

GUJARAT ALKALIES AND CHEMICALS LTD.



**Code of Practices and Procedures for Fair Disclosure of
Unpublished Price Sensitive Information**

[Effective from 01.04.2019*]

** amended as per the authority given by the Board of Directors vide resolution dated 31.01.2019*

GUJARAT ALKALIES AND CHEMICALS LIMITED
PO. PETROCHEMICALS : 391 346
DIST. : VADODARA

CIN : L24110GJ1973PLC002247

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Introduction

The Securities and Exchange Board of India ("SEBI" or "the Board") vide Notification No. LAD-NRO/GN/2014-15/21/85 dated 15th January, 2015, had issued SEBI (Prohibition of Insider Trading) Regulations, 2015. Pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company framed Code of Practices and Procedures to ensure fair disclosure of unpublished price sensitive information in line with the model code given under Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015. SEBI has vide Notification No. No. SEBI/LAD-NRO/GN/2018/59, dated 31st December, 2018 issued a SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 to further amended the SEBI (Prohibition of Insider Trading) Regulations, 2015 to be effective from 1st April, 2019, which includes to formulate policy for determination of legitimate purpose as a part of Code of Fair Disclosure and Conduct. Accordingly, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information has been amended to give effect to the new amendments.

1. The Company will make prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. The Company will make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. The Compliance Officer appointed under the Regulations shall act as a Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. The Company will make prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company will provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. The Company will ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
7. The Company will develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. The Company will ensure handling of all unpublished price sensitive information on a need-to-know basis.

9. No Unpublished Price Sensitive Information relating to the Company or securities of the Company shall be communicated to any person including other insiders except in furtherance of legitimate purposes as per the "Policy for determination of Legitimate Purposes" (Annexure - A), performance of duties and discharge of legal obligations.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

1. PREFACE

In accordance with the provisions of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has formulated this “Policy for determination of Legitimate Purposes” as a part of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” of the Company formulated under regulation 8.

2. OBJECTIVE

The objective of this policy is to identify “Legitimate Purposes” which would be considered as exception for the purpose of sharing or procuring unpublished price sensitive information (UPSI) relating to the Company or its securities, by or from Insider. This Policy also places restrictions on the Recipient of UPSI to deal with such UPSI in accordance with the provisions of the Regulations and not to misuse or make unwarranted use of such UPSI in violation of the Regulations.

3. RESTRICTION ON COMMUNICATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- 3.1 The term “legitimate purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the regulations.
- 3.2 All other terms used in this Policy but not defined herein shall have meaning ascribed to them under the “Code of Conduct to Regulate, Monitor and Report Trading by Insiders” of the Company.
- 3.3 An Insider can share the UPSI in the ordinary course of business for legitimate purposes with the following persons including the Insiders provided that such sharing has not been carried out to evade or circumvent the prohibitions of the regulations:
1. Insiders of the Company including Promoters, Directors and Key Managerial Personnel of the Company;
 2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable) and their audit team conducting the respective audit;
 3. Collaborators
 4. Lenders
 5. Customers
 6. Suppliers
 7. Bankers
 8. Legal Advisors
 9. Insolvency Professionals
 10. Consultants
 11. Any other advisors/consultants/partners.

3.4 Any person in receipt of UPSI pursuant to "legitimate purpose" shall be considered as an "insider" under the regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the regulations and shall not otherwise trade in securities of the company when in possession of UPSI. For the same, notice may be issued to such person by the Insider sharing the UPSI or such person shall sign the confidentiality / non-disclosure agreement with the Insider / Company.

3.5 Such person receiving UPSI pursuant to "legitimate purpose" shall be under obligations to comply with the regulations including to prevent mis-use or unwarranted use of such UPSI shared.

4. DIGITAL DATABASE

4.1 The Company will maintain an electronic record (structured digital database) containing the name of person with whom UPSI is shared and nature of UPSI is shared, Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available and other information as required under the Regulations. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

5. AMENDMENT

5.1 This Policy shall be amended / modified from time to time, subject to applicable laws, rules and regulations in accordance with the direction / approval of the Board of Directors of the Company
