

FINOLEX INDUSTRIES LIMITED

**CODES OF CONDUCT UNDER SEBI (PROHIBITION OF
INSIDER TRADING) REGULATIONS, 2015 - TO REGULATE,
MONITOR AND REPORT OF TRADING BY INSIDERS**

CODES OF CONDUCT UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 TO REGULATE, MONITOR AND REPORT OF TRADING BY INSIDERS

1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors but not less than once in a year.
2. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to “cross the wall”.
3. Designated Persons, Connected Persons and their relatives in the organisation shall be governed by an internal code of conduct governing dealing in securities.
4. Designated Persons, Connected persons and their relatives may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their relatives shall not trade in securities when the trading window is closed.

Trading restriction period can be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
6. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, where the aggregate value of proposed trades of the Finolex Industries Limited to be dealt during a calendar quarter exceeds Rs.10 Lakhs. Designated Person who proposes to execute trade in securities of the Company shall submit an application duly filled and signed to the Compliance Officer. The format of application is annexed as **Annexure - I**.
7. The Compliance Officer shall approve / reject pre-clearance application within four days in **Annexure - II**.
8. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9. Designated Person, Connected persons and their relatives shall execute pre-cleared trade within seven trading days from approval and shall report trade details to Compliance Officer in **Annexure - III** within 2 trading days from the trade. In case non-trading, Designated Person shall report about decision of non-trading along with reasons to Compliance Officer in Annexure “III”. In case of failure in executing trade within seven trading days, Designated Person shall be required to take fresh pre-clearance for the trades to be executed in **Annexure - I**.
10. Designated persons, Connected persons and their relatives shall not execute a contra trade (i.e. an opposite transaction) during the next 6 months following the prior transaction. The compliance officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. If a contra trade 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act, further provided that this clause shall not be applicable to trades pursuant to exercise of stock options.
11. The Company shall promptly inform Securities and Exchange Board of India / Stock Exchanges or to any of the designated agency regarding violation(s) to the Code of Conduct.

Disclosure by certain persons and formats for the disclosure

1. Continual Disclosure

Every promoter, member of the promoter group, director and Designated Person of the Company shall disclose to the Company the number of such Securities acquired or disposed of within two 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 Lakhs (Rupees Ten Lakhs Only) in **Form C**.

The company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two working days of receipt of the disclosure or from becoming aware of such information.

2. Any other connected person or class of connected persons shall make their disclosure of holdings and trading in securities of Finolex industries in **Form D**.
3. Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
 - a. immediate relatives
 - b. persons with whom such designated person(s) share a material financial relationship
 - c. phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated person have graduated and names of their past employers shall also be disclosed on annual basis and as when there is any change, in **Form – E**

The Compliance Officer is authorized to amend the Forms specified in the policy, as and when SEBI amends the forms, through circular / notification / enactment/ order, from time to time.

Mechanism for Internal Control

- (A) To ensure adequate and effective system of internal controls are in place in line with the PIT Regulations, following procedures shall be followed: -
- i. All employees who have access to UPSI are identified as designated persons;
 - ii. All the UPSI shall be identified and its confidentiality shall be maintained as per the requirements of PIT regulations;
 - iii. Adequate restrictions shall be placed on communication or procurement of UPSI as required under PIT Regulations;
 - iv. List of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
 - v. All other relevant requirements specified under these regulations shall be complied with
 - vi. Periodic process review to evaluate the effectiveness of such internal controls will be done.

The Audit Committee shall review compliance with the provisions of PIT Regulations and this Code at least once in a financial year and verify that the systems of internal controls are adequate and are operating effectively.

- (B) Documents to be shared by Designated Persons with the Company

Every Designated Person shall disclose name, PAN or any other identifier authorized by law such as Aadhar/ Passport Copy, and the telephone/ mobile numbers of the following persons to the Company, on joining as well as on an annual basis and as and when therein any change(s).

- i. Immediate Relatives
- ii. Persons with whom such Designated Persons shares a material financial relationship

Further, names of educational institutions from which Designated Persons have graduated and names of past employers must be disclosed to the Company on one-time basis.

For this Code, “**Material Financial Relationship**” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person, but shall exclude relationships in which payment is based on arm’s length transactions.

Reporting and investigation of leakage of UPSI

- (A) Reporting of Leakage or Suspected leakage of UPSI by Whistle Blower

Instance(s) of any leak or suspected leak of UPSI may be reported by any person to the Corporate Ombudsman of the Company by:-

- (a) Sending an e-mail to ssd@finolexind.com

- (B) Procedure for Enquiry of leak or suspected leak of UPSI

- a) The Committee of the Company shall review the reports received and promptly refer the same to the Audit Committee of the Company.

The Compliance Officer, on becoming aware of any leak or suspected leak of UPSI, he will Suo Moto (through media reports/ any other manner), shall promptly refer the matter to the Audit Committee.

- b) The Board shall:-
- (i) Carry out a preliminary review and identify the manner of leak of UPSI;
 - (ii) Seek information from the heads of the relevant department viz., finance, accounts department etc., which had access to the UPSI or to which the UPSI is related. The relevant departments shall provide the requisite information within the timelines stipulated by the Audit Committee;
 - (iii) Obtain all e-mails and records of the relevant persons in the department;
 - (iv) Provide an opportunity of being heard to any person(s) who is/are suspected to be the source of the leak. The Audit Committee shall maintain notes or minutes of the proceedings of meetings with such person(s);
 - (v) Based on the information received, inquire and investigate the leak of UPSI and prepare a report containing the findings of the inquiry and the recommended disciplinary action;
 - (vi) Report to the Compliance Officer its finding and recommendation on disciplinary action;
 - (vii) Suggest the preventive measures, if any, to avoid leak of UPSI in the future.
- c) If an inquiry is initiated by the Company in case of leak or suspected leak of UPSI, the Designated Persons and concerned employees, intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by the Company. False or frivolous complaints would be subject to necessary disciplinary actions.
- d) Before commencement of any inquiry, each member of the Audit Committee will confirm to the chairman of the Audit Committee that he/she has no direct or indirect conflict of interest in conducting the inquiry in the concerned matter. In case of any conflict of interest, such member would forthwith recuse himself and not participate in the concerned discussions.
- e) The Board may seek any internal / external assistance to carry out such inquiry and investigation.
- f) During the pendency of the inquiry or anytime thereafter, the Board is empowered to *inter alia* undertake the following actions:
- (i) Summon and enforce the attendance of any person and conduct an examination, request the discovery and production of documents and / or any other matter which the Audit Committee may prescribe and deemed necessary for the inquiry process. Any refusal by any employee of the Company to attend the inquiry proceedings when summoned or to provide to the Audit Committee any documents and / or information within his / her power or possession shall constitute a misconduct, rendering such employee liable for disciplinary action.
 - (ii) Restrain any person(s) who is/are suspected to be the source of the leak from:
 - accessing documents/emails, from which the Audit Committee believes the leak or suspected leak originated and may give any other directions as it may deem fit.
 - deleting/erasing records/ data from mobile and other devices in use by such person(s) and also submit such device(s) to the Audit Committee for inspection.

Reports of the leakage or suspected leakage and actions taken by the Audit Committee should be placed before the Audit Committee and the Board of Directors, and adequately intimated to SEBI.

The Company shall take further actions based on the recommendations of the Audit Committee and the Board of Directors.

Protection to employees filing Voluntary Disclosure Form

An employee who files a voluntary information disclosure form in terms of Chapter IIIA of the PIT Regulations (“**Voluntary Information Disclosure Form**”), irrespective of whether the information is considered or rejected by SEBI and irrespective of whether the employee is eligible for a reward in terms of Chapter IIIA of the PIT Regulations, shall not be discriminated, discharged, terminated, demoted, suspended, threatened or harassed, for any of the following reasons:

- (i) filing a Voluntary Information Disclosure Form under PIT Regulations;
- (ii) testifying, participating, or otherwise assisting or aiding SEBI in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or
- (iii) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement which are solely for preventing such employee from cooperating with SEBI in any manner.

Explanation- For the purpose of this clause, “Employee” means an individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under the PIT Regulations and is a director, regular or contractual employee, but does not include an advocate.

Jurisdiction

In the event of any dispute arising from the provision of the Code or its interpretation, the same shall be subject to the exclusive jurisdiction of the court(s) at Pune.

Affirmation

The Designated Person shall affirm to have read and fully understood their obligations and the obligations of their Immediate Relatives under the PIT Regulations and this Code and have undertaken to unconditionally abide by the same.

Penalty for contravention of the Code

The responsibility of complying with the provisions of the PIT Regulations and the Code shall be entirely on the Designated Persons of the Company including any violation by their Immediate Relatives.

Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.

Designated Person who violates the Code of Conduct shall also be subject to disciplinary action by the Company, which would be determined by the Managing Director. The penalty may include wage freeze, suspension, recovery, ineligibility for future participation in employee stock option plans, etc. Amount collected due to contravention of the Code shall be remitted to SEBI for credit to the Investor Protection and Education Fund administered by SEBI.

The action taken by the Company shall not preclude SEBI from taking any action in case of violation of the Insider Trading Regulations.

Amendment to the Code

This code is governed under the provisions of the said Regulations. Any dispute between the contents of this Code and Regulations, the provisions of Regulations will be made applicable to the matter. This code shall stand amended in accordance with the amendments in the Regulations from time to time.

Approval

This Code is approved by the Board of Directors of the Company at its meeting held on 6th February, 2015, and amended subsequently at its meeting held on 11th August, 2018 and further amended vide circular resolution passed by the Board of Directors on 30th March, 2019 and further amended in the Board Meeting held on 6th February, 2025.

ANNEXURE - I

APPLICATION FOR PRE-CLEARANCE OF TRADES IN SECURITIES OF THE COMPANY

To,
 The Compliance Officer
 Finolex Industries Limited
 IndiQube 'The Kode'
 -11th Floor, S. No. 134, Hissa No. 1/38,
 Baner Pashan Link Road,
 Pune-411045

Name of the Insider :
 Details of the proposed transaction :

Nature of transaction for which pre-clearance is sought (Buy/Sell)	Type of security	Estimated number of securities to be dealt	Whether the proposed transaction is in own name or in the name of Dependent Family Member (Please mention the name of Dependent Family)	Folio no./DP ID & Client ID	Previous approval no., date & nature of transaction (Buy/Sell)
	Equity shares				

Signature:

Date:

Encl: Undertaking

**FOR OFFICE USE ONLY
 INTIMATION OF PRE-CLEARANCE BY COMPLIANCE OFFICER**

To,

Your request dated for pre-clearance for purchase/sale of Equity shares/preference shares/debentures of the company has been accepted. Please ensure that the transaction for which this pre - clearance is granted is completed within seven days i.e.

Kindly note that if you do not execute the approved transaction/deal on or before the above date, you would have to seek fresh pre-clearance.

Or

Your request dated for pre-clearance for purchase/sale of Equity shares/preference shares/debentures of the company has been rejected.

Reasons, if any, for rejection: Date of pre - clearance :

Name:

Signature:

ANNEXURE - II

**UNDERTAKING FOR PRE-CLEARANCE OF TRADES IN SECURITIES OF THE
COMPANY**

Date: _____

(to be the same as Request for Pre clearance)

To,
The Compliance Officer
Finolex Industries Limited IndiQube 'The Kode',
11th Floor, S. No. 134,
Hissa No. 1/38,
Baner Pashan Link Road,
Pune-411045

I,, being an Insider in terms of the Code of Conduct for Prevention of Insider Trading in securities of the Company, hereby undertake that :

- (a) I have no access to Unpublished Price Sensitive Information upto the signing of this undertaking;
- (b) in the event of access to Unpublished Price Sensitive Information after the date of the undertaking but before the execution of the transaction, I shall not deal in the security;
- (c) That I have not contravened the Code of Conduct for Prevention of Insider Trading in the securities as notified by the Company from time to time; and
- (d) I have made full disclosure.
- (e) Further I undertake to submit report on trade within 2 days from date of execution of trade or submit a 'Nil' report if no trade was executed.
- (f) After approval, I shall execute a trade within 7 trading days from of the receipt of approval trade failing which I shall seek pre-clearance again.

Signature

Name

ANNEXURE - III

CONFIRMATION FOR PRE-CLEARANCE GIVEN

To,
 The Compliance Officer
 Finolex Industries Limited IndiQube 'The Kode',
 11th Floor, S. No. 134,
 Hissa No. 1/38,
 Baner Pashan Link Road,
 Pune-411045

Name of the Insider / Dependent Family Member :
 Date of Pre-Clearance :
 Details of the transaction made :

Nature of transaction for which pre-clearance sought (Buy/Sell)	Date of transaction	Number of securities dealt with	Consideration (in Rs.)

Further I enclose herewith copy of Contract Note for your ready reference. I hereby undertake to preserve, all the documents pertaining to the said transaction and produce the same whenever required by the Compliance Officer/SEBI.

I declare that the above information is correct and that no provisions of the Company's Code of Conduct for Prevention of Insider Trading in the securities and/or applicable laws/regulations have been contravened for effecting the above said transaction(s).

I also declare that I have complied with the requirements of minimum period of 6 months for entering into an opposite transactions in respect of said Securities.

Or

According to approval of pre-clearance dated ____, I have not executed a trade / transaction due to _____(reason of non-trading).

I will take fresh pre-clearance for trades as and when I propose to trade in Securities of the Company.

Signature

Name:

Date:

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel / Director/ Promoter/ Member of the/Promoter Group]

To
The Compliance Officer
Finolex Industries Limited

ISIN of the company: INE183A01024

Dear Sir,

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2) read with the Finolex Industries code of conduct for prohibition of Insider Trading and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the details of my shareholding and/ or positions in derivatives in the company, is specified hereunder:

Name, PAN CIN/DIN & Address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to /others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the Promoter group	Securities held at the time of becoming KMP/Director or upon becoming Promoter or member of the promoter Group		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures Rights, entitlements, etc.)	No.	
1	2	3	4	5	6

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

Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).

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		
Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms
7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name & Signature:
Designation:

Date:
Place:



FORM C

SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 [REGULATION 7 (2) READ WITH REGULATION 6(2) – CONTINUAL DISCLOSURE]

To
The Compliance Officer
Finolex Industries Limited

ISIN of the company: INE183A01024

Dear Sir,

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2) read with the Finolex Industries code of conduct for prohibition of Insider Trading and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the details of change in shareholding and/or positions in derivatives in the company, is specified hereunder:

Name, PAN CIN/DIN, & address with contact nos.	Category of Person (Promoter / member of the promoter Group / designated person / directors / immediate relative / Directors/ immediate relative to/ others etc.)	Securities held prior to acquisition/disposal		Securities Acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares		Date of intimation to company	Mode of Acquisition/ disposal (on Market/public rights/ preferential offer / off market/ Inter-se Transfer, ESOPs etc).	Exchange on which the trade was executed
		Type of Security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrant Convertible Debentures, Rights entitlement etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge/ Revocation/ Invocation/ others please specify)	Type of security (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlement, etc.)	No. and % of shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015, & (ii) Value of transaction excludes taxes/brokerage/any other charges

Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Buy			Sell			
Type of contract	Contract specifications	Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16		18	19	20		22

Note: In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:
Designation:

Date:
Place:

Employee code:

Annual Disclosure from Designated Person under Code for Prohibition of Insider Trading

From:

Shri .: _____

Address: _____

PAN: _____

***Designation:** _____

***Employee Code:** _____

*(Applicable to Employees only)

Date: --/--/--

To
The Compliance Officer,
Finolex Industries Limited,
Pune

Dear Sir,

Sub: Periodic Statement of my Share Holding in the Finolex Industries Limited

In terms of the requirement of the Code for Prohibition of Insider Trading, for periodic disclosure the following details of my holding is furnished herewith:

Period of disclosure	Number of shares held by me as on 1 st April, 20__	Number of shares bought during the year ended 31 st March, 20__	Number of shares sold during the year ended 31 st March, 20__	Number of shares held as on 31 st March 20__	Folio No. / Client ID/ DP ID
Annual					

I / we declare that I/we have not entered into an opposite transaction i.e. purchased/sold any number of shares during the preceding six months prior to any transaction in the shares of the Company.

Thanking You,

(SIGNATURE)

*(Delete / Strikethrough whatever is not applicable)

Notes:

This disclosure is required to be given:

1. For Annual Returns: As of **31st March** each year.
2. The disclosure should be made before **5th April** each year.

Other Disclosure including disclosure of persons with whom Designated Person(s)/ shares a material financial relationship under Code for Prohibition of Insider Trading

From:
Shri / Smt .: _____

Address: _____

PAN: _____

***Designation:** _____

***Employee Code:** _
 *(Applicable to Employees only)

***Names of past employer:** _____

Mobile Number: _____

Names of Educational Institution from which graduated: _____

Date: --/--/---

To
 The Compliance Officer,
 Finolex Industries Limited,
 Pune

Dear Sir,

Sub: Other Disclosure including disclosure of persons with whom Designated Person(s)/ shares a material financial relationship #

In terms of the requirement of the Code for Prohibition of Insider Trading, for periodic disclosures the disclosure with whom I have a material financial relationship is furnished herewith:

Name of the persons with whom I/We have material financial relationship	Kind of material financial Relationship #	PAN	Contact No.
-	-	-	-

Thanking You,

(SIGNATURE)

*(Delete / Strikethrough whatever is not applicable)

Notes:

#Material Financial Relationship – shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during immediately preceding twelve months, equivalent to at least 25% of the annual income of designated person, but shall exclude relationships in which payment is based on arm’s length transactions.