



# **AGRO PHOS (INDIA) LIMITED**

**CIN: L24123MP2002PLC015285**

## **CODE OF CONDUCT TO REGULATE, MONITER AND REPORT TRADING BY INSIDERS**

## **CODE OF CONDUCT TO REGULATE, MONITER AND REPORT TRADING BYINSIDERS**

This Code of Conduct (“the code”) is framed to prevent insider trading and also further to the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”) and amendments made thereafter. The Code is to be implemented specifically with reference to the securities of Agro Phos (India) Limited (“the Company”)

Terms used in this Code, but not defined herein, shall have the definition as given in the SEBI (Prohibition of Insider Trading) Regulations, 2015 of the SEBI Act, 1992.

The Company may at its discretion and/or as mandated by law, make changes to this Code from time to time and shall notify the changes/ revised Code to the persons to whom this Code is applicable by email and such changes shall take place with effect from issuance of the emails or from such date as specified in the notification.

### **I. COMPLIANCE OFFICER**

- a) The Company Secretary shall be the Compliance Officer reporting to the Board of Directors, responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.
- b) The Company Secretary shall hold the position so long as he / she is in the employment of the Company. In case of vacancy, till such time a successor is appointed, the Chief Financial Officer/Managing Director or any other person authorized by the Board shall, in the interim period act as the Compliance Officer.
- c) The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company’s code of conduct.

### **II. PRESERVATIONOF “UNPUBLISHED PRICE SENSITIVE INFORMATION”**

All information shall be handled within the organization on need to know basis and no Unpublished price sensitive information shall be communicated to any person except in furtherance of the insider’s legitimate purposes, performance of duties or discharge of his legal obligations

No insider shall communicate, provide, or allow access to any UPSI, relating to the 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.

No person shall procure from or cause the communication by any insider of UPSI, relating to the Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

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 company is of the informed opinion that the proposed transaction is in the best interests of the company; or
- II. not attract the obligation to make an open offer under the takeover regulations but where the board of directors of the company is of informed opinion that the proposed transaction 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.

For the above purposes, 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 this Clause and shall not otherwise trade in securities of the Company when in possession of UPSI.

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

### **III. PREVENTION OF MISUSE OF "UNPUBLISHED PRICE SENSITIVE INFORMATION"**

All Designated Persons shall be subject to trading restrictions enumerated herein.

#### **a) TRADING PLAN**

An insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

Trading Plan shall:

- a) not entail commencement of trading on behalf of the insider earlier than 6 months from the public disclosure of the plan;
- b) not entail trading for the period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the 2nd trading day after the disclosure of such financial results;
- c) entail trading for a period of not less than 12 months;
- d) not entail overlap of any period for which another trading plan is already in existence;
- e) 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
- f) not entail trading in securities for market abuse.

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.

However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Insider is in possession of any UPSI and the said information has not become generally available at the time of the commencement of implementation. The Compliance Officer shall confirm that the commencement of the Plan shall be deferred until such UPSI becomes generally available information. Further, the Insider shall also not be allowed to trade in securities of the Company, if the date of trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

**b) TRADING WINDOW:**

Trading period, i.e., the trading period of the stock exchange, called 'Trading window' is available for trading in the Company's securities. Trading Window shall be used as an instrument of monitoring trading by designated employees.

The Trading window shall be closed at the time of

- 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; and
- VI. Material events in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Trading window may be closed by the Company during such times in addition to the above period as it may deem fit from time to time including when the Compliance Officer determines that a Designated Persons can be reasonably expected to possess UPSI.

No Designated Person and their immediate relatives shall trade in the securities of the Company when the trading window is closed. The provisions for trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

In case of ESOPs, exercise of option will be allowed in the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs will not be allowed when trading window is closed.

**c) PRE- CLEARANCE OF TRADES:**

- I. All Designated Persons of the Company, who intend to trade in the securities of the Company exceeding the threshold limit in aggregate in a financial year, will have to make an application to the Compliance Officer in the prescribed form for pre-clearance of the transaction. However, no designated persons of the Company shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of UPSI even if the trading window is not closed.
- II. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the application 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.

#### **IV. OTHER RESTRICTIONS:**

- a) The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.
- b) All Designated Persons of the Company shall execute the trade in respect of the securities of the Company within 7 Trading days after the approval of pre-clearance is given, failing which, fresh pre-clearance for trades to be executed shall be obtained.
- c) All Designated Persons of the Company shall disclose to the Company in the prescribed Form the number of securities acquired or disposed of for which pre-clearance is obtained within 2 trading days of such transaction.
- d) All Designated Persons of the Company shall disclose to the Company in the prescribed Form the number of securities not traded including reasons for such decision for which pre-clearance is obtained within 2 trading days of completion of 7 Trading days after the approval of pre-clearance is given.

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

##### **a) INITIAL DISCLOSURE**

Every promoter, Key Managerial Personnel, Director, Designated Employees of the Company, within 30 days of this Code 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 Form.

Every person on appointment as a key managerial personnel or Designated Employee or a director of the Company or upon becoming a promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within 7 days of such appointment or becoming a promoter in the prescribed Form

##### **b) CONTINUAL DISCLOSURE**

Every promoter, Key Managerial Personnel, Director or Designated Employee of the Company shall disclose to the Company in the prescribed Form the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10 Lakh.

The disclosure shall be made within 2 trading days of:

- i. The receipt of intimation of allotment of shares, or
- ii. The acquisition or sale of shares or voting rights, as the case may be.

The Compliance officer shall maintain records of all the declarations in the appropriate form given by Designated Persons for a minimum period of 5 years.

## **VI. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT (INSIDER TRADING)**

Designated persons who trade in securities or communicate any information for trading in securities in contravention of this Code of Conduct (Insider Trading) will be penalised and appropriate action will be taken against them by the Company based on the decision of the Board of Directors after giving reasonable opportunity of being heard.

They shall also be subject to disciplinary action including wage freeze, suspension, ineligibility for future participation in ESOP etc., as decided by the Board of Directors.

In case the Board of Directors observes that there has been a violation of the Insider Regulations, it shall inform the SEBI promptly.

**ANNEXURE 1**  
**SPECIMAN OF APPLICATION FOR PRE-DEALING APPROVAL**

Date:

To,  
The Compliance Officer  
Agro Phos (India) Limited

Dear Sir/Madam,

Application for Pre-dealing approval in securities of the Company

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 / subscription of \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the 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.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired / subscribed / sold	
8.	Price at which the transaction is proposed	
9.	Current market price (as on date of application)	
10.	Whether the proposed transaction will be through stock exchange or off-market deal	
11.	Folio No. / DP ID / Client ID No. where the securities will be credited / debited	

**Yours faithfully,**

**Signature**\_\_\_\_\_

**ANNEXURE II**

**UNDERTAKING TO BE ACCOMPANIED WITH THE  
APPLICATION FOR PRE-CLEARANCE**

**UNDERTAKING**

To,

Agro Phos (India) Limited  
M-87, Trade Centre, 18M,  
South Tukoganj,  
Indore-452001, M.P.

I, \_\_\_\_\_, \_\_\_\_\_ of the company residing at \_\_\_\_\_, am desirous of dealing in \_\_\_\_\_ shares of the company as mentioned in my application dated \_\_\_\_\_ for pre-clearance of the transaction. I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking. In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public. I declare that I have not contravened the provisions of the Code as notified by the Company from time to time. I undertake to submit the necessary report within four days of execution of the transaction / a 'Nil' report if the transaction is not undertaken. If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance. I declare that I have made full and true disclosure in the matter.

**Date:**

**Signature:**

**\* Indicate number of shares**

### ANNEXURE III

#### FORMAT FOR PRE- CLEARANCE ORDER

To,

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Place: \_\_\_\_\_

This is to inform you that your request for dealing in \_\_\_\_\_(no.s) shares of the Company as mentioned in your application dated \_\_\_\_\_is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_(date)that is within 7 days from today. In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the attached format within 2 days from the date of transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be necessary.

**Yours faithfully,  
for Agro Phos(India) Limited**

**Compliance Officer.**