

*E. I. D.-Parry (India) Limited*  
Code for Prohibition of Insider  
Trading

Adoption date and Effective Date : November 07, 2016

## **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS IN SECURITIES OF E.I.D.- PARRY (INDIA) LIMITED.**

### **1. PURPOSE:**

The Code is formulated to regulate, monitor and report trading by Designated persons and their immediate relatives. The objective of this code is preservation of confidentiality of unpublished price sensitive information, to prevent misuse of such information and designed to prohibit a designated person and his/ her immediate relative from trading in EID's securities while in possession of unpublished price sensitive information (UPSI). This Code also lays down the ethical standards to be adhered to while dealing in securities of the Company. The Code has been framed adopting the minimum standards for code of conduct to regulate, monitor and report Trading by designated persons and immediate relatives of designated persons as specified in Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

While the overall objective of the Regulation is prohibition of communication or procurement of unpublished price sensitive information as well as of trading in securities that are listed or proposed to be listed on a stock exchanges when in possession of unpublished price sensitive information, this Code governs dealing in Securities of the Company.

### **2. EFFECTIVE DATE:**

This code shall come into force on April 1, 2019 and shall replace the earlier Code of Conduct to regulate, monitor and report trading by designated person in Securities of E.I.D.-Parry (India) Limited.

### **3. DEFINITION OF CERTAIN TERMS**

3.1 'Act' means the Securities and Exchange Board of India Act, 1992 as amended from time to time.

3.2 'Board' or 'Board of Directors' shall mean the board of directors of the Company.

3.3 'Code' shall means this Code of Conduct to regulate, monitor and report trading by Designated Persons in securities of the Company as amended from time to time.

3.4 Code of Fair Disclosure' shall mean the Code of Practices and Procedures for Fair Disclosure of UPSI.

3.5 'Company' means E.I.D.- Parry (India) Limited ("EID")

3.6 'Compliance Officer' means the Compliance officer appointed pursuant to cl.4 of this Code

3.7 'Connected Person' inter alia includes a person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of:

- frequent communication with its officers; or
- being in any contractual, fiduciary or employment relationship; or
- being a director, officer or an employee of the Company; or
- holding 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.

Further, following persons shall be deemed to be connected persons unless the contrary is established:

- an immediate relative of Connected person as specified above;
- a holding company or associate company or subsidiary company;
- bankers to the Company
- a concern, firm, trust, HUF, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company has more than 10% holding or interest.

3.8 Designated Persons shall mean

- (i) Directors of the Company.
- (ii) All promoters of the Company
- (iii) Officers as defined in the Companies Act, 2013 as amended from time to time.
- (iv) All employees in the grade of MG-8 and above of the Company and its material subsidiaries and other employees who have been allotted ESOP
- (v) All Employees of the Company and its material subsidiaries who have access to UPSI in various business divisions and functions including Finance, IT and Secretarial as may be determined by the respective business/functional heads jointly with the Compliance Officer on the basis of the role/function in addition to seniority and professional designation.
- (vi) All executive assistants/confidential secretaries to persons mentioned under (i) to (iii) supra.
- (vii) Any other Connected person as may be specified by the Compliance Officer/Managing Director from time to time.

For the purpose of this code, Material subsidiary shall mean a subsidiary, as defined under Company's policy for determining a material subsidiary.

3.9 'Director' shall mean a member of the Board of Directors.

3.10 'ESOP' means employee stock options granted by the Company to its employees, pursuant to Employee Stock Option Scheme/s or plans applicable from time to time

3.11 'Generally Available Information' means information that is accessible to the public on a non-discriminatory basis, and 'Generally Available' will be construed accordingly.

3.12 'Immediate relative' means the 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.

For the purpose of this Code, the declaration given by a Designated Person of an Immediate Relative who is either dependent financially on the person or who consults such person in taking decisions relating to trading in securities will be considered.

Further, even if a spouse is financially independent and does not consult a Designated Person, Connected Person or Insider, while taking Trading decisions, a Spouse is presumed to be an immediate relative unless rebutted so.

3.13 'Insider; means any person who is

- a Connected person or
- in possession of or having access to unpublished price sensitive information

3.14 'Promoter' shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;

3.15 'Key Managerial Personnel' shall have the meaning assigned to it under the Companies Act, 2013, as amended and the rules issued thereunder or any modification thereof from time to time.

3.16 'SEBI' means the Securities and Exchange Board of India.

3.17 'SEBI Insider Trading Regulations' means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

3.18 'SEBI LODR Regulations' means the Securities and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

3.19 'Securities' shall have the meaning assigned to it under the Securities Contracts Regulation Act, 1956 or any modification thereof except units of a mutual fund.

3.20 'Trading' means and includes subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in securities and 'trade' shall be construed accordingly.

Explanation: Exercise of ESOPs and sale of shares acquired under ESOP shall not be considered as Trading except for the purpose of disclosures under this Code. Further, "dealing in securities" includes pledging etc. when in possession of UPSI.

3.21 'Trading day' means a day on which recognized stock exchanges are open for trading.

3.22 'Trading Plan' shall have the meaning assigned to it in Clause 9

3.23 'Unpublished Price sensitive information (UPSI) 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 of the Company and shall, ordinarily include but not restricted to, information relating to the following:

- i. financial results
- ii. dividends
- iii. change in capital structure
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v. changes in Key Managerial Personnel.

3.24 Trading window refers to the period during which the Company's securities can be traded by the Designated Person as provided in this Code.

3.25 **Regulations** means Securities and Exchange Board of India (Prohibition of Insider trading) regulations, 2015 as amended from time to time.

Words and expressions used and not defined in this Code but defined in Securities Exchange Board of India Act, 1992, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 or Companies Act, 2013 and Rules and Regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

#### **4. ROLE OF COMPLIANCE OFFICER**

4.1 The Compliance Officer shall be designated so and be a financially literate, senior officer capable of appreciating requirements for legal and regulatory compliance. The Compliance Officer shall report to the Board of directors and also provide reports on dealing in securities by Designated Persons to the Chairman of the Audit Committee on a quarterly basis. For the purpose of this Code, the Compliance Officer shall be the Company Secretary.

4.2 In the absence of the Compliance Officer for any reason, any senior officer, reporting to the Board who is financially literate and is capable of appreciating requirements for legal and regulatory compliance, shall carry out the responsibilities of the Compliance Officer as required under this Code and the Regulations.

4.3 The Compliance Officer shall be responsible for:

- Compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for preservation of UPSI;

- monitoring of trades and implementation of this Code under the overall supervision of the Board of Directors of the Company;
- reviewing the trading plan and assessing the potential of the plan for violation of the SEBI Insider Trading Regulations, if any;
- Approving and monitoring the implementation of the Trading plan;
- Notify the trading plan to the stock exchanges where the securities are listed, on approval of the plan.
- administering this Code and other requirements under the SEBI Insider Trading Regulations for compliance of the policies, procedures prescribed therein.
- setting forth policies, procedures, maintenance of records and monitoring adherence to the rules for preservation of UPSI;
- providing disclosures to the stock exchange as required under the SEBI Insider Trading Regulations;
- pre-clearing of Trades by Designated Persons and their Immediate Relatives, in accordance with the SEBI Insider Trading Regulations and this Code;
- maintaining a list of Designated Persons and also updating changes to the list from time to time;
- maintaining a record of the opening and closing of the Trading Window;
- maintaining records of all declarations and disclosures received by him/ her under this Code for a minimum period of 5 years.

4.3.1 The Compliance Officer shall assist Designated Persons in addressing any clarifications regarding the Securities and Exchange Board of India (Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 and this Code of Conduct.

4.3.2 The Compliance Officer shall be authorized to seek such information from the Designated Persons and Connected Persons as may be required to ensure or verify compliance with this Code and the SEBI Insider Trading Regulations and to give such approvals as are specified in the Code.

## **5. PRESERVATION, COMMUNICATION AND PROCUREMENT OF UPSI**

5.1 Designated persons shall maintain confidentiality of all UPSI. Designated persons shall not communicate, provide or, allow access to such UPSI to any person directly or indirectly, except as permitted under Clause 5.2

5.2 UPSI is to be handled within and outside the Company on a "need to know" basis, and no UPSI shall be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations. UPSI should be disclosed only to those within the Company who need the information to discharge their duty.

5.3 Further no Designated Person shall procure from or cause the communication by any Insider, of UPSI, relating to the Company or its securities, either directly or indirectly except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- 5.4 The Company's code for fair disclosures lays down the principles for determining legitimate purposes for this purpose of this code.
- 5.5 Any person including Auditors, accountancy firms, law firms, analysts, consultant firms etc., assisting or advising the Company ( Fiduciaries for the purpose of this Code), who is expected to have access to UPSI in the course of business operations shall formulate a Code of conduct to regulate, monitor and report trading by its employees/ Connected persons (as defined under the SEBI Insider Trading Regulations) towards achieving compliance of SEBI Insider Trading regulations, adopting the minimum standards set out in the Schedule C to the SEBI Insider Trading Regulations without diluting any provisions. The said persons will also be subjected to the trading window provisions of this Code under Clause 6 and contra trades under Clause 8.
- 5.6 While dealing with or handling UPSI within the Company, the Company shall establish policies, procedures and physical arrangements designed to manage confidential information and prevent the inadvertent spread and misuse of UPSI, or the appearance thereof.

#### **5.7 Chinese Wall**

In order to prevent the misuse of confidential information, the Company has adopted "Chinese wall" Policy which separates those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing or other departments providing support services, considered "public areas"... In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria.

### **6. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

6.1 No Designated Person or Connected Person shall:

- a. either on his own behalf, or on behalf of any other person, trade when in possession of any UPSI unless the Trade is made pursuant to a Trading Plan, in accordance with the provisions of Clause 9 of this Code, or in accordance with the SEBI Insider Trading Regulations; or
- b. advise any person to Trade in the Securities while being in possession, control or knowledge of UPSI. For avoidance of any doubt, it is clarified that "advice" shall mean to include recommendations, communications or counseling.

6.2 Further, all Designated persons and their immediate relatives shall be subject to the trading restrictions enumerated below:

- 6.2.1 The Company shall specify a trading period, called "trading window", for trading in the Company's securities. Subject to clause 6.2.3 below, the time for commencement of closing of trading window shall be decided by the Compliance Officer.

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

- 6.2.2 The timing for re-opening of the trading window shall be determined by Compliance Officer after taking into account various factors, including whether the UPSI has become Generally Available Information or not and is capable of being assimilated by the market, which in no event shall be earlier than 48 hours after the information becomes generally available.
- 6.2.3 The trading window shall also be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons are reasonably expected to be in possession of UPSI.
- 6.2.4 Without prejudice to generality of the foregoing, trading is not permitted during the following periods:
- i. in respect of financial results, from the 1st of the month following the respective calendar quarter (March / June / September / December), as the case may, be until expiry of 48 hours from the time the results are communicated to the stock exchanges.
  - ii. in respect of other events, the period as the CEO/Managing Director or the designated Chief Disclosure Officer (CDO) of the Company may advise the Compliance Officer from time to time.
- 6.2.5 all Designated persons of the Company shall conduct all their dealings in the securities of the Company only in a valid trading window, in compliance with Clause 6 of this Code, and shall not deal in the Company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time. Further, the Trading Window shall be applicable to any person having a contractual or fiduciary relationship with the Company, including its auditors, accountancy firms, law firms, etc., assisting or advising the Company.

Note: Trading window norms shall not be applicable for the trades carried out in accordance with an approved trading plan.



## 7. PRE-CLEARANCE OF TRADES

- 7.1 All designated Persons on their behalf and on behalf of their immediate relative who intend to deal in the securities of the Company during the period when the trading window is open, should pre-clear the transaction(s) irrespective of the value as per the pre-dealing procedure as described hereunder. It is clarified that it is the responsibility of the Designated Persons to obtain approvals in respect of trades proposed to be conducted by them or their Immediate Relatives.
- 7.2 An application may be made in the prescribed form, to the Compliance Officer indicating the estimated number of securities/ the value of the Securities that the designated person intends to deal in, the details as to the depository with which he has a security account, number of securities held by him in physical and depository mode and such other details as may be required by the Company in this regard.
- 7.3 An undertaking shall be executed in favour of the Company by such designated person incorporating, inter alia, the following clauses, as may be applicable:
- i. That the designated person/ his or her Immediate Relative does not have any access or has not received upto the time of signing the undertaking any "Price Sensitive Information" which has remained unpublished and not in the public domain.
  - ii. That in case the designated person/ his or her Immediate Relative has access to or receives unpublished price sensitive information after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance officer of the change in the position and that he/she or his/her Immediate Relative would completely refrain from dealing in the securities of the Company till the time such information becomes generally available.
  - iii. That he/she or his/her Immediate Relative has not contravened this Code.
  - iv. That he/she has made a full and true disclosure while applying for clearance to trade.
  - v. The Compliance Officer shall have regard to whether the above declarations is reasonably capable of being rendered inaccurate.
- 7.4 With reference to declaration of interim dividend and other matters referred to in clause 3.23., the MD/ Chief Executive Officer, or CDO, shall, well before initiation of such activity/project form a core team of Designated employees and/ or group of persons who would work on such assignment. Such persons will execute an undertaking not to deal in securities till the UPSI regarding the activity/ project is made public or the activity / project is abandoned and the Trading Window would be regarded as closed for them for the said period.

## **8. OTHER RESTRICTIONS**

- 8.1 All designated persons and their immediate relatives shall execute their order in respect of securities of the Company within 7 trading days after the approval of pre-clearance is given. If the order is not executed within 7 trading days after the approval is given, the designated person must pre-clear the transaction again stating the reason for not completing the trade. In the event the period between the date of the approval and commencement of closure of Trading window is less than 7 trading days then the said transaction shall be executed within such lesser period.
- 8.2 Compliance Officer shall either clear the requested deal or decline to clear the same within 7 trading days of receipt of the request in the prescribed form or such shorter period in the event the trading window is due to be closed prior to 7 trading days of receipt of the request. In case of declining, the reasons for the same shall be recorded by the Compliance Officer.
- 8.3 In case the Compliance Officer or any of his/her immediate relative wishes to trade in the securities of the company, he/ she should get the trade pre- cleared by the Board of Directors of the Company or any committee of the Board or a specified Director to which the Board of Directors has delegated such authority under a board resolution, and all provisions of the pre-clearance as would be applicable to a Designated Person shall be applicable to the Compliance Officer.

Designated persons and their immediate relatives who buy or sell any number of securities shall not enter into an opposite transaction viz., sell or buy as the case may be for a period of six months following the previous transaction. Further, they shall also not take any position in derivative transactions in the securities at any time.

Note: Restrictions of Contra Trade shall not apply in respect of trades carried out by Designated Persons in accordance with an approved trading plan, participation in buy back offers, open offers, rights issues, FPOs, bonus issues, exit offers exercise of stock options etc., of the Company

- 8.4 The Compliance Officer is empowered to grant relaxation from the strict application of the contra trade restriction after recording the reasons in writing, provided such relaxation does not violate the SEBI Insider Trading Regulations.

## **9. TRADING PLANS**

Any Insider who may be perpetually in possession of UPSI is entitled to formulate a Trading Plan enabling him/her to trade in Securities of the Company, in a compliant manner (“Trading Plan”). The Compliance Officer is required to review the trading plan to assess whether the plan potentially violates the Regulations. The Trading plan approved by the Compliance Officer should be notified to the stock exchanges where the securities are listed.

Trading plan shall:

- Not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the Trading plan;
- Not entail trading for the period between twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
- Entail trading for a period of not less than twelve months;
- Not entail overlap of any period for which another trading plan is already in existence;
- 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
- Not entail trading in securities for market abuse.

The Compliance Officer shall be entitled to seek express undertakings necessary for the assessment, approval and implementation of the trading plan. Once approved, the trading plan is irrevocable and the Insider will be required to mandatorily implement the Trading Plan and will not be entitled to deviate from it or to execute any Trade.

Trading plan to state either the value of the trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or the dates on which such trades shall be executed. Implementation of a trading plan shall not commence if any UPSI in possession of the Insider at the time of formulation of the Trading plan is not generally available at the time of commencement of the implementation of the Trading Plan. Compliance Officer may defer the commencement of the Trading Plan until such UPSI is generally available.

## **10. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

The following disclosures are required to be made by the Designated Persons, and 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. . The disclosures to be made by persons under the Regulations shall include the trading of their immediate relatives or any other person for whom they are taking trading decisions.

The disclosure is to be made in the formats prescribed by SEBI from time to time.

### **10.1 Initial Disclosure**

Every Promoter, Member of the Promoter Group Key Managerial Personnel and Director of the Company shall be required to submit the details of their holdings in the Company's securities and that of their immediate relatives to the Compliance officer within thirty (30) days from the date of the Regulations becoming effective in Form A.

Every person on appointment as a Key Managerial Personnel or as a Director of the Company or upon becoming a Promoter, member of the promoter group shall disclose his/her holding of securities of the Company in Form B as on date of the appointment or becoming a Promoter, to the Company/Compliance Officer within seven (7) days of such appointment or becoming a Promoter.

In the event a new immediate relative comes into being or any existing immediate relative ceasing to be Dependent, the concerned Designated Person shall forthwith give a notice in writing of such changes to the Compliance Officer.

Designated persons are required to disclose, the names of educational institutions from which they have graduated and names of their past employers.

The above timelines are also subject to the timelines prescribed by SEBI for system driven disclosures from time to time.

## 10.2 Continual Disclosures

Continual disclosure of securities of the Company acquired or disposed of by a Promoter, member of the promoter group, Designated person, Employee and Director of the Company, will be made, in case the value of securities so traded, whether in one transaction or a series of transactions over a calendar quarter, aggregates to a traded value in excess of Rs.10 lakhs (Rupees Ten lakhs) or such other value as may be specified and shall be made within two (2) trading days of such transaction in **Form C**. Particulars of such trading shall be reported by the Company to the stock exchanges on which securities are listed within two (2) trading days of receipt of the disclosure or becoming aware of such information.

It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this Clause, shall be made when the transactions effected after the prior disclosure given in a calendar quarter cross the threshold specified above.

The Company may, at its discretion require any other Connected Persons or a class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with these Regulations in **Form D**.

- 10.3 The disclosures shall also include trading in derivatives and the traded value of the derivatives shall also be taken into account for this purpose.
- 10.4 The Compliance Officer shall maintain records of all the declarations received in the prescribed forms for a minimum period of five years.
- 10.5 The Compliance officer shall place before the Board of the Company, on a quarterly basis, all the details of the dealing in the Company's securities by designated persons. The above report will also include reporting of pre-clearances not granted, decisions taken not to trade after securing pre-clearances with reasons thereof etc. The details of securities held

(of holdings in securities) by Designated persons can be placed before the Board on an annual basis.

Designated persons are 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) shares 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 persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

Explanation – The term “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 during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions

Any off-market inter-se trades between insiders shall be reported by the insiders to the company within two working days (Threshold of Rs. 10 Lakhs shall not be applicable for off-market inter-se transfers i.e all off-market transfers shall be reported to the Company within 2 trading days.)

## **11. CODE OF FAIR DISCLOSURE AND CONDUCT**

The Code of practices and procedures for fair disclosure of UPSI to be followed in the Company is provided in the Annexure.

## **12. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAKAGE OF UPSI:**

The Policy and procedure for inquiry in case of leakage of UPSI or suspected leakage of UPSI is provided in Annexure.

## **13. PENALTY FOR CONTRAVENTION OF THE CODE**

13.1 Any designated person who trades in the Company's securities or communicates any information for trading in securities, in contravention of the code or the SEBI Insider Trading Regulations / Code of Conduct may be penalised and appropriate action may be taken by the Company. The Company shall inform SEBI promptly in the event that there is any violation of the SEBI Insider Trading Regulations by any person who is subject to this Code.

13.2 Designated persons who violate this Code 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, termination, ineligibility for future participation in employee stock option plans, etc.

13.3 Should a contra trade be executed, inadvertently or otherwise, in violation of the restriction imposed in this Code, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to Investor Protection and Education Fund.

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

#### **14. INFORMATION TO SEBI IN CASE OF VIOLATION OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015.**

In case it is observed by the Company/Compliance officer that there has been a violation of the Regulations, by any Designated Person, SEBI will be informed by the Company.

#### **15. COMMUNICATION**

This Code will be uploaded in the Intranet of the Company. The Code for fair disclosure of UPSI will be uploaded in the website of the Company. The Code will be disseminated to all Designated Persons who shall abide by the same. The responsibility for complying with the provisions of the Regulations shall vest with each Designated Person including any violation by their immediate relatives.

The Compliance Officer can be contacted for any clarification/ assistance.

Every amendment to the Code of Fair Disclosure shall be promptly intimated to the stock exchanges where the Securities of the Company are listed.

The Compliance Officer can be contacted for any clarification/ assistance in relation to this Code.

#### **16. INTERPRETATION OR CLARIFICATION**

In case any difficulty or doubt arises in the interpretation of this Code, the matter shall be referred to any two Directors and their decision shall be final and binding. If the issue involves any act or matter involving the Chairman, the Chairman of the Audit Committee shall decide upon such issue.

#### **17. DISCLAIMER**

This Code is the internal policy of the Company to prevent Designated Persons and Connected Persons who are considered by the Company to be Insiders of the Company for the purposes of the SEBI Insider Trading Regulations, from Trading while in possession of UPSI. It is however the responsibility of each Designated Person and Connected Person to

ensure compliance with the provisions of the SEBI Insider Trading Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or Connected Person, of the SEBI Insider Trading Regulations or other related laws.

## **18. REVIEW**

The Compliance with the provisions of these SEBI Insider Trading regulations shall be reviewed periodically by the internal auditors of the Company. The Audit Committee shall also review compliance with the provisions of these SEBI Insider Trading regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

## **19. OTHERS**

- 19.1 The Managing Director is authorized to make minor modifications to this Code which would remove ambiguities, enhance clarity on the provisions of the Code etc. Any major modification to the Code will require authorization by the Board.
- 19.2 Where the Company engages a service provider who is a Connected Person, the head of the department at the Company which engages such Connected Person is responsible for communicating the requirements of this Code to such Connected Person and verify whether such Connected Person has a similar code of conduct applicable to its employees to prevent such persons from misusing UPSI of the Company, as well as the efficacy of implementation of such code by those Connected Persons.

## **Annexure**

### **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

#### **1. Corporate Disclosure Policy**

- 1.1 The following is the Corporate Disclosure policy/norm to be followed by the E.I.D.- Parry (India) Limited (“Company”) to ensure timely and adequate disclosure of price sensitive information. The Company intends to adopt and follow best and fair practices in making public disclosures and this policy lays down the Company’s principles for making a fair disclosure/dissemination of its unpublished price sensitive information.

#### **2. Prompt disclosure of price sensitive information**

- 2.1 Disclosure of UPSI as defined under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 (“SEBI Insider Trading Regulations”) (“UPSI”) would be done promptly when credible and concrete information is available for making the same generally available;
- 2.2 The Company will endeavour to make uniform and universal dissemination of UPSI and will avoid making selective disclosure once the information is ready to be made generally available. Material events will be disseminated as mandated under Reg.30 of the SEBI LODR Regulations as amended from time to time.
- 2.3 In case there has been any instance of inadvertently making a selective disclosure of UPSI, then the information will be promptly disseminated either in the form of notification to stock exchanges, press releases or upload of information on the website of the Company save and except disclosures made pursuant to 2.4 below.
- 2.4 UPSI handling will be on a need-to-know basis only for legitimate purposes as determined by its policy in this regard (Enclosure I) or performance of duties or discharge of legal obligations.
- 2.5 The information released to stock exchanges will also be placed on the website of the Company for improving investor access to such public announcements.

#### **3. Overseeing and co-ordinating disclosure**

- 3.1 The CEO/ Managing Director / the person who is designated as the Corporate Disclosure Officer (CDO) to oversee corporate disclosure will be the Chief Investor Relations Officer (CIO) to deal with dissemination of information and disclosure of UPSI.



- 3.2 The CIO shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and co-ordinating disclosure of unpublished price sensitive information to stock exchanges, analysts, shareholders and media, and educating staff on disclosure policies and procedures.
- 3.3 Information disclosure/ dissemination may normally be approved in advance by the CIO.
- 3.4 If information is accidentally disclosed without prior approval, the person responsible may inform the CIO immediately, even if the information is not considered price sensitive.

#### **4. Responding to market rumours**

- 4.1 Any queries or requests for verification of market rumours by exchanges should be forwarded immediately to the CIO who shall decide on the response/clarification.
- 4.2 Employees of the Company should not respond to enquiries from the stock exchanges, the media or others unless authorised to do so by the CIO of the Company.
- 4.3 The CIO shall decide whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.
- 4.4 The Company will, subject to non-disclosure obligations, aim to provide appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities.
- 4.5 As a general practice, if the rumour appears in a responsible media channel which has reasonably wide audience and rumour can have material impact on pricing of securities, then the Company shall consider immediately make a proper announcement to present the correct position.

#### **5. Timely Reporting of shareholdings/ ownership and changes in ownership**

- 5.1 Disclosure of shareholdings/ ownership by major shareholders and disclosure of changes in ownership as provided under any regulations made under the Securities and Exchange Board of India Act, 1992 and SEBI LODR Regulations shall be made in a timely and adequate manner.

## **6. Disclosure/ dissemination of Price Sensitive Information with special reference to Analysts, Institutional Investors:**

The guidelines given hereunder shall be followed while dealing with analysts and institutional investors:-

### **(i) Only Public information to be provided**

Only generally available public information should be provided to the analysts/ research persons. Alternatively, the information given to such persons should be made generally available at the earliest.

### **(ii) Recording of discussion**

In order to avoid misquoting or misrepresentation, it is desirable that at least two representatives of the Company be present at meetings with analysts, brokers or Institutional Investors and discussion should preferably be recorded.

### **(iii) Handling of unanticipated questions**

Sufficient care should be exercised while dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. Unpublished Price sensitive information should not be disclosed to analysts in response to such questions before such information becomes generally available. If the answer includes price sensitive information, the same should be promptly made generally available.

### **(iv) Prompt release of Information**

The Company will make transcripts or records of the proceedings of the meetings with analysts, investor relation meetings available on the website of the Company promptly. The Company may also consider live webcasting of analyst meets.

### **(v) Interaction during Trading Window Closure period**

During the trading window closure period, the Directors, Officers and other employees of the Company should refrain from interaction with the media/analysts/ investors

## **7. Medium of disclosure/ dissemination**

- (i) Disclosure/ dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination which will include press release, filings with stock exchanges, dissemination on website etc.
- (ii) CIO shall ensure that disclosure to stock exchanges is made promptly.
- (iii) Company may also facilitate disclosure through the use of their dedicated Internet website.

- (iv) Company websites may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.
- (v) The information filed by the Company with exchanges under continuous disclosure requirements may be made available on the Company website.

#### **8. Maintenance of a Structured database:**

The CFO shall be responsible to maintain a structured digital database of such persons or entities as the case may be with whom UPSI is shared for legitimate purposes along with Permanent Account Number or any other Identifier authorized by law where PAN is not available and such other information as may be prescribed from time to time, containing the details as required under the SEBI Insider Trading Regulations and further ensure that such database is maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the same.

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## Enclosure I

Policy for determination of “Legitimate Purpose’ for communicating / procuring unpublished price sensitive information:

The policy forms a part of the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (‘UPSI’) formulated pursuant to the SEBI (Prevention of Insider Trading) Regulations, 2015 (‘SEBI Insider Trading Regulations’) and shall come into effect from 1<sup>st</sup> April 2019

1. The principles for determining the legitimate purpose for which UPSI can be communicated / procured under the SEBI Insider Trading Regulations as follows:
  - If the purpose conforms with the laws and regulations applicable to the company.
  - If the purpose is to ensure compliance with or is undertaken pursuant to a legal / regulatory obligation applicable to the Company:
  - If the purpose is in furtherance of the business of the company and is in ordinary course of business;
  - The sharing of UPSI is not made with an intent to evade or circumvent the SEBI Insider Trading Regulations and the UPSI is shared on a need-to-know basis
2. The person sharing UPSI for a legitimate purpose should consider the following:
  - Whether the sharing of UPSI is for a Bonafied purpose?
  - Whether the sharing is permitted as per the principles laid down therein?
  - Why the information is required by the recipient i.e. is there a need to know?
  - Whether he/she is authorized to share the UPSI?
  - Whether the UPSI being shared is in line with the purpose and authorization to share the UPSI?
  - Whether the sharing would result in any Market abuse?
  - Whether due notice has been provided to the recipient of the UPSI to maintain confidentiality of such UPSI in compliance with the SEBI Insider Trading Regulations?
3. The term Legitimate Purpose includes sharing of UPSI in the ordinary course of business by an Insider with:
  - Partners
  - Collaborators
  - Lenders
  - Customers
  - Suppliers
  - Merchant Bankers
  - Legal advisors
  - Auditors
  - Insolvency professionals

- Other advisors/consultants
- Shared service providers
- Service providers
- Debenture trustees
- Security trustees for lenders
- Depositories and Custodians
- IT tools / system providers / facilitators
- Such other persons by whatever name called who may be required to be engaged by the company from time to time for conduct of its operations for facilitating corporate actions including conduct of due diligence for undertaking any transaction, preparation of Financial Statement etc.,
- With any person for other purposes as may be determined by the CIO to be legitimate.

Provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations

4. A person in receipt of UPSI pursuant to “Legitimate Purpose” shall be considered an “Insider” for the purpose of the SEBI Insider Trading Regulations and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with SEBI Insider Trading Regulations to make such persons is aware that the information shared is UPSI, such that the persons are aware of their duties and responsibilities and also the liability for any misuse or unwarranted use of the UPSI shared.

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