

INDO BORAX & CHEMICALS LTD

Regd. Office: 302, Link Rose, Linking Road, Santacruz (West), Mumbai – 400 054

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURES OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)

[Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015]

As per Regulation 8 read with Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**Regulations**”), every listed company is required to frame a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and maintain minimum standards set out in the Regulations. The Regulations intend to require companies to disseminate ‘Unpublished Price Sensitive Information’ (hereinafter referred to as ‘**UPSI**’) universally and not selectively. This Code of Practices for Fair Disclosures of Unpublished Price Sensitive Information (“**Code**”), which has been adopted by the Board of Directors (“**Board**”) of Indo Borax & Chemicals Limited (the “**Company**”) at its meeting held on 30th May, 2015, is intended to lay down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI to maintain uniformity, transparency, and fairness in dealing with all stakeholders, and to determine legitimate purposes for which UPSI may be shared while ensuring adherence to applicable laws and regulations.

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given under Applicable Law shall be applicable for the purpose of this Code as well.

I. DEFINITIONS

1. “**Applicable Law**” means the Regulations (including any amendment thereto) or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in relation to UPSI.
2. “**Unpublished Price Sensitive Information**” (“**UPSI**”) means any information, relating to a company or its securities, directly or indirectly, that is not generally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 the securities and shall, ordinarily including but not restricted to, information relating to the following:
 - (a) Financial results;
 - (b) Dividends;
 - (c) Change in capital structure;
 - (d) Merger, de-mergers, acquisitions, delisting, disposals and expansions of business, award or termination of order/contracts not in the normal course of business and such other transactions;
 - (e) Changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - (f) change in rating(s), other than ESG rating(s);
 - (g) fund raising proposed to be undertaken;
 - (h) agreements, by whatever name called, which may impact the management or control of the company;
 - (i) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
 - (j) resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
 - (k) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
 - (l) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
 - (m) action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;

- (n) outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- (o) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business; and
- (p) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1 –

For the purpose of sub-clause (i) above:

- (i) ‘Fraud’ shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- (ii) ‘Default’ shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2 - For identification of events enumerated in this clause as UPSI, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

- 3. “**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, other advisors or consultants in order to perform duty or discharge of legal obligation i.e. on need to know basis, provided that such sharing has not been carried out to evade or circumvent the prohibition of the SEBI (Prohibitions of Insider Trading) Regulations.

All the other terms used in this Code shall have the same meaning as assigned to them under the Regulations, the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”), the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under or any other applicable laws or regulations, as the case may be.

Reference to statutory/ regulatory provisions shall be construed as meaning and including references also to any amendment or re-enactment thereof for the time being in force. This Code is intended to be in conformity with the Regulations as on the date of its adoption. However, if due to subsequent modifications in the Regulations or any other Applicable Law, a provision of the Code or any part thereof becomes inconsistent with the Regulations or any other Applicable Law, the provisions of the Regulations or such other Applicable Law as modified shall prevail over this Code.

II. SHARING OF UPSI FOR LEGITIMATE PURPOSE

- 1. Until the UPSI becomes Generally Available Information, UPSI may be shared with any person within or outside the Company only on a need-to-know basis and for Legitimate Purpose, including as provided hereunder and not to evade or circumvent the prohibitions of the Regulations:
 - (a) Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
 - (b) Sharing of relevant UPSI with intermediaries/ fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
 - (c) Sharing of relevant UPSI with persons for legitimate business purposes (e.g., attorneys, investment bankers or accountants);
 - (d) Sharing of relevant UPSI with persons who have expressly agreed in writing to keep the information

confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the Company's securities on the basis of such information;

- (e) Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations;
 - (f) Sharing of relevant UPSI for the purposes of obtaining regulatory licenses and approvals;
 - (g) Sharing of relevant UPSI for a genuine, reasonable or a bona fide business determined by the Managing Director and Chief Executive Officer of the Company.
2. The determination of 'legitimate purpose' for sharing of UPSI will be specific in each situation. However, the following factors shall be taken into consideration:
- (a) if it is in the ordinary course of business and/or required to be shared with other entity for discharge of commercial obligations;
 - (b) whether sharing the information is in the best interest of the Company or necessary for the furtherance of business transactions;
 - (c) whether the information is required to be shared for enabling the Company to discharge its legal obligations;
 - (d) Required to be done in furtherance of fiduciary duties or in fulfilment of any statutory obligation.
3. Notwithstanding anything contained in this Code or SEBI Regulations, UPSI may be communicated, provided, allowed access to or procured in connection with a transaction that would: (i) entail an obligation to make an offer under the takeover regulations where the Board is of the informed opinion that sharing of such UPSI is in the best interests of the Company; and (ii) attract the obligation to make an open offer under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 but where the Board is of informed opinion that sharing of such UPSI is in the best interests of the company and the information that constitute UPSI 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 may determine to be adequate and fair to cover all relevant and material facts.
4. Before sharing of the UPSI, the concerned person sharing such UPSI shall comply with the requirements in relation to circumstances and procedure for bringing people 'Inside' as provided in Code of Conduct for Prohibition of Insider Trading. Such 'Insiders' are obliged to comply with the requirements of the Code of Conduct for Prohibition of Insider Trading and the Regulations.
5. The Compliance Officer in consultation with the Chief Financial Officer or Managing Director shall maintain record of the details of the recipients in the structured digital database maintained by the Company in the manner prescribed under the Code of Conduct for Prohibition of Insider Trading. Such details from the recipients of UPSI shall include their PAN, or any other identifier authorized by law in case where PAN is not applicable, as per format provided in **Annexure A**, including the following:

Such record shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

Such record shall be preserved for a period of not less than eight years after completion of the relevant transaction and in the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information shall be preserved till the completion of such proceedings.

III. PRINCIPLES OF FAIR DISCLOSURE

The Company shall follow the Code to make a fair disclosure of events and occurrence that could impact price discovery of its equity shares on the floor of Stock Exchanges, in due compliance with the provisions

of the Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”):

1. The Company shall ensure to make prompt public disclosures of UPSI that would impact price discovery, as soon as it has credible and concrete information, in order to make such information ‘generally available’.
2. The Company shall ensure to make uniform and universal dissemination of UPSI to avoid selective disclosure.
3. The Company Secretary and Compliance Officer of the Company shall act as the Chief Investor Relations Officer to deal with dissemination of information and disclosures of UPSI as contained herein.
4. The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information ‘generally available’.
5. The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities, in compliance with SEBI LODR Regulations.
6. The Company shall ensure that, information shared with analysts and research personnel, is not UPSI.
7. The Company shall develop and follow best practices to make transcripts and records of proceedings of meeting with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.
8. The Company shall handle all UPSI on need-to-know basis in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. All Insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI, except for the aforesaid purposes.
9. Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for the purposes of Regulations and due notice shall be given to such person(s) to maintain confidentiality of such UPSI in compliance with said Regulations.
10. Subject to Applicable Law, methods of public disclosure of information to ensure uniform distribution shall include either of the following-:
 - (a) Distributing through Press Releases in newspapers or media including electronic media.
 - (b) Filings with the Stock Exchanges.
 - (c) Any other method that ensures wide distribution of the news such as publicly accessible webcasts and webinars.
 - (d) Uploading the information on the website of the Company.

IV. AMENDMENTS

The Board is authorized to make such alterations to this Code as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations. Further, every amendment to this Code shall be promptly intimated to the Stock Exchanges and this Code shall be posted on the website of the Company.

ANNEXURE- A

Contents of Structured Digital Database
[See Regulation 3(4) and 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015]

Sl. No.	Name and category of the recipient	PAN	Address	Name of Immediate relative of the recipient or of Affiliates, in case the recipient is an entity or company, along with their respective PAN	Details of UPSI along with reason of sharing thereof	Name and category of the person who shared such UPSI along with PAN of such person	Whether NDA has been signed and Notice of confidentiality has been given?	Date and Time of Sharing the UPSI	Date of entry	Person making the entry	Remarks, if any

The database shall be maintained under the supervision of the Compliance Officer of the Company. The database shall be reviewed by the Compliance Officer on a periodic basis.