

PHILLIPS CARBON BLACK LIMITED

CIN: L23109WB1960PLC024602

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**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT
TRADING BY INSIDERS**

[Pursuant to Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Introduction

Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations') requires a listed company to formulate a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons, towards achieving compliance with the said Regulations and adopting the minimum standards set out in Schedule B to the Regulations.

Accordingly, in supersession of the Company's Code of Business Conduct and Ethics, a Code of Conduct to regulate, monitor and report trading by Insiders ('the Code') for the Company is hereby framed as under :

Definitions

- (a) "Company" means Phillips Carbon Black Limited ("PCBL").
- (b) "Connected Person" means;
 - (i) any person who is or has during the six months prior to the concerned act been associated with a 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himself and the company whether temporary or permanent, that allows such persons, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.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 recognized 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.
- (c) “Compliance Officer” means Company Secretary of the Company,
- (d) Designed Persons;
- (i) All the Directors of the Company and immediate Relatives of the Directors;
 - (ii) The Designated Employees of the Company and Immediate Relatives of Designated Employees; and
 - (iii) Employees and other Connected persons
- (e) Designated Employee(s) shall include ;
- (i) Key managerial personnel;
 - (ii) All Executive Directors and Vice Presidents
 - (iii) Every employee in finance, accounts, secretarial and legal department as may be determined and informed by the Compliance Officer;
 - (iv) Any other employee as may be determined and informed by the Compliance officer from time to time.
- (f) ‘generally available information’ means information that is accessible to the public on a non-discriminatory basis
- (g) ‘insider’ means any person who is:
- i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information;
- (h) ‘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 decision relating to trading in securities;
- (i) “trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and ‘trade’ shall be construed accordingly;
- (j) “trading day” means a day on which the recognized stock exchanges are open for trading;
- (k) ‘unpublished price sensitive information’ 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, ordinary include but not restricted to, information relating to the following:-

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and
- vi. material events in accordance with the listing agreement.

(l) Other terms not specifically defined here shall have the same meaning as assigned under the Regulations.

Reporting

The Compliance Officer shall periodically report to the Board of Directors of the Company ('the Board') and, in particular, to its Chairman and shall maintain a record of Designated Persons and changes therein.

Information on a need to know basis and Chinese Wall procedures

All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the Insider's legitimate purposes, performance of duties or discharge of his/her legal obligations.

All files, papers and records including computer files shall be kept secure and employees in possession of such files, papers and records shall be provided with necessary infrastructure to maintain confidentiality and shall not communicate to or share with anyone other than communication required to be made in the ordinary course of business or under law.

Trading window

Designated Persons may execute trades subject to compliance with these Regulations. Towards this end, a notional trading window shall be used as an instrument for monitoring trading by the Designated Persons. Such trading window shall be closed between the fifteenth trading day prior to the last day of each financial period for which results are required to be announced and the second trading day after the disclosure of such results, and when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed.

The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

Trading Plan

An Insider shall be entitled to formulate a Trading Plan for dealing in securities of the Company and present the same 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. The plan shall set out either the value of the trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or the dates on which such trade shall be effective.

The Trading Plan shall not entail :

- ❖ Commencement of trading earlier than six months from the public disclosure of the plan;
- ❖ Trading for the period between the fifteenth trading day prior to the last day of each financial period for which results are required to be announced and the second trading day after the disclosure of such results;
- ❖ Trading for a period of more than twelve months;
- ❖ Overlap of any period for which another Trading Plan is already in existence; and
- ❖ Trading in securities for market abuse.

The Compliance Officer, after considering the Trading Plan as above, shall approve it forthwith. He shall be entitled to take such undertakings as may be necessary to enable his assessment and for approving and monitoring the implementation for the plan as per provisions of the Regulations.

The Trading Plan, once approved, shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or execute any trade in the securities outside the scope of the plan.

If at the time of formulation of the plan, the Insider is in possession of any unpublished price sensitive information that has not become generally available the implementation of the Trading Plan shall not be commenced. The commencement of the Trading Plan shall be deferred until such unpublished price sensitive information becomes generally available information. The Insider shall also not be allowed to deal in securities of the Company, if the date of trading in the securities, as per the approved Trading Plan coincides with the date of the closure of trading window announced by the Compliance Officer.

Upon approval of the Trading Plan, the Compliance Officer shall notify the plan to BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited where the Company's securities are listed.

Pre-clearance and trades

When the trading window is open, trading by Designated Persons shall be subject to preclearance by the Compliance Officer, if the value of the proposed trade(s) is above a minimum threshold limit of Rs. 5,00,000/- (Rupees Five Lakhs) in value over any calendar quarter, or such other limits as the Board may stipulate. No Designated Person shall apply for pre-clearance of any proposed trade if such Designated Person is in possession of unpublished price sensitive information even if the trading window is not closed.

The Compliance Officer shall confidentially maintain a list as a 'restricted list' as may be specified in the SEBI regulations which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

Prior to approving any trades, the Compliance Office shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

Orders in respect of securities shall be executed within seven (7) trading days after approval is granted by the Compliance Officer, failing which fresh pre-clearance would be needed for the trades to be executed.

A Designated Person who is permitted to trade shall not execute a contra trade within a period of six (6) months following the prior transaction. Relaxation may be given from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these Regulations. In the event, any such contra trade is executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.

Disclosure Responsibilities and formats

A. Initial Disclosures of holdings

Every Promoter, Key Managerial Personnel, Director and Designated Persons of the Company shall disclose (as per **Form A**) to the Company his holding of securities of the Company as on the date of these Regulations taking effect, within thirty (30) days of these Regulations taking effect;

Every person on appointment as a key managerial personnel, a director or Designated Person of the Company or upon becoming so shall disclose (as per **Form B**) his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven (7) days of such appointment or on becoming a promoter.

B. Continual Disclosure of trades

Every promoter, employee, director and Designated Person of the Company shall disclose to the Company (as per **Form C**) the number of such securities acquired or disposed of within two (2) trading days of such transaction if the value of the securities traded, whether in one transaction or a series or transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 5,00,000/- (Rupees Five lakhs) or such other value as may be specified;

The Company shall within a period of two (2) working days from the date of receipt of such disclosures, inform the Stock Exchanges particulars of such trading.

C. Other formats / disclosures, to monitor compliance with these Regulations would be as under -

- Application-cum-undertaking for pre-clearance (as per **Form D**)
- Reporting of holdings in securities by Designated Person as on 31 March, on an annual basis by 15 April (As per **Form E**)

Penalty for contravention of Code of Conduct

Any Designated Person contravening the Code will be liable to penalty and appropriate disciplinary action including remuneration freeze, suspension, dismissal etc. as may be decided by the Chairman of the Board in consultation with the Compliance Officer.

Applicability of the Code to certain persons

The Regulations apply to certain persons who by being in any contractual, fiduciary or employment relationship or holding any position including a professional or business relationship with the Company whether temporary or permanent have access, directly or indirectly, to unpublished price sensitive information or are reasonably expected to allow such access. They are advised to adhere to the Regulations strictly. In case it is observed by such persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these Regulations, they shall inform SEBI promptly, with a copy to the Company.

This Code comes into effect from the date specified in terms of the Regulations and is subject to review from time to time.

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

[Pursuant to Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) requires a listed company to formulate and publish on its official website a “Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information” in adherence to the principles set out in Schedule A to the said Regulations.

Accordingly, in supersession of the Code of Internal Procedures for Trading in PCBL Securities, this Code is hereby formulated as under:

1. The Company shall ensure prompt public disclosure of unpublished price sensitive information that would impact price discovery, as soon as it has credible and concrete information, in order to make such information “generally available” i.e. to make the information accessible to the public on a non-discriminatory basis.
2. The Company shall ensure uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
3. The Company Secretary who is the Compliance Officer of the Company shall act as the Chief Investor Relations Officer for the purpose of dealing with dissemination of information and disclosure of unpublished price sensitive information.
4. If the Company has disclosed any unpublished price sensitive information selectively, inadvertently or otherwise such information shall be disseminated promptly to make it generally available.
5. The Company shall ensure appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
6. The Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.

7. Best practices shall be developed to make transcripts or records of proceedings of meeting with analysts and other investor relations conferences on the Company's website www.pcblltd.com to ensure official confirmation and documentation of disclosures made. The Company shall handle all unpublished price sensitive information on a need-to-know basis.

This Code comes into effect immediately and is subject to review from time to time.

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