

FINOLEX INDUSTRIES LIMITED

CODES OF PRACTICE AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION AND CODE OF CONDUCT UNDER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 (the Code”)

In exercise of the powers conferred by section 30 read with clause (g) of sub-section (2) of section 11 and clause (d) and clause (e) of section 12A of the Securities and Exchange Board of India Act, 1992 (15 of 1992), the SEBI Board made the regulations i.e. **SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**, (the “Regulations”) to put in place a framework for prohibition of insider trading in securities.

As the said Regulations, including the amendments, if any, thereto, are applicable to the Company and its employees, its relatives and connected persons as defined in the said Regulations.

Objective

The objective of Code are as defined in the said Regulations as specified therein which includes restriction on communication and trading by insider, disclosure of trading by insider and disclosure of price sensitive information from time to time.

Definitions

Definitions or phrases used in the Code will have same meaning as in the Regulations or Companies Act, 2013 or Listing Agreement.

Compliance Officer

The Board of Directors of the Company have appointed and/or designated the Company Secretary as Compliance officer under the Regulations.

Code of practice and procedure for fair disclosure for purposes of Unpublished Price Sensitive Information.

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.

3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. Handling of all unpublished price sensitive information on a need-to-know basis.

Code of Conduct to regulate, monitor and report 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.
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 the insider's legitimate purposes, performance of duties or discharge of his 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. Employees and connected persons designated on the basis of their functional role ("**designated persons**") in the organisation shall be governed by an internal code of conduct governing dealing in securities. The board of directors shall in consultation with the compliance officer specify the designated persons to be covered by such code on the basis of their role and function in the organisation.

Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

4. Designated persons 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 immediate relatives shall not trade in securities when the trading window is closed.
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. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.
6. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the proposed trade is for minimum cumulative threshold of 500 (Five Hundred) equity shares during any calendar quarter. 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"**. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.
7. The compliance officer shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for preclearance of trades. 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 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 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. Should a 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 Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.
11. Necessary forms/formats for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions etc. will be available with the Compliance Officer.
12. Any Designated Person who contravenes the Code of Conduct shall be penalized and shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension etc. The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.
13. The Company shall promptly inform Securities and Exchange Board of India regarding any violation of the Code of Conduct.

Disclosure by certain persons and formats for the disclosure

1. Initial Disclosure

Every promoter, key managerial personnel, director, Designated Person of the company shall disclose his holding of securities as on May 15, 2015 to the Company within 30 days from May 15, 2015 in Form A.

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 as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter in Form B.

2. Continual Disclosure

Every promoter, 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 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.

Amendment to the Code

1. 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.
2. Any amendment to this code will be in writing duly certified by the Compliance Officer.

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.

ANNEXURE - I

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

To,

The Compliance Officer
Finolex Industries Limited
D1/10, MIDC, Chinchwad,
Pune- 411 019

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 Member)	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
D1/10, MIDC, Chinchwad,
Pune- 411 019

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.

(g)

Signature

Name

ANNEXURE - III

CONFIRMATION FOR PRE-CLEARANCE GIVEN

To,

The Compliance Officer
Finolex Industries Limited
D1/10, MIDC, Chinchwad,
Pune- 411 019

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:

FORM A

**SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (a) read with Regulation 6 (2) – Initial disclosure to the company]**

Name of the company: Finolex Industries Limited

ISIN of the company: INE183A01016

Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	
1	2	3	4	5

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 by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)

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		
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
6	7	8	9	10	11

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

Name & Signature:

Designation:

Date:

Place:

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FORM B

**SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a
director/KMP/Promoter]**

Name of the company: Finolex Industries Limited
ISIN of the company: INE183A01016

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, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP/ Directors/immediate relative to/others etc)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held as on the date of regulation coming into force		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures 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 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

**SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (2) read with Regulation 6(2) – Continual disclosure]**

Name of the company: Finolex Industries Limited

ISIN of the company: INE183A01016

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, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ KMP / 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 specify		Date of Intimation to company	Mode of acquisition / disposal (on market/public/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs etc.)
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoke/ Invoke)	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

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
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
15	16	17	18	19	20	21

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

Name & Signature:

Designation:

Date:

Place: