



USHANTI COLOUR CHEM LIMITED
(CIN: L24231GJ1993PLC019444)



USHANTI COLOUR CHEM LIMITED

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Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015

Approved by Board of Directors: 27th April, 2018

Amended and approved by Board of Directors: 30th March, 2019



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Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives.

Chapter I

Preamble

The Securities and Exchange Board of India ("SEBI") has in pursuance of the powers conferred on it under the Securities and Exchange Board of India Act, 1992, notified a new Regulation for prohibition of Insider Trading, viz., SEBI (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

The Company, being a listed company, is required to conform to the minimum standards prescribed by the Code for the purpose of regulating, monitoring and reporting Trading by Designated Persons and their Immediate Relatives. Accordingly, the Board of Directors of the Company at its meeting held on April 27, 2018 approved and adopted the Code, which will be effective from the listing of Company on the EMERGE Platform of National Stock Exchange of India. Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the code has been amended and has been approved and adopted by the Board of Directors in their meeting held on 30th March 2019. The Code shall come into effect from 1st April, 2019.

Objective of the Code

The Code of Conduct aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by below mention designated persons on the basis of their role and function and the access that such role and function would provide to Unpublished Price Sensitive Information (UPSI) in addition to seniority and professional designation:

1. Promoter and Promoter Group;
2. Directors;
3. Company Secretary and Chief Financial Officer;
4. Connected Persons as defined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
5. Employees of the company, intermediary or fiduciary designated on the basis of their functional role or access to unpublished price sensitive information in the organization by their board of directors;
6. All promoters who are individuals or investment companies for intermediaries or fiduciaries;
7. Employees upto two levels below Chief Financial Officer of the company, intermediary, fiduciary and its material subsidiaries irrespective of their functional role in the company or ability to have access to unpublished price sensitive information;
8. Any support staff of the company, intermediary or fiduciary such as IT staff or secretarial staff who have access to unpublished price sensitive information.

Chapter II

Definitions

1. "Act" means Securities and Exchange Board of India Act, 1992 and any amendments thereto.
2. "Board" means Securities and Exchange Board of India.
3. "Board of Directors" means Board of Directors of Ushanti Colour Chem Limited.
4. "Code" means Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives as modified from time to time.



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5. 'Company' means Ushanti Colour Chem Limited ("UCL").
6. "Companies Act" means Companies Act, 2013 and the Rules made there under and any amendments thereto
7. 'Compliance Officer' for the purpose of this regulation means the Company Secretary of the Company. In absence of the Company Secretary, the Board of Directors may authorized any officer of the Company to discharge the duties of Compliance Officer under the regulations;
8. "Connected person" means- any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
 - a. an immediate relative of connected persons specified above; or
 - b. a holding company or associate company or subsidiary company; or
 - c. an intermediary as specified in section 12 of the Act or an employee or director thereof; or
 - d. an investment company, trustee company, asset management company or an employee or director thereof; or
 - e. an official of a stock exchange or of clearing house or corporation; or
 - f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
 - g. a member of the board of directors or an employee of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
 - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - i. a banker of the company; or
 - j. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest;

Note: It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information. Immediate relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.



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8. "Designated Person" means –
- i. All promoters and members of the promoter group of the Company
 - ii. Board of Directors and Key Managerial Personnel of the Company
 - iii. Designated Employees and Auditors of the Company
 - iv. Connected person as defined above
9. "Designated Employee of the Company" means –
- i. All General Managers and above
 - ii. All Heads of the Spheres
 - iii. All Executives working in Company Secretary, Public Relations, Planning, Corporate Affairs, Business Development, Finance & Accounts Department
 - iv. All Executives working in Secretariat of Chairman & Managing Director, Functional Directors, Resident Chief Executive (RCE) and Chief Vigilance Officer
 - v. Any other executive which in opinion of Compliance Officer be covered under the designated employees
10. "Fiduciary" shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks, etc. assisting or advising listed companies.
11. "Generally available information" means information that is accessible to the public on a non-discriminatory basis;
12. "Immediate relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;
13. "Insider" means any person who is:
- i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information;
14. "Key Managerial Personnel" means–
- i. Chairman & Managing Director
 - ii. All whole time Directors
 - iii. Company Secretary
 - iv. Such other officer as may be prescribed under Companies Act, 2013
15. "Legitimate purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibition of these regulations.
16. "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.
17. "Promoter group" 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.
18. "Regulations" means SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment thereto.
19. "Relatives" means a person, as defined in Section 2 (77) of the Companies Act, 2013 and any other amendments thereto.
20. "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.



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21. "Specified" means specified by SEBI in writing.
22. "Takeover Regulations" means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
23. "Trading" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
24. "Trading day" means a day on which the recognized stock exchanges are open for trading;
25. "Trading Window" means a trading period to be called "Trading Window" in which Company's securities can be traded.
26. "Unpublished Price Sensitive Information" – means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall ordinarily including but not restricted to, information relating to the following:
 - i. financial results
 - ii. dividends
 - iii. change in capital structure
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
 - v. changes in key managerial personnel.

All other words and phrases will have the same meaning as defined under the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. Words and expressions used and not defined in these regulations but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and Rules & Regulations made there-under shall have the meanings respectively assigned to them in that legislation.

Chapter-III

Confidentiality & Communication of Unpublished Price Sensitive Information

A. Compliance Officer

1. Compliance officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of UCL.
2. The record of Designated Employees shall be maintained by Personnel Department under the overall supervision and control of the Compliance Officer and changes taking place in the list from time to time shall be incorporated therein.
3. The Compliance Officer shall provide any clarifications with regard to this Code.

B. Communication or procurement of unpublished price sensitive information.

- 1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.



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- 2 No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3 Notwithstanding anything contained in this regulation, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would—
 - (i) entail an obligation to make an open offer under the takeover regulations where the board of directors of the listed company is of informed opinion that sharing of such information is in the best interests of the company;
 - (ii) not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the listed company is of informed opinion that sharing of such information is in the best interests of the company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.
4. For purposes of sub-regulation (3), the board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of sub-regulation (3), and shall not otherwise trade in securities of the company when in possession of unpublished price sensitive information.
5. The board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

C. Preservation of the price sensitive information

1. Insider shall maintain the confidentiality of all unpublished price sensitive information. He/she should not pass such information to any person including the other insider.

2. Need to Know

Unpublished Price Sensitive Information shall be handled on a “Need to Know” basis, i.e. such information shall be shared with any person including the other insider except where such information is required to be passed for legitimate purposes and for performance of duties or discharge of legal obligation.

3. Limited access to confidential information

Files containing unpublished price sensitive information or any such related confidential information shall be kept secure. Computer files must have adequate security of login and password etc. Files containing confidential information should be deleted / destroyed after its use.

Chapter-IV

Restriction on Trading by Insiders

A. Trade in securities when in possession of unpublished price sensitive information

1. No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:



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When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

Provided that the Insider may prove his innocence by demonstrating the circumstances including the following:-

- i. The Transaction is an off-market inter-se transfer between insiders who were in possession of the same UPSI without being in breach of the provisions of the Regulation 3 and both the parties had made a conscious and informed trade decision.

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

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

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

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

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

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

- ii. In the case of non-individual Insiders:-

- a. The individuals who were in possession of such UPSI were different from the individuals taking the trading decisions and such decision-making individuals were not in possession of such UPSI when they took the decision to trade; and

- b. Appropriate and adequate arrangement were in place to ensure that this Code are not violated and no UPSI was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

- iii. The trades were pursuant to a trading plan set up in accordance with the Regulations and approved by the Compliance Officer.

2. Trade by connected person, the onus of establishing that they were not in possession of unpublished price sensitive information shall be on such connected person.

3. In any other case, the onus would be on the Board.



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B. Trading Plan

1. Insider may formulate a trading plan and the same shall be approved by the Compliance Officer after evaluation with regard to the regulations and shall be notified to the stock exchange.
2. The following are the requirements of the trading plans
 - a. Trading can be done after six months of commencement / public disclosure of trading plan.
 - b. Trading plan should not entail trading between period twentieth trading day prior to the 31st March every year and second day after the disclosure of such financial results.
 - c. Insider can give one trading plan at a time. Plan should not entail overlap of any period for which another trading plan is in existence.
 - d. The trading plan should not be for less than 12 months.
 - e. Insider should entail the basic parameters i.e. acquisition or disposal should be set out and also he/she may set out the value/number /type of securities to be invested or divested, along with specific dates and time intervals.
 - f. Such trading plan shall not entail trading in securities for market abuse.
3. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan. Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan. Provided further that trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.
- 4 The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4.

C. Trading Window

1. 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.
2. Trading restriction period can be made applicable from the end of every quarter/half year (as may be applicable to the Company from time to time) till 48 hours after the declaration of financial results.
3. 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.
4. 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.



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5. The Trading window shall inter-alia be closed at least before 7 days of the happening of the following events and it shall re-open 48 hours after the publication of the price sensitive information i.e.

- i. declaration of financial results;
- ii. declaration of dividends;
- iii. change in capital structure;
- iv. issue of securities by way of public/ rights/ bonus etc.;
- v. any major expansion plan or execution of new project;
- vi. amalgamation, mergers, takeovers or buy-back of securities;
- vii. any changes in KMP;
- viii. disposal of the whole or substantially the whole of undertaking;
- ix. any major change in the policies, plans or operations of the Company;
- x. any other event as may be notified by the Compliance Officer from time to time with the approval of Chairman and Managing Director of the Company.

6. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as stipulated by the board of directors.

D. Pre-Clearance of trades clearance of trades

1. AWhen the trading window is open, trading by designated persons shall be subject to pre- clearance by the Compliance Officer, if the value of the proposed trades is above Rupees 10,00,000/- (Rupees Ten Lakh Only).
2. 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.
3. The trades that have been pre-cleared shall be executed by the designated person in not more than seven trading days, failing which fresh pre-clearance would be needed for the trades to be executed.
4. The Designated Persons who buy or sell any number of shares of the Company shall not enter into contra trade i.e. sell or buy any number of shares during the six months after 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 the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Provided that this shall not be applicable for trades pursuant to exercise of stock options.

5. Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.
6. For the purpose of pre-clearance, an application shall be made to the Compliance Officer in Form E attached herewith.
7. An undertaking, in Form F shall be executed in favour of the Company by such designated person incorporating, inter alia, the following clauses, as may be applicable:
 - a. That the designated person does not have any access to or has not received any Price sensitive information up to the time of signing the undertaking.
 - b. That in case the designated person has access to or receives Price sensitive information after the signing of the undertaking but before the execution of the transaction, the designated person shall



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inform the compliance officer of the change in his position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.

c. That he/she has not contravened the code as notified by the Company from time to time.

d. That he/she has made a full and true disclosure in the matter.

Chapter –V

Disclosure of Trading

A. General Provisions

1. Every public disclosure under this part shall be made in such form as may be specified.
2. The disclosures to be made by any person under this part shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.
3. The disclosures made under this part shall be maintained by the Company, for a minimum period of five years, in such form as may be specified.

B. Initial Disclosure

1. Every promoter, member of the promoter group, Key Managerial Personnel and Director of the Company, within thirty days of these policy taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed Format **(Form A)**.
2. Every person appointed as Key managerial personnel or a director of the company or upon becoming the promoter or member of the promoter group shall within 7 days shall provide disclosure of his securities to the Compliance Officer as per prescribed format **(Form B)**.

C. Continual Disclosures and Disclosures by other connected persons.

1. Every promoter, member of the promoter group, designated person and director of every company shall disclose, within 2 trading days, to the Compliance officer the number of securities acquired or disposed of, whether one transaction or in series of transactions over any calendar quarter and the value of such transactions is in excess of Rs 10 lakhs as per prescribed format **(Form C)**.
2. The Compliance Officer shall notify the stock exchanges within 2 trading days of either receipt of disclosure or becoming aware of such information.

Explanation. — It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this sub-regulation, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) of sub-regulation (2).

3. The Company may at its discretion require any other connected person or 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 Compliance Officer in order to monitor compliance with the Regulations **(Form D)**.



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4. Annual submissions

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) 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.

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.

Chapter –VI

Mechanism for Prevention of Insider Trading

In order to comply with the provisions of SEBI (Prohibition of Insider Regulations), 2015, the Board has approved and adopted the below measures for preventing insider trading:

1. The Board of Directors shall formulate and publish on the official website of the Company, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow to adhere to each of the principles as set out under Schedule A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

Every such code of practices and procedures for fair disclosure of unpublished price sensitive information and every amendment thereto shall be promptly intimated to the stock exchange.

2. The Managing Director of the Company must ensure that there remains an adequate and effective system of internal controls in place which ensures compliance with the SEBI (Prohibition of Insider Trading) Regulations including periodic process review to evaluate the effectiveness of such internal controls.
3. All the employees who have access to unpublished price sensitive information shall be identified as designated employees.
4. All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of aforementioned regulations.
5. Adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by the aforementioned regulations.
6. Lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
7. The Board of Directors must spread awareness amongst the insiders regarding the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.



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8. All other relevant requirements specified under the aforementioned regulations shall be complied with.
9. The Audit committee shall review compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
10. 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.
11. If it is observed by the company that there has been a violation of aforementioned regulations, it shall inform the Board promptly.

Inquiry in Case of Leak or Suspected Leak of Unpublished Price Sensitive Information (UPSI)

9.1 Overview

Pursuant to the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, a written policy and procedures for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information (UPSI) needs to be framed so that necessary actions can be initiated against such instances and steps can be taken to curb the further occurrence of any leakages of UPSI.

Leakage of UPSI is a situation wherein Price Sensitive Information of the Company is disclosed or is made available or accessible from within the Company to un-authorized person(s) before the same has been made/announced as generally available information by the Company. Such circumstances can cause serious market reactions and can harm the goodwill of the Company amongst its stakeholders.

9.2 Objective

These procedures are aimed to

- (i) restrict the leakages of UPSI;
- (ii) provide a precautionary list of handling UPSI with responsibility;
- (iii) initiate appropriate inquiries against leak or suspected leak of UPSI;
- (iv) take disciplinary actions, as considered necessary, against the Insider, Employee or Designated Person who is found guilty of violating the provisions of this policy;

9.3 Precautions

- (i) All the insiders, designated persons and employees who are entrusted with UPSI must handle the same with reasonable care, must maintain the confidentiality and must not disclose the same unless it is in furtherance of any legitimate purpose, performance of duties or discharge of legal obligations;
- (ii) In case of any UPSI is required to be provided, the person providing the information shall consult Managing Director/Compliance Officer/ in advance.
- (iii) If the UPSI is shared in furtherance of any legitimate purpose, performance of duties or discharge of legal obligations then due notice shall be given to such persons to maintain confidentiality of UPSI;
- (iv) The Code of Practices and Procedures for fair disclosure of UPSI must be strictly adhered to in order to prevent any misuse of UPSI;
- (v) All the information shall be handled within the organization on a need to know basis;

9.4 Inquiry Process

- (i) The Compliance officer must keep the Board of Directors updated about any information related to leak or suspected leak of UPSI;



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- (ii) All the matters concerning leak or suspected leak of UPSI, will be thoroughly investigated by the Compliance Officer;
- (iii) The Compliance officer shall have the power to call for personal information/documents from insider and to ask concerned insider for personal presence, examination, cross examination etc.;
- (iv) The Compliance officer must prepare a report on such leak or suspected leak of UPSI as early as possible and not later than seven days and must submit the same to the Audit Committee;
- (v) The Compliance officer shall have the power to retain the documents gathered during investigation;
- (vi) The Audit Committee shall meet as early as possible on receiving the reports from the Compliance officer;
- (vii) The Audit Committee must analyze the matter and based on their findings, if the case is not maintainable the same may be dismissed and if it is found that the matter requires further investigation, then the same may be ordered, depending upon the severity of the case;
- (viii) The Audit Committee may after due approval from the Board of Directors take help from external agencies for complete investigations.
- (ix) The Audit Committee must direct the Compliance Officer to inform the Board promptly of such leaks, inquiries and results of such inquiries.

9.5 Disciplinary Action

The Disciplinary Action(s) may include, wage freeze, suspension, recovery claw-back, termination, demotion, etc., as may be decided by the Members of the Audit Committee or Board of Directors, in addition to the action to be initiated by SEBI, if any.

Chinese Wall Procedure

In order to prevent the scattering of confidential and price sensitive information, the Company has framed Chinese wall process separating the departments that receive and have access to UPSI from the departments related to Marketing, Sales, etc. that do not deal with UPSI.

Precautions

- (i) The department dealing with UPSI must not communicate in any way, through any medium the confidential and price sensitive information of the Company to the unauthorized department.
- (ii) The IT support staff of the Company must be directed periodically to keep the systems of the Company secure and password protected wherever needed;
- (iii) The UPSI should be handled on need to know basis. It should be disclosed only to those who require the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- (iv) Any price sensitive information received by any employee, directly or indirectly should immediately be reported to the Compliance Officer, who shall take appropriate actions as needed.
- (v) 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, under intimation to the Compliance Officer.

Crossing the wall

Under exceptional circumstances, where employees from other department require confidential information, they may be allowed to cross the wall, within the purview of giving the information on need to know basis and with complete intimation to the Compliance Officer of the Company, who shall supervise the same.

Chapter-VI

Penalty & Restriction

1. Any Designated person who trades in securities or communicates any information for trading in securities in contravention of the Code of Conduct may be penalized by the Board of Directors as they may deem fit and appropriate action would be taken.



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2. Designated persons of the Company who violate the Code of Conduct shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension etc.
3. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulation, 2015.
4. In case it is observed by the Company/Compliance Officer that there has been a violation of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Compliance Officer shall inform SEBI promptly.

Chapter-VII

Amendment to the Code

1. This Code and any subsequent amendment(s) thereto, shall be carried out with the approval of the Board.
2. Any or all provisions of this Code would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time.
3. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Code shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.



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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: _____

ISIN of the company: _____

Details of Securities held by Promoter, member of the promoter group, 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, member of the promoter group, 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: _____

ISIN of the company: _____

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 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 or member of the promoter group 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:



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Form C

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

Name of the company: _____

ISIN of the company: _____

Details of change in holding of Securities of Promoter, member of the promoter group, designated person 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 / 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 share holding | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No | Value | Transaction Type (Buy / Sale / Pledge / Revoked/ Invoke) | Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.) | No. and % of share holding | 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.



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Details of trading in derivatives of the company by Promoter, member of the promoter group, designated person 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:



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Form D

SEBI (Prohibition of Insider Trading) Regulations, 2015
Regulation 7(3) – Transactions by Other connected persons as identified by company

Details of trading in securities by other connected persons as identified by the company

| Name, PAN, CIN / DIN, & address with contact | Connection with company | 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 share holding | 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 share holding | 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.



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Details of trading in derivatives of the company by other connected persons as identified 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:



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Form E

Application for Pre-clearance of Trade under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(Pursuant to Part IV (i) of this Code of Conduct to Regulate, Monitor and Report Trading by Insiders)

To,
The Compliance Officer
USHANTI COLOUR CHEM LIMITED
88/8, G I D C Phase I,
Vatva, Ahmedabad-382445,
Gujarat, India

SUBJECT: APPLICATION FOR PRE CLEARANCE OF TRADING IN SECURITIES OF THE COMPANY

Dear Sir/Madam,

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

| | | |
|-----|--|--|
| 1. | Name of Applicant | |
| 2. | Designation | |
| 3. | Number of Securities held as on date | |
| 4. | Folio No./ DP ID/ Client ID No. | |
| 5. | The Proposal is for | (a) Purchase of securities (b) Subscription to securities (c) Sale of securities |
| 6. | In case of Re-application, Reasons for Re-application | |
| 7. | Proposed date of dealing in securities | |
| 8. | Estimated number of securities proposed to be acquired/subscribed/sold | |
| 9. | Price at which the transaction is proposed | |
| 10. | Current market price (as on date of application) | |
| 11. | Whether the proposed transaction will be through stock exchange or off-market deal | |
| 12. | Folio No. / DP ID / Client ID No. where the securities will be credited / debited | |

I enclose herewith the form of Undertaking signed by me.

Name & Signature:

Designation:

Date:

Place:



USHANTI COLOUR CHEM LIMITED
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Form F

Undertaking

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

(Pursuant to Part IV (ii) of this Code of Conduct to Regulate, Monitor and Report Trading by Insiders)

In relation to the above dealing, I undertake that:

- i. I have no access to nor do I have any information that can be construed as price sensitive information up to the time of signing of the undertaking.
- ii. In the event I get access to or receive price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the change and shall refrain from dealing in securities of the Company till the information is made public.
- ii. I have not contravened the Code of Conduct to Regulate, Monitor and Report Trading by Insiders as notified by the Company from time to time.
- iv. I have made a full and true disclosure in the matter.
- v. I hereby declare that I shall execute my order in respect of securities of the Company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, I undertake to obtain pre-clearance for the transaction again.

Name & Signature:

Designation:

Date:

Place:



USHANTI COLOUR CHEM LIMITED
(CIN: L24231GJ1993PLC019444)

Specimen for PRE-CLEARANCE ORDER

Pre-Clearance Order

To,
Name (Applicant):
Designation:

This is to inform you that your request for dealing in shares of the Company as mentioned in your pre-clearance application dated _____ is approved. Please note that the said trade must be completed on or before _____ [date].

In case you do not execute the approved trade on or before the aforesaid date you would have to seek fresh pre-clearance before executing any trade in the securities of the Company. Further, you are required to submit the details of the executed transactions in the prescribed form. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Compliance Officer

Date:

Place:



USHANTI COLOUR CHEM LIMITED
(CIN: L24231GJ1993PLC019444)

Reporting of Transactions
(To be submitted within 2 trading days of transactions)

To,
The Compliance Officer,
Ushanti Colour Chem Limited
88/8, G DI D C Phase I,
Vatva,
Ahmedabad – 382245,
Gujarat, India.

Dear Sir/Ma'am,

I hereby report that I have dealt in the Equity shares of the Company as tabulated below:

| Sr. No. | Folio No./ DP ID Client ID | Date of Transaction | Name | Number of Equity Shares | Acquired/Sold | Total Equity Shares as on reporting Date |
|---------|----------------------------|---------------------|------|-------------------------|---------------|--|
| | | | | | | |

Or

I hereby report that I have not dealt in the Equity Shares of the Company as per my application of pre-clearance of trade dated _____ and as approved by you on _____ due to the below mentioned reason(s):

1. _____

2. _____

I declare that the above information is correct and that no provisions of the Company's Code of Conduct and/or applicable laws/SEBI (Prohibition of Insider Trading) Regulations, 2015 have been violated.

Signature: _____

Name: _____

Designation: _____
