

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE AND CODE OF CONDUCT FOR INSIDER TRADING

1. PREAMBLE

This Code of Practices and Procedures for Fair Disclosure and Code of Conduct for Insider Trading (hereinafter referred to as “Code”) is framed and approved pursuant to the provisions of Regulation 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “PIT regulations”).

The Board of Directors of EP BIOCOSCOMPOSITES LIMITED (hereinafter referred to as “the Company”) have adopted this Code in their Board Meeting dated 28th April, 2020.

2. OBJECTIVE

The objective of the Code is to provide for practices and procedures for fair disclosure of unpublished price sensitive information as well as to regulate, monitor and report insider trading.

3. DEFINITIONS

3.1 “Connected Persons” 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 Promoter, director, an 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 also be deemed to be connected persons unless the contrary is established:
 - a. An immediate relative and dependent of connected persons specified in clause b.
 - b. a holding company or associate company or subsidiary company; or
 - c. An intermediary as specified in Section 12 of the SEBI Act (‘the Act) or an
 - d. employee or director thereof; or
 - e. An investment Company, trustee company, asset management company or an
 - f. employee or director thereof; or
 - g. An official of a stock exchange or of clearing house or corporation; or
 - h. 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
 - i. 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
 - j. An official or an employee of a self-regulatory organization recognised or authorized by the Board; or
 - k. Banker of the company; or
 - l. 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 percent, of the holding or interest.

3.2 “Contra trade” includes the opposite trade or reversal of the position in the securities of the Company.

3.3 “Designated Persons” shall mean:

- I. General Manager and above or its equivalent in all departments;
- II. All employees in Secretarial, Finance and Accounts Department;
- III. Such other employees as may be specified and determined from time to time by the Managing director/ Chief executive officer, Chief Financial Officer or Compliance officer.

3.4 “Generally available information” means Information available to public on non-discriminatory basis:

3.5 “Immediate Relative” means spouse of an insider and includes parent, sibling and child of such insider or of the spouse, any of whom is either dependent financially on such insider or consults such insider in taking decisions relating to trading in securities.

3.6 “Insider” means any person who is:

- I. Connected person; or
- II. Person in possession of or having access to unpublished price sensitive information;

3.7 “Unpublished Price Sensitive Information” (“the 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 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, delistings, disposals and
- V. expansion of business and such other transactions;
- VI. Changes in key managerial personnel; and
- VII. Material events in accordance with the listing agreement.

Words and expressions used here but not defined shall have the same meaning assigned to them under the PIT Regulations, or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 or the rules and regulations made thereunder, as the case may be or in any amendment thereto.

4. HANDLING OF INFORMATION

- I. All information within the Company shall be handled on a need-to-know basis. For transactions which may give rise to UPSI, a person shall be made aware of UPSI only by the person who has the authority or responsibility of making another person so aware.
- II. UPSI can be shared in the ordinary course of business only if the same is necessary to be shared for completion of a task/ activity/ deal including for furtherance of business interests of the Company.

- III. UPSI can be shared with employees of the Company, partners of the Company, lenders, customers, suppliers, advisors, auditors, or any third party for availing or rendering services, sale of goods or any other business purposes.
- IV. The person with whom UPSI is being shared shall be made aware of the duties and responsibilities attached to the receipt of UPSI, and the liability that attaches to misuse or unwarranted use of such information.
- V. The Compliance Officer has the authority to put into place any Chinese Walls between the departments of the Company, if deemed necessary by him.

5. PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

- I. The Company shall
 - a. Make prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
 - b. Make uniform and universal dissemination of UPSI to avoid selective disclosure.
 - c. Make prompt dissemination of UPSI in case that it gets disclosed selectively, inadvertently or otherwise to make such information generally available.
 - d. Make appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
 - e. Ensure that information shared with analysts and research personnel is not UPSI.
 - f. Develop best practices to make 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.
- II. The Compliance Officer of the Company shall be designated as the Chief Investor Relations Officer (CIRO) to deal with dissemination of information and disclosure of unpublished price sensitive information.
- III. CIRO shall have power to authorise or permit any employee of the Company to respond to any third party enquiries regarding the affairs of the Company.

6. PROHIBITION ON COMMUNICATION OR PROCURING UPSI

- I. An insider shall not communicate, provide, or allow access to any UPSI relating to company or any of its security to any person including other insider except need to fulfilment of his duty or obligation.
- II. An insider shall not procure from or cause the communication by an insider of UPSI relating to the Company or its security.

7. PROHIBITION ON INSIDER TRADING

- I. An insider shall not directly or indirectly trade in securities of Company except when trading window is open.
- II. Restriction in above clause shall not be applicable to transaction that is
 - a. an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 of PIT Regulations regarding communication and procurement of UPSI and both parties had made a conscious and informed trade decision

provided that such UPSI was not obtained under sub-regulation (3) of regulation 3 of the said Regulations and was reported by the insiders to the company within two working days.

- b. the transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 of PIT Regulations and both parties had made a conscious and informed trade decision provided that such UPSI was not obtained under sub-regulation (3) of regulation 3 of the said Regulations
- c. the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- d. the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- e. in respect of a pledge of shares for a bonafide purpose such as raising of funds, subject to pre-clearance by the compliance officer and compliance with the respective regulations made by the Board
- f. the trades were pursuant to a trading plan set up in accordance with regulation 5.
- g. transactions which are undertaken in accordance with respective regulations made by the SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer.

8. TRADING WINDOW

- I. The compliance officer shall notify the trading window during which the designated person may trade in company's securities after securing preclearance from compliance officer.
- II. Designated person and his immediate relatives shall not trade in company's securities when trading window is closed.
- III. Trading window shall be closed for all insiders from 5 days prior to the last day of any financial period for which results are required to be announced by the company till 48 hours after the declaration of financial results.
- IV. The Compliance officer is authorized to close trading window at any time when according to his discretion a designated person can reasonably be expected to have UPSI.
- V. The Compliance Officer shall determine the timing for re-opening of the trading window after taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than 48 hours after the information becomes generally available.

9. PRE-CLEARANCE OF TRADING

- I. Designated person may trade in security of company when trading window is open after obtaining approval from compliance officer by submitting an application in prescribed format.
- II. The Compliance Officer may seek a declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI.
- III. The compliance officer shall not approve any transaction by designated person if compliance officer determines that such designated person is in possession of UPSI even though the trading window is open

- IV. The compliance officer may, after being satisfied that the application and undertaking are true and accurate approve trading by such designated person on condition that the trade approved shall be executed within 7 trading days.
- V. The designated person shall within 2 days after execution of trade submit the details of such trade to compliance officer in prescribed format In case the transaction is not undertaken, a report to that effect shall be filed in said form.

10. ADDITIONAL TRADING RESTRICTIONS ON DESIGNATED PERSONS

No Designated Person shall enter into derivative transactions into securities of company.

11. CONTRA TRADE

- I. Except for trade pursuant to exercise of stock options, no designated person who is permitted to trade shall execute a contra trade within six months from the execution of the original trade.
- II. The compliance officer may grant relaxation from strict application of the above restriction for reasons to be recorded in writing provided that such relaxation does not violate the PIT Regulations.
- III. In case a contra trade is executed, inadvertently or otherwise, in violation of the restriction above, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI.

12. ACTIONS ON CONTRAVENTION

- I. An insider who acts in contravention of these rules shall be liable to have his service with company terminated.
- II. Directors, officers, employees of the company who violate these regulations shall be liable to disciplinary actions by company, which may include wage freeze, suspension, recovery, clawback, ineligibility for the entitlement for any stock option by company.
- III. In addition to any action taken by the Company, SEBI and other authorities shall also be promptly informed of the violation of this Policy so that appropriate action can be taken.

13. DISCLOSURE REQUIREMENT

- I. One time disclosure by designated persons

Designated persons shall disclose the names of educational institutions from which designated persons have graduated and names of their past employers within 7 days of joining the Company.

- II. Annual disclosures by designated persons

Designated persons shall disclose the names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis within 7 days from the end of the financial year and within 7 days from the change of such information:

- a) immediate relatives

b) persons with whom such designated person(s) shares a material financial relationship

c) Phone, mobile and cell numbers which are used by them

Explanation – 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 from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

III. Any disclosures required to be made under this Policy shall be made in writing and sent to the Compliance Officer on the following address, either by way of sending a letter or any other electronic communication:

Name: CS Faiyazul Haq

Compliance Officer

Address: C/O Om Ventures, Industrial Estates, Bicholim, North Goa, PIN-403504

Email: info@kamatgroup.com

14. MISCELLANEOUS

- I. Subject to the applicable laws, Compliance officer is authorised to amend, modify, and interpret this policy with the prior approval of the Board of Directors of the Company.
- II. The compliance officer shall place quarterly report before audit committee of board trading of securities by designated persons.
- III. The Compliance officer shall maintain the following lists:
 - a. Updated list of designated persons
 - b. All preclearance records of five years
