informed decisions with regard to the Company's securities.

1. **DEFINATIONS**

3.1 “**Act"** means the Securities and Exchange Board of India Act, 1992.

3.2 “**Board**” means the Board of Directors of the Company and includes a committee thereof.

3.3 **"Compliance Officer"** means the Company Secretary of the Company.

3.4 “**Connected Person**”

1. Includes

1. A director of the Company;
2. A Key Managerial Personnel of the Company;
3. An Officer of the Company;
4. Any person who is or has during the six months prior to the concerned act 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access

2. 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,

1. an immediate relative of connected persons specified in Clause (i); or
2. a holding company or associate company or subsidiary company; or
3. an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
4. an investment company, trustee company, asset management company or an employee or director thereof; or
5. an official of a stock exchange or of clearing house or corporation; or
6. 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
7. 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
8. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
9. a banker of the Company; or
10. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

3.5 **"Generally** **available Information"** means information that is accessible to the public on a non-discriminatory basis. Information published on the website of the company and the stock exchange, would ordinarily be considered generally available.

3.6 **“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.

3.7 **“Insider”** means any person who,

1. a connected person; or
2. In possession of or having access to unpublished price sensitive information

3.8 “**Legitimate purpose”** shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of regulations.

3.9 **"Promoter"** shall have the meaning assigned to it under Section 2(69) of the companies Act, 2013.

3.10 **"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;

3.11 “**Specified”** means specified by the board in writing

3.12 **Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

3.13 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly

3.14 **"Trading Day"** means a day on which the recognized stock exchange are open for trading;

3.15 **“Unpublished Price Sensitive Information**” means any information, relating to the 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:

1. financial results;
2. dividends;
3. change in capital structure;
4. mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions;
5. changes in key managerial personnel; and
6. material events in accordance with the listing agreement

Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

1. **RESTRICTION ON COMMUNICATION AND TRADING**

**Prohibition on communicating or procuring UPSI**

4.1 No Insider shall communicate, provide or allow access to any Unpublished Price Sensitive Information ("UPSI"), relating to the Company and its or Securities whether listed or proposed to be listed to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.2 No Specified Persons shall procure from or cause the communication by any insider of UPSI, relating to the Company and its or Securities whether listed or proposed to be listed except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

4.3 Notwithstanding anything contained in the regulations UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:

* + Entail an obligation to make an open offer under the takeover regulations where the Board is of informed opinion that the proposed transaction is in the best interests of the Company; or
  + not attract the obligation to make an open offer under the takeover regulations but where the Board is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute UPSI 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 may determine.

However, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purposes mentioned under Clause 4.3, and shall not otherwise trade in securities of the Company when in possession of UPSI.

4.4 For purpose of sub-regulation (4.3), the board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of sub-regulation (4.3), and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.

4.5 The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database

4.6 Trading When In Possession Of UPSI

4.6.1 No Specified Person shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of UPSI:

Provided that the Specified Person may prove his innocence by demonstrating the circumstances including the following: –

1. the transaction is an off-market inter-se transfer between promoters who were in possession of the same UPSI without being in breach of Clause 6 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained under clause 4.3

Provided further that such off-market trades shall be reported by the insiders to the company within two working days. Every company shall notify the particulars of such trades to the stock exchange on which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information

1. the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of these regulations.

(iii) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction

(iv) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations

(v) in the case of non-individual Specified Persons: –

* + 1. the individuals who were in possession of such UPSI were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such UPSI when they took the decision to trade; and
    2. appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no UPSI 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;

(vi) the trades were pursuant to a trading plan set up in accordance with Clause 9.

4.6.2 In the case of connected persons the onus of establishing, that they were not in possession of UPSI, shall be on such connected persons and in other cases, the onus would be on the Board.

4.6.3 SEBI may specify such standards and requirements, from time to time, as it may deem necessary for the purpose of the regulations.

1. **TRADING PLANS**

5.1 A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a “Trading Plan”) and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.

5.2 Trading Plan shall:

1. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
2. not entail trading for the period between the Seventh 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;
3. entail trading for a period of not less than twelve months;
4. not entail overlap of any period for which another trading plan is already in existence;
5. 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
6. not entail trading in securities for market abuse.

5.3 The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan

5.4 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

5.5 Upon approval of the trading plan, the compliance officer shall notify the plan to the

stock exchanges on which th e securities are listed.

1. **TRADING WINDOW**

6.1 Other than the period(s) for which the Trading Window is closed as prescribed hereunder, the same shall remain open for trading in the Securities of the Company. All Designated Persons shall strictly conduct all their trading’s in Securities of the Company only when the Trading Window is open and no Designated Person shall trade in the Securities of the Company during the period the Trading Window is closed or during any other similar period as may be specified by the Compliance Officer from time-to-time.

6.2 Unless otherwise specified by the Compliance Officer, the Trading Window for trading in Securities of the Company shall be closed for the purposes-

1. financial results;
2. dividends;
3. change in capital structure;
4. mergers, de-mergers, acquisitions, delisting’s, disposals and expansion of business and such other transactions;
5. changes in key managerial personnel; and
6. material events in accordance with the listing agreement

6.3 In respect of announcement of financial results, the Trading Window shall remain closed for a period of 7 days prior to the respective dates on which the quarterly, half-yearly or annual standalone/consolidated financial results, as the case may be, are announced.

As regards declaration of interim dividend and other matters referred to in (iii) to (vi) above, the Compliance Officer shall determine the period for closure of the window.

The Trading Window shall be opened 48 hours after the information referred to above is made public

6.4 The Designated Employees who participate in the Company's Employee Stock Option Plan (ESOP), if any:-

* Shall not sell the Securities of the Company allotted to them on exercise of ESOPs when the Trading Window is closed (however, the exercise of option shall be permitted when the Trading Window is closed).

1. **PRE-CLEARENCE**
   1. Pre-clearance of trades
2. Applicability:

Designated Person shall obtain a pre-clearance as per the procedure prescribed hereunder for any trading in any securities of the Company proposed to be undertaken by such Designated Person. Such pre-clearance would be required when the value of securities traded whether in one transaction or a series of transactions over a calendar year aggregates to a traded value in excess of Rs. 10 Lakhs.

1. Pre-Clearance Procedure
2. For the purpose of obtaining a pre-clearance, the concerned Designated Person shall make an application to the Compliance Officer. Such application should be complete and correct in all respects and should be accompanied by such undertakings declarations, indemnity bonds and other documents/papers as may be prescribed by the Compliance Officer from time-to-time. Such application for pre-clearance approval with enclosures must necessarily be sent through electronic mail followed by hard copies of all the documents. The e-mail for this purpose should be sent to the e-mail address info@phytochemindia.com.
3. The Compliance Officer shall consider the application made as above and shall approve it forthwith preferably on the same working day but not later than the next working day unless he is of the opinion that grant of such an approval would result in a breach of the provisions of this Code, or the Regulations. Such approval/rejection would be conveyed through electronic mail and if no such approval/intimation of rejection is received within a period of 2 (two) working days, the applicant can presume that the approval is deemed to be given.
4. Every approval letter shall be issued by the Company from time-to- time. Every approval shall be dated and shall be valid for a period of 7 trading days from the date of approval.
5. In the absence of the Compliance Officer due to leave etc., the Officer designated by him/her from time-to-time shall discharge the function referred to in (b) above.
6. Designated Person shall ensure that they complete execution of every pre-cleared deal in the Company's Securities as prescribed above and not later than 9 (Nine) days from date of approval. The Designated Person shall file within 2 working days of the execution of the deal, the details of such deal, with the Compliance Officer in the prescribed form. In case the transaction is not undertaken, a report to that effect shall be filed
7. If a deal is not executed by the Designated Person pursuant to the approval granted by the Compliance Officer within 9(Nine) days, the approval so granted shall be deemed to have been revoked and the Designated Person shall apply once again to the Compliance Officer for pre clearance of the transaction covered under the said approval.
   1. Other restrictions:

All Designated Persons who buy or sell securities of the company shall not enter into an opposite transaction (contra trade) i.e. sell or buy securities during the six months period post the previous buy/sell.

In case the sale of Securities of the Company is necessitated due to personal reasons or emergency situations, the holding period referred to above may be waived by the Compliance Officer after recording the reasons in this regard. It may however, be noted that in terms of the Regulations, no such sale will be permitted when the Trading Window is closed.

In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Securities and Exchange Board of India (SEBI) for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

1. **DISCLOSURE OF TRADING BY INSIDERS**

8.1 **General Provisions**

1. Every public disclosure under this Clause shall be made in such form as may be specified by SEBI from time to time.
2. The disclosures to be made by any person shall include those relating to trading by such person, immediate relatives, and by any other person for whom such person takes trading decisions.
3. The disclosures of trading in securities shall also include trading in derivatives of Securities and the traded value of the Derivatives shall be taken into account for the purposes of arriving at the value of trade, subject to trading of such Derivatives is permitted by any law for the time being in force**.**

8.2 **Initial Disclosure**

1. Every promoter, Key Managerial Personnel and Director of the Company, shall disclose his/her holding of securities in the Company as on the date these regulations taking effect, to the company within 30 days from the date these regulations taking effect.

The disclosure is to be made in the Formatas per **Annexure – I**

1. 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 7 days of such appointment or becoming a promoter.

The disclosure is to be made in the Format as per **Annexure-II.**

8.3 **Continual Disclosure**

Every promoter, designated person and director of the Company shall disclose to the Company the number of such securities acquired or disposed off within 2 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 Rs. 10,00,000/- (Rupees Ten Lakhs Only).

The disclosure is to be made in the Format as per **Annexure-III.**

8.3.1 The disclosures made under 7 and 8 shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.

8.3.2 The Compliance Officer shall within 2 (Two) trading days of receipt of intimation under Clause 14 or from becoming aware of such information disclose to all Stock Exchange on which the Company is listed, the information received.

**8.4 Disclosure by other connected person**

The below mentioned persons shall make continual disclosures as required in Clause 14 above.

1. Directors and Key Managerial Personnel of Material Subsidiaries and their immediate relatives.
2. Functional Heads of the Company and its Material Subsidiaries and their immediate relatives.
3. Executive Secretary/Assistant of Key Managerial Personnel of the Company and its Material Subsidiaries and their immediate relatives.
4. Managers in Corporate Finance, Corporate Accounts, Taxation, Secretarial Departments of the Company and their immediate relatives
5. Advisers, Auditors, Tax and Management Consultants, Whole-time Legal Advisors etc. who is connected in any of such capacities with the Company at any time during the past six months.

The disclosure is to be made in the Format as per Annexure -IV**.**

1. **CODES OF FAIR DISCLOSURE AND CONDUCT**

**9.1 Code of Fair Disclosure**

1. The board of directors of every company, whose securities are listed on a stock exchange, shall formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles, without diluting the provisions of these regulations in any manner.
2. Every such code of practices and procedures for fair disclosure of unpublished price sensitive information and every amendment thereto shall be promptly intimated to the stock exchanges where the securities are listed.
   1. **Code of Conduct**
3. The board of directors of every listed company and the board of directors or head(s) of the organisation of every intermediary intermediary shall ensure that the chief executive officer or managing director shall formulate a code of conduct with their approval to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with these regulations, adopting the minimum standards set out in Schedule B of the regulations (in case of a listed company) and Schedule C of the regulations (in case of a intermediary) to these regulations, without diluting the provisions of these regulations in any manner.
4. The board of directors or head(s) of the organisation, of every other person who is required to handle unpublished price sensitive information in the course of business operations shall formulate a code of conduct to regulate, monitor and report trading by their designated persons and immediate relative of designated persons towards achieving compliance with these regulations, adopting the minimum standards set out in Schedule C to these regulations, without diluting the provisions of these regulations in any manner.
5. Every listed company, intermediary and other persons formulating a code of conduct shall identify and designate a compliance officer to administer the code of conduct and other requirements under these regulations.
6. For the purpose of clauses 9.2(i) and 9.2(ii), the board of directors or such other analogous authority shall in consultation with the compliance officer specify the designated persons to be covered by the code of conduct on the basis of their role and function in the organisation and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation and shall include:-

* Employees of such listed company, intermediary or fiduciary designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors or analogous body;
* Employees of material subsidiaries of such listed companies designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors;
* All promoters of listed companies and promoters who are individuals or investment companies for intermediaries or fiduciaries;
* Chief Executive Officer and employees upto two levels below Chief Executive Officer of such listed company, intermediary, fiduciary and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
* Any support staff of listed company, intermediary or fiduciary such as IT staff or secretarial staffs who have access to unpublished price sensitive information.

**9.3 Institutional Mechanism for Prevention of Insider trading**

9.3.1 The Chief Executive Officer, Managing Director or such other analogous person of a listed company, intermediary or fiduciary shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.

9.3.2 The internal controls shall include the following:

1. all employees who have access to unpublished price sensitive information are identified as designated employee;
2. all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of these regulations;
3. adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by these regulations;
4. lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
5. all other relevant requirements specified under these regulations shall be complied with;
6. periodic process review to evaluate effectiveness of such internal controls.

9.3.3 The board of directors of every listed company and the board of directors or head(s) of the organisation of intermediaries and fiduciaries shall ensure that the Chief Executive Officer or the Managing Director or such other analogous person ensures compliance with regulation 9 and sub-regulations (1) and (2) of this regulation.

9.3.4 The Audit Committee of a listed company or other analogous body for intermediary or fiduciary shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

9.3.5 Every listed company shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the company and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

9.3.6 The listed company shall have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

9.3.7 If an inquiry has been initiated by a listed company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the listed company in connection with such inquiry conducted by listed company

1. **MISCELLANEOUS**

10.1 Penalty for contravention

1. Every Designated Person shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her immediate relatives).
2. The Designated Persons who violate this Code shall, in addition to any other penal action that may be taken by the Company pursuant to law, also be subject to disciplinary action including the termination of employment.
3. Action taken by the Company for violation of the Regulations and the Code against any Designated Person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/ regulations.

10.2 Reporting

The Compliance Officer will submit a report to the Chairman of Audit Committee, instances of violation of the Code or the Regulation by any person and on the disclosures, Trading Plans and pre- clearances approved and rejected on the basis of information furnished at a frequency as may be stipulated by the Board.

10.3 Amendment

1. **ANNEXURES**

**Annexure-A  
Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information**

**(As envisaged under Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulation, 2015**

1. **PRINCIPLES OF FAIR DISCLOSURE**

A code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering each of the principles is set out below:

1. It shall be ensured that prompt public disclosure of unpublished price sensitive information is made to make it generally available, once it is discovered that credible and concrete information having the potential of effecting the price of securities of the Company exists or comes into being.

2. It shall be ensured that uniform and universal dissemination of unpublished price sensitive information is promptly made to avoid selective disclosures.

3. The Chief Financial Officer of the Company is designated as Chief Investor Relations Officer to deal with dissemination and disclosure of unpublished price sensitive information.

4. It shall be ensured that any unpublished price sensitive information which gets disclosed selectively or inadvertently or otherwise, is promptly disseminated to make such information generally available.

5. The Company shall ensure that appropriate and fair responses and replies are promptly provided/given to the news report and any request for verification of market rumours received from regulatory authorities.

6. It shall be ensured that no unpublished price sensitive information is shared with analysts and research personnel.

7. Best practices shall be followed to ensure the recordings/transcripts of the proceedings of meetings with analysts and other investor relation conferences are disseminated by publishing the same on the website of the Company.

8. Unpublished price sensitive information is to be handled on need-to-know basis.

**2. DETERMINATION OF LEGITIMATE PURPOSE FOR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

The sharing of UPSI shall be deemed to be for “Legitimate Purpose” if it satisfied the following criteria:

1. The ‘Legitimate Purpose’ shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI (Prohibition of Insider Trading) Regulations, 2018 or of any other regulations that may be in force for the time being. Legitimate purposes would mean actions including but not limited to sharing of UPSI in any mode, as a part of business operations and in the normal course of business.
2. Legitimate purposes shall be determined by the Compliance officer of the Company in consultation with the Chief Financial Officer and Managing Director, which shall be in the best interest of the Company.
3. Insiders shall share the UPSI with the external agencies/ intermediaries/ fiduciaries only in the interest of the Company and/or in compliance with the requirements of the law.
4. Sharing of information may be construed as insider trading even while it is in pursuit of compliances required or business interests of the Company in appropriate circumstances. The person who has the UPSI should ideally recuse himself from assigned task of the sharing the UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
5. The agreements entered into involve sharing of UPSI should have a “Confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.
6. **REVIEW/AMENDMENTS**

The Board of Directors of the Company, may amend, abrogate, modify or revise any or all provisions of this Code of Fair Disclosure, from time to time. However, amendments in the SEBI PIT Regulations/other applicable laws/ Regulations will be binding even if not incorporated in this Code.

**Annexure-B**

**POLICIES AND PROCEDURAL FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION, OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

1. **INTRODUCTION**

This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading)(Amendment) Regulations, 2018. The newly inserted Regulation 9A (5) mandates formation of written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform Securities Exchange Board of India (“SEBI”) promptly of such leaks, inquiries and results of such inquiries.

1. **EFFECTIVE DATE**

This Policy shall come into effect with effect from April 1, 2019.

1. **OBJECTIVE**
2. To strengthen the internal control system to prevent leak of UPSI.
3. To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company and which affects the market price of the Company as well as results into loss of reputation and investors’ / financers’ confidence in the company.
4. To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee Designated Persons, intermediaries and fiduciaries with any person, firm, Company or Body Corporate.
5. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) promptly.
6. To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy, apart from any action that SEBI may initiate/take against the Insider, Employee & Designated Persons.

` **(4) DEFINITIONS**

**(i) Chief Investor Relation Officer (“CIO”)**

Shall mean the Compliance Officer of the Company appointed by the Board of Directors under Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015.

**(ii) Leak of UPSI**

Shall mean communication of UPSI, other than for legitimate purposes, by any Insider, Employee & Designated Persons of Company, intermediaries or fiduciaries or any other known or unknown person to any person other than a person(s) authorized by the Board or Chief Investor Relation Officer (CIO) of the Company.

**(iii) Support Staff**

Shall include IT Staff, Secretarial Staff, Legal Staff, Finance Staff, Strategy Staff who have access to unpublished price sensitive information.

**(iv) Unpublished Price Sensitive Information (“UPSI”)-**

Shall mean any information as defined in Code of Conduct — Prevention of Inside trading Policy or as may be decided by the CIO.

Note: Words and expressions used and not defined in this Code shall have the meanings defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time),), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013.

**(5) Duties of Chief Investor Relations Officer:**

The CIO shall be responsible to;

a) Oversee the Compliance of this policy.

b) Report the incident of actual or suspected leak of UPS to the Securities and Exchange Board of India.

c) Intimate the incident of actual or suspected leak of UPS to the Sock Exchanges.

d) To co—ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPS to the Enquiry committee.

**(6) Reporting of actual or suspected leak of UPSI:**

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information, the same shall be reported to CIO of the Company. The CIO shall in consultation with the Chief Financial Officer or the Managing Director initiate procedure for enquiring about the actual or suspected leak of UPS.

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information, the CIO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly informed to the Board of directors of the Company.

**(7) Procedure for enquiry in case of leak of UPSI:**

On suo—motu becoming aware or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un—know person, the below mentioned procedure be followed in order to enquire and/or otherwise investigate the matter.

**(a) To take Cognizance of the matter:**

The CIO shall within a period of 7 days after receipt of the information of actual or suspected leak of Unpublished Price Sensitive Information and take cognizance of the matter and decide as follows.

1. If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed.
2. If it is found that the issue requires further investigation, Preliminary Enquiry may be initiated.

**(b) Preliminary Enquiry**:

Preliminary enquiry is a fact—finding exercise which shall be conducted by the CIO. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

The CIO may also appoint and / or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

**(c) Report of Preliminary Enquiry to the Enquiry Committee:**

The CIO or Person(s) appointed/authorized (Authorised persons”) to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Board of Directors within 7 days from the date of authorisation.

Based on report of Authorised person, opportunity would be given to suspect to prove his innocence.

**d) Disciplinary Action:**

After giving opportunity to prove innocence, The Disciplinary Action(s) may include wage freeze, suspension, recovery, claw back, termination etc. or such other action, as may be decided by the Members of the Committee.

**(8) Amendment**

The Board of Directors of the Company, in sync with applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

**Annexure – C**

**SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL**

Date:

**To,**

**The Compliance Officer,**

**PHYTO CHEM (INDIA) LIMITED, Hyderabad**

Dear Sir/Madam,

**Application for Pre-dealinq approval in securities of the Company**

Pursuant to the SEBI (prohibition of Insider Trading) Regulations, 2015 and the Company’s Code of Conduct for Prevention of Insider Trading, I seek approval to purchase/ sale/ subscription of equity shares of the Company as per details given below:

|  |  |  |
| --- | --- | --- |
| 1 | Name of the applicant |  |
| 2 | Designation |  |
| 3 | Number of securities held as on date |  |
| 4 | Folio No/DP ID/ Client ID No |  |
| 5 | The proposal is for | (a) Purchase of securities  (b) Subscription to securities  (c ) Sale of securities |
| 6 | Proposed date of dealing in securities |  |
| 7 | Estimated number of securities proposed to be acquired/subscribed/sold |  |
| 8 | Price at which the transaction is proposed |  |
| 9 | Current market price (as on date of application) |  |
| 10 | Whether the proposed transaction will be through stock exchange or off-market deal |  |
| 11 | Folio No./DP ID/ Client ID No where he securities will be credited/debited |  |

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Employee)

**FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPUCATION FOR PRE—CLEARANCE**

**UNDERTAKING**

To,

PHYTO CHEM (INDIA) LIMITED, Hyderabad

l,-------------------- S/o ------------------Designation -------------of the Company residing at --------------------am desirous of dealing in ---------------\* shares of the Company as mentioned in my application dated for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company’s Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that l 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 is 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.

I declare that l have not contravened the provisions of the Code as notified by the Company from time to time.

| undertake to submit the necessary report within four days of execution of the transaction / a ‘Nil’ report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance.

I declare that l have made full and true disclosure in the matter.

Date: Signature:

\* Indicate number of shares

**FORMAT FOR PRE-CLEARANCE ORDER**

To,

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

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

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

This is to inform you that your request for dealing in\_(nos) shares of the Company as mentioned in your application dated are approved. Please note that the said transaction must be completed on or before (date) that is within 7 days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid date 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 attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a ‘Nil’ report shall be necessary.

Yours Faithfully,

For Phyto Chem (India) Limited

Compliance Officer

Date:

Encl: Format for submission of details of transaction

**FORMAT FOR DISCLOSURE OF TRANSACTIONS**

(To be submitted within 2 days of transaction / dealing in securities of the Company)

To,

The Compliance Officer,

Phyto Chem (India) Limited,

Hyderabad

I hereby inform that I

* have not bought/sold/subscribed any securities of the Company
* have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_(date)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 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 3 years and produce to the Compliance officer/SEBI any of the following documents:

1. Broker’s Contract Note
2. Proof of payment to/from brokers
3. Extract of bank passbook/statement (to be submitted in case of demat transactions)
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. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (applicable in case of purchase / subscription).

I declare that the above information is correct and that no provisions of the Company’s Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date:

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

Name:

Designation:

**Annexure – D**

**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,  Convertible  Debentures  etc.) | No. |  | Number of  units  (contracts \*  lot size) | Notional value in  Rupee terms | Number of  units  (contracts \* lot  size) | Notional value  in Rupee terms |
| 1 | 2 | 3 | 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.

Date:

Place:

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

Name & Designation:

**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  Share  holding | 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  (contracts \* lot  size) | Notional value  in Rupee terms |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | | 8 | |

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

Date:

Place:

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

Name & Designation

**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  advice/  acquisition of  shares/  sale of shares  specify | | 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, Convertibl e Debenture s etc.) | No. | Type of  security  (For eg. –  Shares,  Warrants,  Convertible  e  Debenture  s etc.) | No. | Pre  transaction | Post  transaction | From | To |  |  | Buy | | Sell | |  |
| Value | Number of units (contract s \* lot size) | Value | Number of units (contract s \* lot size) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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

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

Place: Name & Designation

**Form D (Indicative format)**

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

**Regulation 7(3) – Transactions by Other connected persons as**

**identified by the company**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Name, PAN No., CIN/DIN, & address  of Promoter/ Employee / Director  With contact nos. | Connectio n with the company | Securities held prior to acquisition/disposal | | Securities acquired/Disposed | | % of  shareholding | | Date of  allotment  advice/  acquisition of  shares/  sale of shares  specify | | 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, Convertibl e Debenture s etc.) | No. | Type of  security  (For eg. –  Shares,  Warrants,  Convertible  e  Debenture  s etc.) | No. | Pre  transaction | Post  transaction | From | To |  |  | Buy | | Sell | |  |
| Value | Number of units (contract s \* lot size) | Value | Number of units (contract s \* lot size) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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

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

Place: Name & Designation