

CHROMATIC INDIA LIMITED

INSIDER TRADING CODE

I. Introduction:

This policy aims to define, establish and clarify the standards for behavior in CHROMATIC INDIA LIMITED (hereinafter referred as the 'the Company') and the Company's position in relation to:

- i) Prevention of Insider Trading in securities of the Company;
- ii) Maintenance of Confidentiality of price sensitive information;
- iii) Adherence to and compliance with the regulation governing Prohibition of Insider Trading in listed entities.

II. Objectives:

The Company is committed to

- i) Preserving the confidentiality and preventing misuse of any unpublished price sensitive information about the Company or any of its securities;
- ii) Adherence to transparency and fairness in dealing with all stakeholders of the Company; and
- iii) Strict compliance with applicable regulations of the Securities and Exchange Board of India.

The Objective of this code is to set out the standards, and regulate and/or monitor compliance of Insider Trading Regulations of the Company by all "Insiders" and "Connected Persons" and their responsibility to preserve and maintain confidentiality of unpublished price sensitive information that may or is expected to affect the price of securities of the Company.

III. Definitions: Definitions of some of the key terms used in the Code are given below:

- i) "**Board**" means Board of Directors of CHROMATIC INDIA LIMITED
- ii) "**Code**" means Code of Internal Procedures and Conduct for regulating, monitoring and reporting of trading by insiders of CHROMATIC INDIA LIMITED.
- iii) "**Company**" means CHROMATIC INDIA LIMITED and its subsidiaries and may be referred to as 'the Company' in this or in relation to Insider Trading Code;
- iv) "**Regulations**" shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- v) "**Compliance Officer**" means Company Secretary or such other Senior Officer designated by the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under SEBI 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the Insider Trading Code of the Company under the overall supervision of the Board of Directors of the Company.

vi) **"Connected Person"** and **"Deemed Connected Person"** shall mean:

any person who is or has during the six months been associated with the company, directly or indirectly, or in any capacity including by reason of frequent communication with officers of the Company 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 with the Company (whether temporary or permanent), that allows such person, directly or indirectly, access to unpublished price sensitive information of the Company or in relation to securities of the Company;

Any person(s) falling within the following categories shall be deemed to be connected persons, unless the contrary is established:

- (a) an immediate relative of Connected Persons; or
- (b) a holding company or associate company or subsidiary company; or
- (c) an intermediary as specified in Section 12 of the SEBI 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 the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

vii) **"Insider"** means any person who is,

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information.

viii) **"Trading in Securities"** means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the securities of the Company, either as principal or agent, including by way of pledging;

ix) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof;

x) **"Trading Window"** shall mean the trading period of the stock exchanges which is available for trading in the Company's securities;

xi) **"Trading Plan"** is a plan formulated by an Insider and presented to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on behalf of the Insider in accordance with such plan as per Clause 5(1) of the SEBI

Regulations.

xii) **“Designated Persons” shall mean and include**

- a. every employee of the Company and any of its subsidiaries who are in Functional Management Band (‘FM Band’) and above;
- b. every employee in the Secretarial, Investor Relations & Strategic, Finance, Accounts department / functions of the Company; and
- c. any other employee of the Company, as may be approved by the Board of Directors of the Company.

Words and expressions used and not defined in these regulations shall have same meaning as contained in SEBI (Prohibition of Insider Trading) Regulations, 2015.

IV. Policy and Its Applicability

a. Applicability

This Insider Trading Code or Policy shall apply to all Insiders, Connected Persons, Deemed Connected Persons, Directors, Key Managerial Personnel and Designated Persons of the Company and the Promoters of the Company (collectively called “**Insider** “ for the purposes of this Code)

b. Policy

1. No Insider - when in possession of any unpublished price sensitive information about, or in relation to the Company or any of its securities - shall:
 - Trade or have Dealings in the securities of the Company, either on his/her behalf or on behalf of any other person;
 - Communicate, provide or allow access to, or counsel, directly or indirectly, any unpublished information relating to the Company or any of its securities, to any other person, except on a need to know basis in furtherance of legitimate purposes in relation to the Company.
2. All Directors, Key Managerial Personnel and /or Designated Persons or their immediate relatives shall conduct their trading in the securities of the Company only during or in a valid trading window strictly in compliance with this Code, more specifically Clause V (i) of this Code – Code of Conduct for Designated Persons.

3. Trading Plans

As an exception to the condition that an Insider shall not trade when in possession of unpublished price sensitive information, an Insider may - subject to prior approval of a Trading Plan by the Compliance Officer and public disclosures - commence trading on his behalf in the securities of the Company as per the approved Trading Plan during a period of 12 months (excluding the Trading Window closure period) provided that such trading plan shall not commence earlier than 6 months from such Trading Plan approval and such Trading plan(s) shall be irrevocable and to be mandatorily implemented.

V. Code of Conduct for Designated Persons

i. Any Designated Person may trade or deal in the securities of the Company during any non-window closure period, without obtaining pre-clearance of such trade(s) from the Compliance Officer and such trade and/or dealing (in or more tranches) shall be limited to the lower of the following:

- Rs 10 lakhs calculated based on aggregate value of Equity Shares dealt with in any calendar quarter.

However, no Insider shall be entitled to apply for or seek any pre-clearance of proposed trade(s) if such Insider is in possession of unpublished price sensitive information even if the trading window is not closed. Any trade(s) executed based on pre-clearance shall be concluded within 7 (seven) trading days after the date of pre-clearance.

Provided that every Designated Person who is permitted to trade shall not execute any contra-trade within a period of 6 (six) months from the original trade. In an event of acquisition of any securities by the Designated Person, contra-trade shall mean sale of such securities and vice-versa. Any violation of this condition / restriction, inadvertently or otherwise, shall entail disgorgement of profits from such trade and remittance for credit to the Investor Protection and Education Fund of SEBI.

ii. Trading Window shall remain closed for trading in securities of the Company in relation to any of the following ensuing events around which, or that would ordinarily give rise to, Unpublished Price Sensitive Information about the Company or any of its securities are likely to exist and such information is/are likely to materially affect the price of the securities of the Company.

- Financial Results – whether Unaudited or Audited;
- Dividend declaration;
- Any transaction(s) relating to Corporate Action events including mergers, demergers, acquisitions, delisting, disposal and/or expansion of business;
- Change(s) in Key Managerial Personnel of the Company;
- Material Events specified in or in accordance with the Listing Agreements entered in to by the Company with the Stock Exchanges

Such Trading Window closure shall commence from end of the period for which such financial result(s) are to be announced and shall continue until the second trading day after closure or announcement of such financial results by the Company. Trading Window closure for events other than financial results, shall be the period as may be communicated by the Compliance Officer of the Company from time to time.

iii. Procedure for pre clearance

An application may be made by the Designated person(s) who intends to deal in the securities of the Company when not in possession of any unpublished price sensitive information, to the Compliance officer in the prescribed Form given in Annexure 1 to this Code, indicating the estimated number of securities that the Designated persons intends to deal in and such Form shall be accompanied by an undertaking (as per the draft given in Annexure 2) shall be executed in favour of the Company by such Designated persons;

All Designated persons shall execute their orders in respect of securities of the Company within

seven trading days after the approval of pre-clearance is given and shall file the details of such deal with the Compliance Officer within 2 (two) days of the execution of the deal as per Annexure 4. In case the transaction pre-cleared is not undertaken, a report as per Annexure 4 shall be filed to that effect.

iv. Holding period

In case of subscription in the primary market, the Insiders shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted. The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

VII. Disclosures

- a. Every Promoter, employee and director of the company shall disclose to the company the number of such securities acquired or dispensed of within two trading days of such transaction or receipt of intimation of allotment of securities 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 ten lakhs.
- b. Company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two working days of receipt of disclosure or from becoming aware of such information.
- c. The disclosures made under this Code shall be maintained for a period of five years

VIII. Guidelines to be followed while dealing with analysts and institutional investors

- Only public information to be provided.
- At least two Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

IX. Penalty for contravention of this Code

Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code shall be subject to disciplinary action by the Company and liable to be penalized. Appropriate disciplinary action which may be taken by the Company may include wage-freeze, suspension from employment, ineligibility for future participation in employee stock option plans, etc., as may be decided by the Board. Actions, if any by the Company for such violations shall not preclude SEBI from taking any action under the Regulations.

ANNEXURE 1
SPECIMEN OF APPLICATION FOR PRE-CLEARANCE APPROVAL

Date:

To,
The Compliance Officer,

CHROMATIC INDIA LIMITED
Mumbai - 400 018

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 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 trading in securities	
7	Estimated number of securities proposed to be acquired / subscribed / sold	
8	Price at which transaction is proposed	
9	Current Market price (as on date of application)	
10	Whether the proposed transaction will be made through stock exchange or off- market	

In connection with my request for approval to deal in _____ shares of the Company, as required by

the Insider Trading Code of the Company, I hereby state and undertake that:

1. Neither do I have access to nor do I have any information that could be construed as 'Unpublished Price Sensitive Information' up to the signing of this undertaking.
2. In the event if have access or receive any information that could be construed as 'Price Sensitive Information', after signing 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.
3. I confirm that I have not contravened the provisions of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 not the Insider trading Code of the Company.
4. I have made full and true disclosures in the matter.

Yours faithfully,

(Signature of Employee)

ANNEXURE 2

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

UNDERTAKING

To,
The Compliance Officer,

CHROMATIC INDIA LIMITED
Worli, Mumbai - 400 018

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 2 (two) 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 once again seek pre-clearance.

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

Date :

Signature : _____

* Indicate number of shares

ANNEXURE 3

FORMAT FOR PRE- CLEARANCE ORDER

To,
Name : _____
Designation : _____
Place : _____

This is to inform you that your request for trading in _____ (nos) 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 (seven) trading 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 **CHROMATIC INDIA LIMITED**

COMPLIANCE OFFICER
Date : _____

Encl: Format for submission of details of transaction

ANNEXURE 4

FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / trading in securities of the Company)

To,
The Compliance Officer,

CHROMATIC INDIA LIMITED
Worli, Mumbai- 400 018

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to _____ securities as mentioned below on ____ (date)

Name of holder	No. of securities dealt with	Bought/sold/subscribed	DP ID/Client ID / Folio No	Price (Rs.)

I Undertake to preserve documents evidencing proof of above transaction for a period of 3 years and produce the same to the Compliance officer / SEBI when required.

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Date : _____

Signature : _____

Name :

Designation: