

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

1. Introduction

The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") requires the Board of Directors of every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information (events and occurrences) that could impact price discovery in the market for its securities.

The Board of Directors of Vijay Solvex Limited ("the Company") formulated the Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information ("Code") and subsequently approved the amendments to the Code on February 14, 2019 in compliance with the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The amended Code would come into effect from April 1, 2019.

2. Objective

The Code intends to formulate a defined framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information and to prevent misuse of such information.

3. Unpublished Price Sensitive Information

Unpublished Price Sensitive Information ("UPSI") means relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming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 the securities and shall, ordinarily including but not restricted to, information relating to the following: (i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and (v) changes in key managerial personnel.

4. Principles of Fair Disclosure

The Company shall adhere to the following principles to ensure timely and fair disclosure of UPSI:

- (i) Prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, to make such information generally available.
- (ii) Uniform and universal dissemination of UPSI to avoid selective disclosure.
- (iii) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- (iv) Ensuring that information shared with analysts and research personnel is not UPSI. The Company shall be careful while answering to the queries of analysts. Unanticipated questions shall be taken on notice and a considered response shall be given later.
- (v) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website to ensure official confirmation and documentation of disclosures made.
- (vi) Handling of all UPSI on a need-to-know basis. UPSI shall be disclosed to Company officials only after a proper clarification is sought as to the purpose for which the information is needed.

5. Chief Compliance Officer and Chief Investor Relations Officer

The Compliance Officer of the Company shall act as Chief Compliance Officer (CCO) and Chief Investor Relations Officer (CIRO) for the purpose of dealing with dissemination of information and disclosure of UPSI as contained herein.

All UPSI is to be handled on "need to know basis", i.e., UPSI should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.

Any queries or requests for verification of market rumor(s) by the Regulatory Authorities shall be forwarded to the CCO, who shall decide on the clarification to be provided.

6. Prompt disclosure of UPSI

The Company will ensure that any event which has a bearing on the share price of the Company shall be disseminated promptly upon the conclusion of the event, by communicating the same to the stock exchanges in accordance with the SEBI PIT Regulations.

To ensure that the information is disseminated in an uniform manner, the Company will transmit the information to all the stock exchanges where the securities of the Company are listed, at the same time and shall also publish the same on the website of the Company viz. www.vijaysolvex.com.

7. Disclosures to Analysts/Media and Research Personnel

The Company will provide only public information to the analyst/media and research personnel. Whenever meetings or con calls are organised, the Company will intimate the stock exchanges and host the details of the same in the Company's website. All UPSI shall be first communicated to the stock exchanges before the same is shared with Analysts/Media and Research personnel.

8. Responding to Market Rumors

The Chief Compliance Officer shall promptly respond to any queries for verification of market rumors by the stock exchanges.

9. Policy for sharing of UPSI for legitimate purpose

The Company has determine the term 'Legitimate purposes' as part of its internal Code of Conduct under SEBI PIT Regulations.

"Legitimate purpose" includes sharing of UPSI in the course of business by an insider with promoter, subsidies, associates, joint ventures, any governmental and other statutory authorities, Courts of Law, tribunals, intermediaries and fiduciaries engaged by the Company, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors or consultants provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations.

The UPSI should be shared where such communication is in furtherance of performance of duty (ies) and for discharge of legal obligation(s). It will be for

any other genuine or reasonable purpose as may be determined by the CCO of the Company.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "Insider" for purposes of this Code and due notice shall be given to such persons to make aware such person that the information shared is or would be UPSI and requiring them to maintain confidentiality of the UPSI in compliance with the Code and the SEBI PIT Regulations.

10. Digital Database of Recipients of UPSI

The Designated Persons and employees, sharing UPSI in furtherance of legitimate purposes, shall inform to the Compliance Officer, the Name and Permanent Account Number or such other identifier authorized by law or such other details, as may be required, of such persons or entities with whom UPSI is shared under these Rules.

The details so obtained shall be maintained in a digital database with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

11. Amendment

The Board of Directors of the Company from time to time, may amend the Code as per applicable laws, rules and regulations. The Code and any subsequent amendment(s) thereto, will be intimated to the Stock Exchanges and will also be hosted on the Company's website at www.vijaysolvex.com.

POLICY ON DETERMINATION OF LEGITIMATE PURPOSE

[UNDER REGULATION 3(2A) OF SECURITIES AND EXCHANGE BOARD OF INDIA
(PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015]

1. Background

The Company shares data or information with various stakeholders like organizations, Agencies, institutions, intermediaries, establishments, persons, etc., during the course of its business operations. Such unpublished data or information, if made publicly available may materially impact the market price of the listed securities of the Company. If such persons trade on the basis of unpublished price sensitive information ('UPSI'), it could result in an undue advantage to such persons. The trading in the securities of the Company by an insider is governed by and subject to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Regulations') as amended from time to time and the Company's Code of Conduct for Prevention of Insider Trading and Code for Corporate Disclosure Practices ('Code').

This "**Policy on Determination of Legitimate Purpose**" ('Policy') is framed by the Board of Directors of the Company pursuant to the amendment in the Regulations, in 2018 and is part of "**Code of Corporate Disclosure Practices**".

This policy is effective from April 1, 2019.

2. Applicability

The Policy is applicable to the Company and all Insiders.

3. Definitions

- a. "**Compliance Officer**" means a person as defined as such in the Code of Conduct of the Company for Prevention of Insider Trading, as amended from time to time.
- b. "**Connected Person**" means a connected person as defined under Regulations and shall also include their Directors and Key Managerial Personnel.
- c. "**Insider**" means any person who is a connected person or in possession of or having access to UPSI.

d. "Promoter" shall have the meaning assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

e. "Unpublished Price Sensitive Information or UPSI"

Unpublished Price Sensitive Information ("UPSI") means 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 the securities and shall, ordinarily including but not restricted to, information relating to the following: (i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and (v) changes in key managerial personnel.

4. Legitimate Purpose

"Legitimate Purpose" shall mean sharing of UPSI in the ordinary course of business or on a need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

Legitimate Purpose shall inter alia include sharing of UPSI on need to know basis by an insider with the promoter, subsidiaries, associates, joint ventures, any governmental and other statutory authority, Courts of law, Tribunals, intermediaries and fiduciaries engaged by the Company, partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

In following cases which are illustrative in nature, sharing of UPSI would be considered as legitimate purpose:

- (i) For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;

Example: Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Reserve Bank of India, Sectoral Regulatory Body, etc.

- (ii) Under any proceedings or pursuant to any order of courts or tribunals;

Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.

- (iii) As a part of compliance with applicable laws, regulations, rules and requirements;

Example: Company Law, Securities Law, Income Tax Law, Banking Law, etc.

- (iv) Arising out of any contractual obligations or arrangements entered by the Company set forth in any contract, agreement, arrangement, settlement, understanding or undertaking.

Example: Due-diligence for any kind of restructuring, namely mergers & acquisitions, joint venture agreements, share purchase agreements, franchisee agreement, etc.

- (v) Arising out of business requirements including requirement for the purposes of promoting the business of the Company and strategies of business which may require sharing of UPSI with Subsidiaries, Associates, Joint Ventures and with the Promoters and Promoters in turn with their Promoters as well as by Promoters with their advisors, consultants, intermediaries, fiduciaries etc.

Example: Some of the examples which are illustrative in nature are as mentioned below:

- Sharing the relevant UPSI by Company or Promoters for advice, consultation, valuation, fund raising or other intermediation and approvals in relation to the subject matter of a proposed deal/assignment/tie-up/venture/fund raising;
- Sharing the relevant UPSI by Company or Promoters with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors, insolvency professionals, business support agents, transaction processing service providers in order to avail professional services from them;
- Sharing the relevant UPSI by Company or Promoters for advice, consultation, transaction support, intermediation and approvals on projects relating to enterprise transformation, strategy, change management, analytics, re-organization, operation improvement, technology and similar domains;

- Sharing the relevant UPSI by Company or Promoters for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business;
- Sharing the relevant UPSI by Company or Promoters for statutory consolidation requirements or related customary disclosure obligations;
- Sharing the relevant UPSI by Company or Promoters with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The UPSI should be shared where such communication is in furtherance of performance of duty (ies) and for discharge of legal obligation(s). It will be for any other genuine or reasonable purpose as may be determined by the CCO of the Company.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered an "Insider" for purposes of this Code and due notice shall be given to such persons to make aware such person that the information shared is or would be UPSI and requiring them to maintain confidentiality of the UPSI in compliance with the Code and the SEBI PIT Regulations.

5. Policy Review

The Policy shall be reviewed periodically in accordance with review of internal controls and checks as well as changes or any regulatory requirements from time to time.

In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall prevail.