



## UPL LIMITED

### CODE OF CONDUCT FOR MONITORING AND PREVENTION OF INSIDER TRADING

As per SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended

Date of approval	:	31 <sup>st</sup> July, 2020
Approving Authority	:	Board of Directors
Effective Date	:	1 <sup>st</sup> August, 2020
Policy Owner	:	Company Secretary & Compliance Officer

***Disclaimer** - This Code is an internal policy of UPL to regulate the communication of Unpublished Price Sensitive Information (UPSI) and trading in UPL's securities by Designated Persons, their Immediate Relatives and Insiders who have / expected to have access to UPSI of UPL and its material subsidiary. It is however the responsibility of each Designated Person and Insider to ensure compliance with the provisions of the Code and also on behalf of Immediate Relatives. The Company shall not be liable for any violation or contravention of the Code by any Designated Person / Insider or his/her Immediate Relative for any reason whatsoever.*

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# CODE OF CONDUCT FOR MONITORING AND PREVENTION OF INSIDER TRADING

## PART A - INTRODUCTION

### 1. PURPOSE

- 1.1 UPL Limited (the "Company") is a public company and its equity shares are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The GDRs of the Company are listed on Singapore Stock Exchange Ltd. The Company is subject to the rules and regulations of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the "PIT Regulations").
- 1.2 "Insider Trading" broadly means trading in the securities of a listed company, by a person who is in possession of or has access to some unpublished price sensitive information (UPSI) not available to the public. Trading by such a person, is considered unfair because such person may utilize the information he has for his benefit when compared to other investors who do not have access to the same information.
- 1.3 Insider Trading is punishable under the Securities and Exchange Board of India Act, 1992 and PIT Regulations. Even communicating or passing on in any manner of any UPSI is punishable. PIT Regulations mandate every listed company to formulate an internal code of conduct governing the dealing in securities of a company by certain persons who are defined as Designated Persons under the Code and other persons who become insiders due to access to UPSI.
- 1.4 The Board of Directors of the Company (the "Board") has formulated and adopted this "Code of Conduct for Monitoring and Prevention of Insider Trading" (the "Code") to prevent insider trading of securities by certain class of persons, towards achieving compliance with PIT Regulations.

### 2. DEFINITIONS

For the purpose of this Code the following terms shall have the meanings assigned to them hereunder:

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

**"Code"** or **"this Code"** shall mean 'Code of Conduct for Monitoring and Prevention of Insider Trading' in securities of UPL Limited / the Company, as amended from time to time.

**"Company"** or **"the Company"** means UPL Limited.

**"Compliance Officer"** means the Compliance Officer appointed pursuant to Clause 3 of this Code.



**“Designated Person”** shall include:

- (a) Members of the Board of Directors, Promoters, Key Managerial Personnel (KMP), Executive Leadership Team and CEO of the Company;
- (b) All such employees of the Company falling under Global Job Level (GJL) - 9, 8 and 7. All the members of the Board of Directors and employees falling under levels comparable to Global Job Level (GJL) - 9, 8 and 7 in Material Subsidiaries;
- (c) Heads of Investor Relationship, Finance/Accounts, Company Secretarial, Internal Audit, Legal and IT functions of the Company and other persons identified by them for generally having access to UPSI;
- (d) Personal Assistants of all persons falling under categories (a) to (c) above, unless any person/s is specifically identified for not having access to UPSI; and
- (e) All such other persons specifically identified by those falling under categories (a) and (b) above, due to such other person/s generally having access to UPSI, irrespective of their level/grade.

*“Immediate Relatives”* of all the Designated Persons as above are also considered as Designated Persons for the purpose of compliance with the Code.

*“Key Managerial Personnel (KMP)”* includes a person defined as key managerial personnel under section 2(51) of Companies Act, 2013 (Clarification- KMP category includes Managing Director, Executive Director/ Whole time Director, ‘Manager’ appointed by Board under Companies Act, CEO, CFO and Company Secretary).

*“Material Subsidiary”* shall have the meaning as defined in SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, pursuant to which a material subsidiary means a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively of the Company and its subsidiaries, in the immediately preceding accounting year.

**“Director”** shall mean and include a member of the Board of Directors of the Company.

**“Employee(s)”** shall mean and include all the employees of the Company including those on secondment (whether or not on probation).

**“Fiduciaries”** shall mean professional / firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks, etc. assisting or advising the Company or material subsidiary

**“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.

**“Insider”** means

- a “Connected Person” or
- a person who is in possession of or has access to UPSI.



“*Connected Person*” means-

- i. any person who is or has **during the six months** prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or 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.
- ii. 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 in clause (i); 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;

*(\*) ‘Intermediary’ includes - stock-broker, sub-broker, share transfer agent, banker to an issue, trustee of trust deed, registrar to an issue, merchant banker, underwriter, portfolio manager and investment adviser.*

“**Promoter**” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (and includes all persons falling under the Promoter Group).

“**Security**” shall include Equity shares of the Company and any other security as may be issued from time to time by the Company. It shall also include GDRs issued from time to time.



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

**“Trading day”** means a day on which the recognized stock exchanges are open for trading.

**“Unpublished Price Sensitive Information” or “UPSI”** means any information, relating to the Company or its securities, directly or indirectly that is not generally available, which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but be not restricted to the information relating to the following: –

- (a) financial results;
- (b) dividends;
- (c) change in capital structure;
- (d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (e) changes in directors and key managerial personnel;

In simple terms, UPSI refers to any information which is not generally accessible by the public or which is not available to the stock exchanges, and which may affect the price of the Company’s securities materially upon becoming available to the public (Generally Available Information).

*(Terms not specifically defined herein shall have the same meaning as assigned to them in the PIT Regulations and the Act. Any change in PIT Regulations which has bearing on this Code shall be deemed to have been incorporated in this Code.)*

### **3. COMPLIANCE OFFICER**

- 3.1 Compliance Officer shall be a senior level officer who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the PIT Regulations.
- 3.2 Unless otherwise decided by the Board, the “Company Secretary” shall be the Compliance Officer for the purposes of the Code and PIT Regulations and in absence of the Company Secretary for the time being, the Managing Director shall designate a competent person as Compliance Officer until the Company Secretary is appointed.
- 3.3 The Compliance Officer shall be under the overall supervision of the Board of Directors of the Company and shall be responsible for:
  - (a) monitoring of / adherence to the provisions of this Code in the Company and prevention of insider trading;
  - (b) pre-clearing trades of Designated Persons and their immediate relatives in respect of the securities of the Company;
  - (c) monitoring of ‘trading plans’ and assessing whether the trading plan would have any potential for violating the PIT Regulations;



- (d) providing half yearly reports to the Audit Committee on trading of securities by Designated Persons;
- (e) maintaining a digital database and records of trading by Designated Persons (including their immediate relatives and material financial relationships) with date stamping facility and collecting other personal information pertaining to them as required under this Code, including periodical updates therein. Upon resignation of a Designated Person, their updated address and contact details shall be maintained for a period of 1 (one) year after resignation from service. All the data collected shall be maintained for at least 8 (eight) years;
- (f) monitoring closure of trading window for the Designated Persons, and
- (g) addressing queries about the Code and provide necessary clarifications.

3.4 Structured Digital Database - Compliance Officer under guidance from the Board, from time to time, shall take necessary actions to maintain a Structured Digital Database (SDD) containing the following information:

- (a) Nature of Unpublished Price Sensitive Information (UPSI)
- (b) Names of persons who have shared the UPSI
- (c) Names of persons with whom the UPSI is shared
- (d) Permanent Account Number (PAN) or any other identifier authorized by law where PAN is not available of persons in point (b) and (c)

The Structured Digital Database shall be maintained internally with adequate internal control checks such as time stamping and audit trails to ensure non-tempering of database.

The Structured Digital Database shall be preserved for period of 8 (eight) years after completion of the relevant transactions and made available to SEBI in any investigation or enforcement proceedings.

3.5 Compliance with regards to the Fiduciaries / Intermediaries - With respect to the Intermediaries and Fiduciaries, which include professionals / firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., who assist or advise the Company and its Material Subsidiary(s) and who have or could reasonably be expected to have access to UPSI, the Compliance Officer shall make a policy to obtain necessary disclosures / undertakings from them confirming that they have formulated a code of conduct governing trading in other Companies' securities under 'Schedule C' PIT Regulations. The Company shall endeavor to engage only such Intermediary / Fiduciary who have formulated such a code.



<p style="text-align: center;"><b>PART B – PROHIBITION FROM INSIDER TRADING – OBLIGATION OF DESIGNATED PERSONS &amp; INSIDERS</b></p>
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**4. PREVENTION OF SHARING UPSI AND PREVENTION OF TRADING WHEN IN POSSESSION OF UPSI**

4.1 Designated Persons and Insiders shall:

- (a) refrain from communicating, sharing or allowing access of such UPSI of the Company to any person. Further, they shall not pass UPSI to any person directly or indirectly and/or make recommendation for purchase or sale of securities;
- (b) handle UPSI on "need to know" basis i.e. it should be disclosed only to those persons who need such information to discharge their duty in furtherance of legitimate purpose. Similarly, they shall not procure UPSI from any person, except to discharge their duty or in furtherance of legitimate purpose;
- (c) not deal in Company's securities while in possession of UPSI and till expiry of 48 hours after such UPSI becomes a Generally Available Information, irrespective of whether there is official announcement of Trading Window closure or not;
- (d) not deal in securities of any 'other' listed company while in possession of UPSI pertaining to that other company and till expiry of 48 hours after such UPSI becomes Generally Available Information (Illustration – If UPL is in the process of acquiring another listed company which (acquisition proposal) is UPSI, then the persons who possess this information are prohibited from dealing in shares, not only of UPL but also such another listed entity), and
- (e) contact the Compliance Officer and take his guidance in case UPSI is received inadvertently.

4.2 No Designated Person / Insider shall enter into **derivative transactions** in respect of the securities of the Company.

4.3 The Designated Person / Insider, particularly those who are not Indian Residents or Indian Nationals, shall not trade in GDRs or other DRs in violation of this Code.

4.4 No Designated Person / Insider shall directly or indirectly sell any Security if such a person (i) does not own the Security sold; or (ii) owns the Security but does not deliver such Security against such sale within the acceptable settlement cycle ("**short sale**").

4.5 The Designated Persons / Insiders are expected to appropriately advise in writing to their Portfolio Manager handling their (including their immediate relative's) personal portfolio investments, to not to trade in securities of the Company, so that no trading happens inadvertently resulting in violation of the Code by such Designated Persons / Insiders.



## **5. COMPLY WITH CHINESE WALL POLICY**

- 5.1 The Company and its Material Subsidiary shall have a 'Chinese-Wall' policy separating the departments which routinely have access to UPSI considered as 'Inside Areas' (e.g. – Accounts Consolidation Team, Amalgamation/ Structuring/Acquisition Teams) from other departments which are considered as 'Public Areas'.
- 5.2 Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc. Chinese Wall procedures and physical arrangements (collectively 'Chinese Walls') shall be used to manage confidential information and prevent the inadvertent spread and misuse of price sensitive information and wherever necessary non-disclosure / confidentiality agreements shall be executed with the parties with whom confidential data is shared.
- 5.3 As such, Chinese Walls are designed to operate as barriers to the passing of price sensitive information and other confidential information. Wherever Chinese Wall arrangements are in place, employees working within these 'Inside Areas' are prohibited from communicating any price sensitive information to Employees in the public areas without the prior approval of the Compliance Officer. Employees within the Chinese Walls shall be responsible for ensuring that the Chinese Wall is not breached deliberately or inadvertently. Employees should take sufficient care to ensure that price sensitive information is not posted on IT systems that are available outside specific 'Inside Areas'. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately.
- 5.4 The establishment of Chinese Walls is not intended to suggest that price sensitive information can circulate freely within 'Inside Areas'. The 'need-to-know' principle shall be fully in effect within these 'Inside Areas'. In exceptional circumstances, Employees from the Public Areas may be allowed to 'cross the wall' and provided the price sensitive information by following the 'need-to-know' principle, only after intimation to the Compliance Officer. The Compliance Officer will, if necessary, record reasons for crossing the wall in writing. Such persons shall be made aware of the duties and responsibilities attached towards receipt of UPSI and of the liabilities attached towards misuse or unwarranted use of such UPSI.





## **PART C – DISCLOSURES/PRE-CLEARANCES ETC. – OBLIGATION OF DESIGNATED PERSONS**

### **6. TRADING WINDOW CLOSURE**

- 6.1 Designated Persons shall trade in the Company's securities only when the 'trading window' is open i.e. the period during which trading in the Company's securities shall be allowed.
- 6.2 The trading window shall be closed at the time of:
- (a) publication of Financial results (quarterly, half yearly and annually);
  - (b) declaration of dividends (interim and final);
  - (c) issue of securities by way of public / rights / bonus etc;
  - (d) any major expansion plans or execution of new projects;
  - (e) restructuring including amalgamation, merger, takeover, buyback and split of shares;
  - (f) closure of major business or disposal of whole or substantially whole of any of the undertaking(s), and
  - (g) any other activity which is considered as UPSI in nature.
- 6.3 In respect of declaration of financial results of the Company, the Trading Window Closure Period shall commence from the last day of the relevant quarter/year and it shall end 48 hours after such financial results become Generally Available Information.
- 6.4 Trading Window Closure period for other types of UPSI shall be determined by the Compliance Officer (for all or a class of Designated Persons who have access to UPSI due to which trading window is closed). The Trading Window shall open 48 hours after the UPSI becomes Generally Available Information or becomes irrelevant.
- 6.5 Designated Persons are permitted to exercise stock options (ESOPs) granted to them at all times including the time when the trading restrictions are in force. However, sale of shares allotted on exercise of ESOPs shall not be allowed during the Trading Window Closure period and shall also be subject to contra-trade compliance.
- 6.6 The restrictions under this clause and restrictions on 'contra trade' shall not apply for Designated Persons participating in buy back offers, rights issues, bonus, FPO's, etc. of the securities of the Company.

### **7. PRE-CLEARANCE FOR TRADING**

- 7.1 Whenever trading window is open and when not in possession of any UPSI, the Designated Person may trade in the Company's securities after seeking pre-clearance of such transaction(s) from the Compliance Officer (whether in their own name or Immediate



Relative).

- 7.2 Designated Persons shall mandatorily obtain pre-clearance for their proposed trades, if the value (excluding taxes, brokerage, stamp duty and other cost) of such proposed trade together with the value of the prior trades during any **calendar quarter is likely to exceed INR 10 lakhs (Rs. One million)**. For pre-clearance, application must be submitted in **Form B**, as per the instructions provided therein (valuation to be done at market value on the transaction date, in case of gift/allotment in scheme of amalgamation, etc).
- 7.3 The Compliance Officer may after being satisfied that the documents submitted are true and accurate, approve the trading. Once the Compliance Officer grants his approval, Designated Person shall execute trade(s) in respect of the Company's securities within 7 (seven) trading days from such date of approval. If trade is not executed within 7 (seven) trading days, Designated Person must once again apply for pre-clearance of the transaction by providing reasons, in writing, for not using the previous pre-clearance order. If the Designated Person receives any UPSI after pre-clearance, then pre-clearance approval stands suspended with immediate effect.
- 7.4 Designated Person whenever buys or sells securities of the Company, then such Designated Person cannot enter into a contra trade during the **next 6 (six) months** after such buy/sale (i.e. Designated Person shall not sell securities if he has bought securities earlier and *vice versa*).
- 7.5 If the sale of securities or pledge is necessitated due to personal emergency, arising within the 6 (six) months period as referred to above, then the restriction on contra trade may be relaxed by the Compliance Officer after being convinced about the emergency and shall record in writing reasons for providing relaxation.
- 7.6 Compliance Officer shall take pre-clearance from CFO / Finance Director for his own trading.

## **8. MONITORING OF 'TRADING PLAN'**

- 8.1 The Designated Persons shall be entitled to formulate a trading plan, i.e. a plan for trades in securities which is to be executed during a period of not less than Twelve (12) months and to submit the same to the Compliance Officer for approval. The trading plan when approved will be disclosed to Stock Exchanges and such trades will have to be carried out mandatorily as per such approved trading plan.
- 8.2 The Compliance Offer shall review such trading plan and ensure that the trading plan does not violate any of the provisions contained in the PIT Regulations.
- 8.3 The Compliance Officer shall grant approval or reject the trading plan within two (2) Trading Days of receipt of such trading plan, disclose the same to the Stock Exchanges and monitor its implementation.
- 8.4 Such trading plan once approved, as aforesaid, is irrevocable and such Designated Persons shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities of the Company outside the scope of the trading plan.



- 8.5 The implementation of the trading plan shall not be commenced by the Designated Persons, if any UPSI in his possession at the time of formulation of the plan has not become Generally Available Information at the time of commencing such approved trading plan. In such an event, the Compliance Officer shall confirm that the commencement is deferred until such UPSI becomes Generally Available Information.
- 8.6 The Designated Persons shall ensure that the trading plan shall:
- (a) not entail commencement of trading on his/ her behalf earlier than six (6) months from the date of public disclosure of the trading plan;
  - (b) not entail trading for the period between the twentieth (20<sup>th</sup>) trading day prior to the last day of any financial period for which results are to be announced by the Company and forty-eight (48) hours after disclosure of such financial results;
  - (c) entail trading for a period of not less than twelve (12) months;
  - (d) not entail overlap of any period for which another trading plan is already in existence;
  - (e) sets 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.

## 9. MECHANISM FOR PREVENTION OF INSIDER TRADING AND HANDLING OF UPSI

- 9.1 The Company shall endeavor to put in place, adequate and effective system of internal controls to ensure compliance with the requirements of this Code and PIT Regulations.
- 9.2 The Audit Committee of the Company shall review compliance of the Code at least once in a financial year and shall verify that the systems for internal controls are adequate and operating effectively. Internal Auditor shall investigate and submit periodic report to the Audit Committee, over adequacy and effectiveness of such internal controls.

## 10. REPORTING REQUIREMENTS

- 10.1 **Initial Disclosure by Designated Persons**- The Designated Persons shall disclose to the Company, their personal holding, their Immediate Relatives' holding and any other person's holding with whom such designated person takes trading decisions with respect to Company's securities, in **Form A** within 7 (seven) days of becoming a Designated Person.
- 10.2 **Change in holding of Designated Persons / Continual Disclosure** – The Designated Persons shall disclose to the Company within **2 (two)** Trading Days, if the value of the securities traded, whether in one transaction or a series of transactions in any **calendar quarter**, aggregates to a traded value of **Rs. 10 lakh** or more. The Compliance Officer shall submit such disclosure to the Stock Exchanges within 2 (two) trading days from the date of receipt of such disclosure or from becoming aware of such information in **Form C** or in such form and such manner as may be specified by SEBI from time to time
- 10.3 **Annual and Half Yearly Disclosure by Designated Persons** - The Designated Persons shall disclose their holding including that of Immediate Relatives in **Form D** within **30 days**



from the end of financial year / half year (i.e. within 30 days from 31<sup>st</sup> March and 30<sup>th</sup> September, respectively). Half-yearly disclosure need not be submitted, if there is no trading during the half-year, however Annual disclosure shall be submitted even when there is 'Nil' holding or there is no change in the holding in the last year.

**10.4 Certain information and subsequent changes to be reported by Designated Persons with their Annual Disclosures-** The Designated Persons shall be required to disclose as and when there are changes in following information relating to them along with their annual disclosure:

- (a) change in details of Immediate Relatives;
- (b) persons with whom Designated Person shares a **material financial relationship** (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);
- (c) phone and mobile numbers used by Designated Persons and their relatives;
- (d) PAN (where PAN is not available, Aadhar / Passport copies or any other identifier authorized by law) including for Immediate Relatives, and
- (e) educational institutions from which Designated Persons have graduated and names of their past employers (to be disclosed only on one time basis).

(Note - Holding includes joint holding whether as a 1<sup>st</sup> holder or 2<sup>nd</sup>/3<sup>rd</sup> holder).

## **11. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI – APPOINTMENT OF CHIEF INVESTMENTS RELATIONS OFFICER**

11.1 The Company has made a policy viz. "*Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information*" (CFD) and uploaded it on the website of the Company. CFD lays down framework to ensure that, credible and complete information is shared / disseminated by the Company. CFD also covers the framework to ensure that any UPSI is shared with other person/s ONLY in furtherance of legitimate purpose i.e. when sharing is necessary for performance of duties or discharge of legal obligations.

11.2 CFD of the Company is annexed to this Code as **Annexure 1** and is also uploaded on Company's website. A person designated as Chief Investments Relation Officer (CIRO) of the Company is responsible for prompt dissemination of information.



## **PART D – VIOLATION OF CODE BY DESIGNATED PERSON / INSIDERS**

### **12. ACTION / PENALTY FOR CONTRAVENTION OF CODE BY DESIGNATED PERSON / INSIDER**

12.1 Contravention of the Code, shall be subject to the following actions/penalties:

- (a) Any Designated Person / Insider (including Fiduciary / Intermediary) who violates this Code shall be liable for penalty as may be decided by the Audit Committee of the Board of Directors. Any amount so collected as penalty by the Company shall be remitted to Investor Protection and Education Fund (IPEF) administered by SEBI. Such Designated Person / Insider shall also be liable for disciplinary action including but not limited to warning letter, wage freeze suspension, ineligibility for future participation in ESOPs, withholding of promotions, termination of employment / contract, black-listing, claim for damages/ indemnification etc as may be considered appropriate by the Audit Committee.
- (b) While deciding disciplinary action, the Audit Committee shall consider the factors such as, whether the violation was accidental / inadvertent or willful, quantum of trade, whether the person was actually in possession of UPSI in case of trading during window closure period, the conduct of a person when he/ she became aware about the violation, etc.
- (c) The Audit Committee may at its discretion set the guidelines for disciplinary action / penalty and a group of senior executives consisting of Compliance Officer, Chief Financial Officer/Finance Director, Chief Human Resources Officer and Chief Legal Officer shall do the determination of action / penalty on a case to case basis.

12.2 Any Designated Person who executes a contra trade, inadvertently or otherwise, in violation of the Code, the profits from such trade shall be disgorged for remittance to SEBI for crediting to the Investor Protection and Education Fund administered by SEBI.

12.3 Where violation of Code / PIT Regulations is established, the Company shall report the incidence promptly to Stock Exchanges and/or any such authorities where the concerned securities are traded, in such form and such manner as specified by SEBI from time to time. SEBI may take appropriate action against the Designated Person or Insider. Any Designated Person or Insider who violates this Code may also be liable to penalty and prosecution under PIT Regulations / Act. The Designated Person or Insider shall cooperate with the Company / SEBI in all such investigations.

12.4 The Company shall also be free to take any other action (civil / criminal) for violation of this Code, under the applicable laws of the Country. Violation of this Code also amounts to violation of Code of Ethics of the Company.

### **13. REPORTING OF VIOLATION OF CODE; AND POLICY FOR INQUIRY IN CASE OF LEAK OF UPSI**

13.1 Any person whether Designated Person/Insider or not, who suspects another person of



violating the Code and/or leaking of any UPSI, then such suspected violations may be reported to the Compliance Officer or may be reported under Code of Ethics/ Whistle-blower Policy of the Company, available on its website.

- 13.2 Retaliation for reporting suspected violations is strictly prohibited. Person who reports any alleged violations of insider trading to the Company or to SEBI in accordance with the "Informant mechanism" introduced by SEBI, will be protected against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination.
- 13.3 The Company views leak of UPSI very seriously and has zero-tolerance policy towards the same. The Company has put in place "*Policy and procedure for inquiry in case of leak of UPSI*" to investigate into leak or suspected leak of UPSI, which is enclosed as **Annexure-2** and forms integral part of this Code.

#### **14. AUTHORITY TO AMEND THE CODE**

Any two Directors (of which one may be a Managing Director) and the Compliance Officer are authorized to make minor modifications to this Code which would remove ambiguities, enhance clarity on the provisions of the Code etc. Any major modification to the Code will require authorization of the Board. Statutory amendments in PIT Regulations shall be implemented by the Compliance Officer with immediate effect.

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## ANNEXURE – 1

### UPL LIMITED

#### CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This Code is framed pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 as amended (“PIT Regulations”). Terms not specifically defined herein shall have the same meaning as assigned to them in PIT Regulations and “Code of Conduct for Monitoring and Prevention of Insider Trading” of UPL Limited.

#### 1. Purpose of the Policy

- (a) To ensure timely and adequate disclosure of Unpublished Price Sensitive Information (UPSI).
- (b) To ensure that all UPSI is handled on a need-to-know basis and shared only for Legitimate Purpose and names of such persons who are handling UPSI are maintained in the Structured Digital Database of the Company.
- (c) To ensure that UPSI is not shared for any reason, except in furtherance of legitimate purposes, performance of duties, discharge of legal / statutory obligations, pursuance of business objects of the Company, undertaking due diligence for Merger & Amalgamation, IPO, or any other corporate restructuring or in any other manner permitted under the PIT Regulations.

#### 2. Prompt public disclosure of UPSI

- (a) UPSI shall be promptly disclosed and disseminated in a uniform and universal manner by the Company to the stock exchanges in terms of this policy immediately after credible and concrete information comes into being.
- (b) The Company shall avoid selective disclosure of UPSI and if any UPSI is disclosed selectively, inadvertently or otherwise, the Company shall promptly disseminate the UPSI to make it generally available.
- (c) The Company may also consider ways of supplementing information released to stock exchanges by improving investor access to their public announcements.

#### 3. Chief Investor Relations Officer

- (a) The Company shall designate a senior officer as Chief Investor Relations Officer (“CIRO”). In absence of specific CIRO, CFO shall be deemed to be the CIRO.
- (b) The CIRO shall ensure that the presentations and discussions with analysts and investors is promptly disseminated to stock exchanges through Company Secretary/ Chief Compliance Officer and uploaded on the Company’s website for the benefit of other shareholders and to avoid selective disclosure.
- (c) The CIRO shall ensure that the information shared with analysts and research personnel



is not UPSI.

- (d) As and when the Company organises meetings with analysts, the CIRO shall ensure that the Company shall make a press release or post relevant information on its website after every such meet. The Company may also consider live web casting of analyst meets.
- (e) The CIRO shall also be responsible for developing best practices to make available the 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.

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

- (a) CIRO in consultation with CFO, Managing Director and Compliance Officer (Disclosure Committee) shall ensure to provide appropriate and fair responses to queries on news reports and requests for verification of market rumours by stock exchanges as per the disclosure policy.
- (b) The Disclosure Committee shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

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

- (a) Disclosure/dissemination of information may be done through various media so as to achieve maximum reach and quick dissemination.
- (b) The Company shall ensure that disclosure to stock exchanges is made promptly.
- (c) The Company may also facilitate disclosure through the use of their dedicated Company website. This website may provide a means of giving investors a direct access to analyst briefing material, significant background information and questions and answers.
- (d) The information filed by the Company with exchanges under continuous disclosure requirement shall be made available on the Company website.

#### **6. Policy for determination of “Legitimate Purposes”**

- (a) “Legitimate purposes” shall include sharing of UPSI in the ordinary course of business on ‘need to know’ basis by an Insider / Designated Person with others including promoters, employees, consultants, partners/collaborators, holding company, lenders, merchant bankers, legal advisors, auditors, insolvency professionals, regulators/courts and other advisors, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the PIT Regulations.
- (b) Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "Insider" for purposes of the Code and PIT Regulations and due notice shall be given to such person which would *inter alia* include the following:
  - (i) The information shared is in the nature of UPSI, confidentiality of such UPSI must be maintained, and such UPSI must not be disclosed by the recipient in any manner





except in compliance with the PIT Regulations.

- (ii) The recipient must not trade in the securities of the Company while in possession of UPSI.
  - (iii) The recipient shall obtain the Compliance Officer's prior written consent in case the information provided to such recipient is to be used by such recipient for a purpose other than the Legitimate Purpose for which the Company had provided the UPSI and pursuant to such written consent, such other purpose would also be considered to be a Legitimate Purpose.
- (c) Any sharing of UPSI, other than in compliance with this Code and 'Code of Conduct for Monitoring and Prevention of Insider Trading', would be construed as a violation.

## **7. Amendment**

The Board reserves the right to amend or modify this Code in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Code will be updated on the website of the Company.

Updated on: 31<sup>st</sup> July, 2020

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**FORM A**

**SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015  
[REGULATION 7(1)(B) READ WITH REGULATION 6(2) – INITIAL DISCLOSURE TO THE COMPANY]**

Name of the Company: **UPL Limited**  
ISIN of the Company: **INE628A01036**

**Details of securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter 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 at the time of becoming Promoter/appointment of Director/KMP		% 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 by Promoter, Key Managerial Personnel (KMP), Director and other such person 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
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:.....



**FORM B**

**APPLICATION FORM AND UNDERTAKING FOR PRE-CLEARANCE**

To  
The Compliance Officer, UPL Limited,  
UPL House, 610 B/2  
Bandra village, Off Western Express Highway,  
Bandra (East), Mumbai 400 051

Date: \_\_\_\_\_

Name of Applicant : \_\_\_\_\_  
Designation : \_\_\_\_\_  
Department : \_\_\_\_\_

With reference to the “Code of Conduct for Monitoring and Prevention of Insider Trading” (the “Code”), I seek your approval to subscribe to/agree to subscribe to/ purchase/sell/pledge / trade in equity shares/ securities of the Company.

**CURRENT HOLDING AND SECURITIES TO BE TRADED – SELF**

Name	Designation, Department	Folio/ DP ID/ Client ID	No. of Shares held	Nature of Transaction for which Approval is sought (buy/sale/pledge etc)	Proposed, no. of securities to be traded

**CURRENT HOLDING AND SECURITIES TO BE TRADED – IMMEDIATE RELATIVES**

Name	Relationship	Folio/ DP ID/ Client ID	No. of Shares held	Nature of Transaction for which Approval is sought (buy/sale/pledge etc)	Proposed no. of securities to be traded

I have gone through the Code of Conduct in respect of prevention of Insider Trading and I will abide by all the rules made thereunder. I have understood that I will be dealing in the securities in the course of next seven trading days after receiving the permission from you.

**AS REQUIRED UNDER THE CODE, I HEREBY STATE / UNDERTAKE THAT –**

- (a) I neither possess nor have any access to information that could be construed as “Unpublished Price Sensitive Information” as defined in the Code up to the time of signing this undertaking;



- (b) In the event that I have access to or received any information that could be construed as “Unpublished 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;
- (c) I have not contravened the provisions of the Code and have made full and true disclosure in the matter.
- (d) I WILL INFORM THE COMPLIANCE OFFICER, DETAILS OF DEALING IN SECURITIES WITHIN TWO (2) TRADING DAYS, IN “FORM C”, AS PER THE FORMAT PRESCRIBED BY SEBI, IN CASE THE AGGREGATE VALUE OF THE SECURITIES TRADED ALONGWITH SECURITIES TRADED IN THE RELEVANT CALENDAR QUARTER EXCEEDS RS. 10 LACS.
- (e) In case value does not exceed Rs. 10 lacs, I will intimate details of dealing in securities to the Compliance Officer within seven (7) trading days from the last date of validity of pre-clearance.

Date: \_\_\_\_\_ Place \_\_\_\_\_ Signature: \_\_\_\_\_

..... for use by Compliance Officer .....

<b>PRE-CLEARANCE APPROVAL / REJECTION</b>	
Your application dated _____ for pre-clearance for dealing in securities is hereby	
APPROVED <input style="width: 40px; height: 30px; margin-left: 10px;" type="checkbox"/>	REJECTED <input style="width: 40px; height: 30px; margin-left: 10px;" type="checkbox"/>
Nature of approval (sale/purchase/pledge, etc): _____	
Number of securities: _____	
The approval is valid upto and including _____ (date) and will lapse immediately if you receive any UPSI after receipt of this pre-clearance or if trading window is closed.	
<b>Compliance officer Signature:</b> ..... <b>Date</b> ..... <b>Place</b> .....	
<b>Approval reference number, if any</b> .....	
NOTE – You are required inform the Compliance Officer, details of dealing in Securities within <b>Two (2) Trading Days, in “Form C”</b> , in case aggregate value of the securities traded alongwith securities traded in the relevant Calendar Quarter exceeds Rs. 10 Lacs. In case value does not exceed Rs. 10 Lacs, you can intimate details of dealing to the Compliance Officer within 7 Trading Days from the last date of validity of Pre-Clearance, even if no dealing is done	



**FORM C**

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

Name of the Company: **UPL Limited**  
 ISIN of the Company: **INE628A01036**

**Details of change in holding of securities of Promoter, Employee 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 to/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 shareholding	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 shareholding	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*

**Details of trading in derivatives of the Company by Promoter, Employee or Director of a Listed Company and other such person 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.....



**FORM D**

**FORM FOR ANNUAL AND HALF YEARLY DISCLOSURE**

To  
The Compliance Officer, UPL Limited,  
UPL House, 610 B/2  
Bandra village, Off Western Express Highway,  
Bandra (East), Mumbai – 400 051

**ANNUAL DISCLOSURE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH .....**

**OR**

**HALF YEARLY DISCLOSURE FOR 6 MONTHS ENDED 30<sup>TH</sup> SEPTEMBER .....**

**I. STATEMENT OF SHAREHOLDING OF PROMOTER / DIRECTOR / KMP / OTHER DESIGNATED PERSONS**

Name	Department and Designation	Date of dealing	Opening balance	No. of shares <b>Purchased</b> during the year / half year	No. of Shares <b>Sold</b> during the year / half year	Closing balance after sale or purchase	Folio No./DP ID / Client ID

**II. DETAILS OF SHARES HELD BY IMMEDIATE RELATIVES**

Name (Relationship)	Date	Opening balance	No. of shares <b>Purchased</b> during the year / half year	No. of Shares <b>Sold</b> during the year / half year	Closing balance after sale or purchase	Folio No./DP ID / Client ID

*Note – Annual Disclosure form is mandatory even if there is no change in holding / Nil holding. Half yearly disclosure form may be filed only when there is change in holding in last 6 months. Report each individual transaction date-wise, separately in the form. In case of Pledge of securities, please report it in Sold column and Unpledge in Purchase column. Indicate Pledge / Unpledge using ( \*) sign before the number in sale / purchase columns as the case may be*

**III. INFORMATION OR CHANGE IN INFORMATION PROVIDED UNDER CLAUSE 10.4 AS APPLICABLE**

I/We further declare that the above disclosures is true and correct and is in accordance with the previous disclosures given to the Company.

Name & Signature .....

Designation .....

Date.....