

FACT

CODE OF CONDUCT

FOR PREVENTION OF INSIDER TRADING

AND

CODE OF

CORPORATE DISCLOSURE

Introduction:

Insider Trading means, Trading in Securities of the Company by its Directors, employees or other insiders while in possession of Unpublished Price Sensitive Information (UPSI). Such trading by insiders erodes the investors' confidence.

The Securities and Exchange Board of India (SEBI) has formulated the SEBI Prohibition of Inside Trading (Regulations) 1992 to prevent insider trading. The SEBI has also notified Securities and Exchange Board of India Prohibition of Insider Trading (Regulations) 2015, which became effective from 14th May, 2015.

In terms of the regulation, it is mandatory for every listed Company to formulate a Code of Conduct for prevention of Insider Trading and to regulate, monitor and report trading by its Directors and Employees who are having unpublished price sensitive information. This embodies the Code of Conduct for Prevention of Insider Trading.

Definitions:

In this Code, unless the context otherwise requires, the following words, expressions and derivatives there form shall have the meaning assigned to them as under:

- (a) **“Board”** means Board of Directors of the Company.
- (b) **“Code”** means this Code of Conduct for prevention of Insider Trading and the Code of Corporate Disclosure Practices, as applicable, including modifications made thereto from time to time.
- (c) **“Company”** means The Fertilizers and Chemicals Travancore Ltd.
- (d) **“Compliance Officer”** means any senior officer designated so and reporting to the Board of Directors or CEO who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Regulations and who 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes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/and or CEO of the Company.

- (e) **“Connected Person”** shall have the meaning given to it under Regulation 2(d) of the Regulations and shall also include the directors and key managerial personnel.
- (f) **“Designated Persons”** means:-
 - (i) Directors; and
 - (ii) Such Employees and Connected Persons as notified by the Compliance Officer with the approval of Board in line with the objectives of the Code;
- (g) **“Director”** means a member of the Board of Directors of the company.
- (h) **“Employee”** means every employee of the Company including the Directors in the employment of the company.
- (i) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.
- (j) **“Immediate Relative”** means the spouse of the Designated Person, and includes parent, sibling and child of such Designated Person or of the spouse who are either financially dependent on the Designated Person or consults the Designated person in taking decision relating to trading in securities.
- (k) **“Insider”** means any person who is a Connected Person or in possession of or having access to Unpublished price Sensitive Information.
- (l) **“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.
- (m) **“Specified Persons”** means all Directors, Employees and Connected Persons of the Company (Including all Designated Persons).
- (n) **“Trading Day”** means a day on which the recognized stock exchanges are open for trading.
- (o) **“Trading Securities”** means and includes an act of subscribing to, buying, selling, dealing or agreeing to subscribe to, buy, sell

or deal in any Securities of the Company and ‘trade’ shall be construed accordingly.

- (p) **“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 of Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:
- (i) financial results
 - (ii) dividends;
 - (iii) change in capital structure
 - (iv) mergers, de-mergers, acquisitions,
 - (v) changes in key managerial personnel; and
 - (vi) material events in accordance with the listing agreement.

All terms used in this Code but not defined hereinabove shall have the meanings ascribed to them under the Regulations.

Code of Conduct for Prevention of Insider Trading

Compliance Officer:

The Board of FACT shall appoint the Company Secretary as the Compliance Officer to ensure compliance and for effective implementation of the Code of Conduct for prevention of Insider Trading. The compliance officer shall act as the focal point for dealing with SEBI in connection with all matters relating to the compliance and effective implementation of this Code.

Handling of Unpublished Price Sensitive Information (UPSI)

Specified persons shall maintain the confidentiality of all UPSI coming into their possession or control. Such persons shall not communicate, provide or allow access to UPSI to any person directly or indirectly. Specified persons shall not discuss UPSI in public place or discuss UPSI to any employee who does not need to know the information or recommend it to anyone that they may undertake trading in securities of the Company while being in possession, control or knowledge of UPSI or be seen or perceived to be trading in securities of the Company while in possession of UPSI.

Dealings/Trading in FACT Shares

No insider shall trade/deal in FACT shares when in possession of unpublished price sensitive information.

Approval for Dealing in Securities

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.

Every designated persons shall obtain a pre-trading approval as per the procedure prescribed for trading in the securities of FACT proposed to be undertaken by such designated persons or his/her immediate relatives. Such approval would be necessary only if the cumulative trading in any financial or exceeds Rs.1 lakh (market value).

Approval Procedure

For obtaining approval the concerned designated person shall make an application in the prescribed form (attached as Annexure – I) to the Compliance Officer. Such application should be complete and correct in all respects and should be accompanied by such undertakings and declarations as specified in Annexure – II (The Compliance Officer should submit his/her application for approval to the Managing Director/CEO).

Approval

The Compliance Officer shall consider the application and shall approve it forthwith preferably on the same trading day unless he is of the opinion that grant of such an approval would resulting a breach of the provisions of this Code or Regulations. Every approval letter shall be issued in the format annexed as Annexure – III and shall be valid for a period of 7 trading days from the date of approval.

Opposite Transaction

The designated persons and their immediate relatives shall not within 6 months of buying or selling any number of securities of the company enter into an opposite transaction, i.e., sell or buy, as the case may be, any number of securities of the Company. If any opposite transaction is executed in violation of the restriction set out above, the profits from such trading shall be liable to be disgorged for remittance to SEBI for credit to the Investor Education and Protection Fund.

Reporting Requirement

Every key Managerial Personnel, Director and designated person of the Company shall disclose their holdings and holdings of their immediate relatives to the Compliance Officer within 30 days of the Regulations taking effect in the specified format (Annexure IV).

Every key Managerial Personnel, Director and Designated person of the Company shall disclose annual statements of their holdings and the holdings of their immediate relatives of FACT shares to the Compliance officer as on 31st March of every year in form enclosed as Annexure – VI.

Every Key Managerial personnel, Director and designated person and employee of the Company shall disclose in the form enclosed as Annexure – VII to the Compliance Officer the number of FACT shares acquired or disposed by them or their immediate relatives within 2 trading days of such transactions, if the value of the securities traded in a calendar year exceeds Rs. 1 lakh. The Company shall notify the particulars of such trading to the Stock Exchange within 2 trading days of receipt of disclosure.

Every Director, KMP and designated persons of the Company shall disclose their holdings and the holdings of their immediate relatives to the compliance Officer within 30 days from the date of appointment. The Compliance Officer shall maintain records of the declaration/information submitted for a minimum period of 5 years from the date of submission.

Penalty for Contravention

Every Employee, Directors, KMPs and designated persons shall be individually responsible for complying with the applicable provisions of this Code. The person who violate this Code shall, in addition to any penal action that may be taken, also be subject to disciplinary action which in respect of an Employee/KMP may include wage freeze, suspension or termination of employment, other than the action that may be taken by SEBI for violation of SEBI guidelines on insider trading. In case it is observed by the Compliance officer that there has been a violation of the Code, he/she shall report the same to CEO/Board and SEBI.

Under Section 15(G) of the SEBI Act, any insider who indulges in insider trading in contravention is liable to be a Penalty which shall not be less than Rs.10 lakhs, but which may extent to Rs.25 crores or 3 times the amount of profit made out of insider trading, whichever is higher.

Under Section 24 of the SEBI Act, anyone, who contravenes the regulation, is punishable with imprisonment for a maximum period of 10 years or with fine, which my extent to Rs.25 crores or both.

CODE OF CORPORATE DISCLOSURE

Overseeing and coordinating disclosure:

For the limited purpose of the Code of Corporate disclosure, the Company Secretary shall be designated as the Chief Investor Relations Officer for dissemination of information and disclosure of Unpublished Price Sensitive Information (UPSI).

The Chief Investor Relations Officer shall report to the Chairman and Managing Director.

All disclosure/dissemination of any UPSI (save and except disclosure required to be made under any law or under this Code) on behalf of the Company shall be first marked to the Chief Investor Relations Officer for information. Any such information shall be made public or published on behalf of the Company only after marking a copy to the Chief Investor Relations Officer.

Responding to market rumours:

The Employee / Director of the Company shall promptly direct any queries on news reports or requests for verification of market rumours received from regulatory authorities to the Chief Investor Relations Officer.

The Chief Investor Relations Officer shall, on receipt of requests as aforesaid, consult the Chairman and Managing Director and send an appropriate and fair response to the same.

All requests/queries received shall be documented and as far as practicable the Chief Investor Relations Officer shall request for such queries/requests in writing. No disclosure in response to the queries/requests shall be made by the Chief Investor Relations Officer, unless the Chairman and Managing Director approves the same.

Disclosure / dissemination of UPSI with special reference to analysts, institutional investors:

No person, except those authorized by the Chief Investor Relations Officer, shall disclose any information relating to the Company's Securities to analysts and research persons. The Chief Investor Relations Officer shall be invited to meetings/ conferences organized by the Company with analysts/research persons.

All Directors and Employees of the Company should follow the guidelines given hereunder while dealing with analysts and institutional investors.

Sharing of UPSI:

The Employee and Director of the Company shall provide only public information to analysts/research persons. In case any UPSI is proposed to be provided, the person proposing to so provide information, shall consult the Chief Investor Relations Officer in advance. The Chief Investor Relations Officer shall ensure that the information provided to the analyst/research person/investor as above is made public simultaneously with such disclosure.

The Company shall take extreme care and caution when dealing with analysts' question that raise issues outside the intended scope of discussion.

The Chief Investor Relations Officer shall handle all the UPSI on a need-to-know basis only. In case of doubt, the Chief Investor Relations Officer shall consult and seek approval of the Chairman and Managing Director before dissemination of such information.

Recording of discussion:

All analyst and other investor relations conferences shall be attended by the Chief Investor Relations Officer who may be accompanied by any other Employee(s) of the Company. In order to avoid misquoting or misrepresentation, the Chief Investor Relations Officer can make transcripts or arrangements for recording the discussions at the meeting.

Simultaneous release of information:

Whenever the Company proposes to organize meetings with investment analysts/ research person, the Company shall make a press release or post relevant information on its website after every such meeting.

Medium of disclosure / dissemination:

The Company shall disseminate all credible and concrete UPSI on a continuous and in a timely manner to stock exchanges where its securities are listed in accordance with the requirements of applicable law and thereafter to the press.

As a good corporate practice, the UPSI disclosed to the Stock Exchanges and to the Press may also be supplemented by prompt updates on the Company's website. The Company may also consider other modes of public disclosure of UPSI so as to improve investor access to the same.

SPECIMEN OF APPLICATION FOR PRE-TRADING APPROVAL

Date :.....

To

The Compliance Officer
The Fertilisers and Chemicals Travancore Ltd.
Eloor, Udyogamandal-683501.

Internal use

Recd date
and time

Sign

Dear Sir/Madam

APPLICATION FOR PRE-TRADING 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 for purchase/sale/subscription of _____ Shares (GIVE DESCRIPTION) of the Company as per the details given below.

NAME _____

State whether

Director

KMP

Immediate Relative as defined in the Companies Act 2013

Badge No. _____
Designation: _____
Department: _____

Name of transaction	*Name of proposed Buyer/Seller	No. of Securities	**Date of purchase/allotment	***Previous approval no. and date for purchase/allotment	DP/BEN ID of the account/ folio no. where the securities will be credited/ debited	No. of securities held in such account/ folio no.
					DP ID BEN ID _____ _____ Folio No. _____	

* applicable for off market transaction

** applicable only if the application is in respect of sale of Securities (including derivatives)

*** applicable only if the application is in respect of sale of Securities (including derivatives) for which an earlier purchase sanction was granted by the Compliance Officer

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Applicant)

**FORMAT OF UNDERTKING/DECLARATION TO BE ACCOMPANIED
WITH THE APPLICATION FOR PRE-TRADING**

UNDERTAKING/DECLARATION

To

_____ Ltd.

I, _____, resident of _____ hereby
declare that I am a Director/KMP of FACT Ltd.

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)) upto and at the time of signing this Undertaking/Declaration.

In case I have access to or I receive any Unpublished price Sensitive Information after signing this Undertaking/Declaration but before execution of the transaction, I shall inform the compliance Officer of the change in my position and I would, and ensure that my Immediate Relatives would completely refrain from Trading in the Securities of the company till the time such Unpublished Price Sensitive Information becomes generally available.

I declare that I have not contravened the Code as notified by the Company from time to time.

I undertake to submit the necessary report within two Trading days of execution of the transaction/ a 'Nil' report if the transaction is not undertaken.

I am aware that, I shall be liable to face penal consequences as set forth in the code including disciplinary action under the Code of the Company in case the above declarations are found to be misleading or incorrect at any time.

I agree to comply with the provisions of the Code and provide any information relating to the trade as may be required by the Compliance Officer and permit the Company to disclose such detail to SEBI, if so required by SEBI.

I declare that I have made full and true disclosure in the matter.

Date:

(Signature of the Applicant)

FORMAT FOR PRE-TRADING APPROVAL LETTER

Date: _____

Approval No. __ of ____

To

Mr. / Mrs. _____

Emp. No. _____

Designation _____

PRE-TRADING APPROVAL/DISAPPROVAL - Your application dt....

Dear Mr. / Mrs...

With reference to your above application seeking approval for undertaking certain transactions in Securities (including derivatives) of the Company detailed therein, please be informed that you are/your Immediate Relative _____ is hereby authorized/not authorized to undertake the transaction(s) as detailed in your said application.

This approval is being issued to you based on the various declarations, representations and warranties made by you in your said application.

This approval letter is valid till _____ (i.e. for {7} trading days from the date hereof). If you/your Immediate Relative _____do(es) not execute the approved transaction/trade on or before this date you would have to seek fresh pre-trading approval before executing any transaction/del in the Securities (including derivatives) of the Company. Further, you are required to file the details of the executed transactions in the attached format within two (2) Trading Days from the date of transaction/deal. In case the transaction is not undertaken a “Nil” report shall be necessary.

Yours truly,

Compliance Officer