

HITECH PLAST LIMITED

CODE OF CONDUCT

FOR

PREVENTION OF INSIDER TRADING

AND

CODE OF CORPORATE DISCLOSURE PRACTICES

(Amended and approved by the Board of Directors at their Meeting held on
5th November, 2011)

INTRODUCTION:

The Securities and Exchange Board of India (SEBI), in its endeavor to protect the interests of investors in general, had formulated the SEBI (Insider Trading) Regulations, 1992, under the powers conferred on it under the SEBI Act, 1992. These regulations came into force with effect from 19th November 1992 and the same were made applicable to all companies whose shares were listed on Indian stock exchanges.

To strengthen the existing regulations and to create a framework for prevention of insider trading, SEBI had amended the existing regulations from time to time. These regulations are now called "Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992" (hereinafter referred to as "the Regulations"). The amended Regulations not only regulate insider trading but also seek to prohibit insider trading.

It is mandatory in terms of the Regulations for every listed company to formulate a Code of Conduct for Prevention of Insider Trading for its Directors, Officers and Designated Employees and also a Code of Corporate Disclosure Practices.

This following note embodies the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Code") to be adopted by the Company and followed by its Directors, Officers and Designated Employees. The Code is intended to serve as a guiding charter for all concerned persons associated with the functioning of the Company and their dealings in Securities of the Company. Further, the Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's Securities.

In terms of the Regulations, the Board of the Company is required to identify an Employee (Compliance Officer) who would be responsible to ensure timely and adequate disclosures of Price Sensitive Information. The Compliance Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and coordinating disclosure of Price Sensitive Information to stock exchanges, shareholders and media. It is therefore, proposed to appoint Mr. Bhupendra P. Dusara, as the Compliance Officer for the purpose. The Compliance Officer shall report to the Managing Director of the Company.

DEFINITIONS:

In this Code unless the context otherwise requires:

- a) "Act" means the Securities Exchange Board of India Act, 1992 any amendment or modification thereto.
- b) "Body Corporate" means a body corporate as defined in Section 2 of the Companies Act, 1956.
- c) "Board" means the Board of Directors of Hitech Plast Limited.
- d) "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.
- e) "Company" means Hitech Plast Limited and includes its successors, assigns and Related Companies.
- f) "Compliance Officer" means an Employee appointed by the Board for the implementation of and overseeing compliance with the Regulations and the Code-across the Company.
- g) "Directors" and "Employees" shall mean the directors and employees of the Company.
- h) "Dealing in securities" means an act of subscribing, buying, selling or agreeing to subscribe, buy or sell or deal in the securities of the Company by any person either as principal or agent.
- i) "Forward Trading" means entering into a contract relating to Securities without making delivery in case of the sale of Securities and without taking delivery in the case of the purchase of Securities.
- j) "Off-market Dealing" means dealing in Securities of the Company other than on a recognized Stock Exchange.
- k) "Insider" means any person who
 - (a) is or was connected with the company or is deemed to have been connected with the company and who is reasonably expected to have access to unpublished price sensitive information in respect of securities of a company, or
 - (b) has received or has had access to such unpublished price sensitive information.

- l) "Insider-Dealing" means a deal which is transacted through a recognized Stock Exchange or through Off-market Dealing or Forward Trading by a Person Connected with the Company or by an entity (including an individual) who has obtained information from a Person Connected with the Company.
- m) "Price Sensitive Information" means any information which relates directly or indirectly to the Company, and if published, is likely to materially affect the price of Securities of the Company.

The following inter-alia shall be deemed to be Price Sensitive Information:

1. Periodical audited or un-audited financial results of the Company.
 2. Intended declarations of dividend (both interim and final).
 3. Issue of Securities by way of public, rights, bonus etc. Buy-back of Shares.
 4. Any major expansion plans or execution of significant new projects.
 5. Amalgamation, mergers and acquisitions.
 6. Disposal of the whole or substantial part of the Company's undertaking;
 7. Any changes in policies, plans or operations of the Company.
- n) "Person Connected with the Company" means an individual who is, or was, either a Director or an Employee of the Company, or someone where there exists a professional or business relationship between himself and the Company directly or indirectly, such that he may reasonably be expected to have access to or be in the possession of Price Sensitive Information.
- o) "Person is deemed to be a connected person" if such person-
1. is a company under same management or group or any subsidiary company;
 2. is a banker of the Company;
 3. is a relative of the director or employee of the Company;
 4. Merchant Banker, Share Transfer Agent, Registrar to an issue, Debenture Trustee, Broker, Portfolio Manager, Investment Advisor, Sub-broker, Investment Company or an employee thereof, or a member of board of trustees Mutual Fund, or member of board of directors of asset management company of a Mutual Fund or is a employee thereof having a fiduciary relationship with the Company;
 5. Trustees of any trust the beneficiaries of which include any of the Connected Persons;
 6. Trustees of any trust who are conferred with Power of Attorney to act on behalf of beneficiaries in respect of securities of the Company;
 7. Persons having professional or business relationship between themselves and the company, whether temporary or permanent and by virtue of such relationship are expected to be in possession of price-sensitive information;

8. A concern, firm, Trust, hindu undivided family, company or association of persons wherein which the Director or Relatives or Designated Employees or the Connected Person or all or any of them together have interest in shareholding of 10 percent or more;
- p) "Relative" shall mean as defined in section 6 of the Companies Act, 1956. Under the Act a person shall be deemed to be a relative of another if:
1. They are members of a Hindu undivided family; or
 2. They are husband and wife; or
 3. The one is related to the other as; Father(including step-father); Mother (including step-mother); Son (including step-son); Son's Wife; Father's Father; Daughter (including step-daughter); Father's Mother; Mother's Mother; Mother's Father; Son's Son; Son's Son's Wife; Son's Daughter; Son's Daughter's Husband; Daughter's Husband; Daughter's Son; Daughter's Son's Wife; Daughter's Daughter; Daughter's Daughter's Husband; Brother (including step-brother); Brother's Wife; Sister (including step-sister); Sister's Husband.
- q) "Related Companies" means any associate or subsidiary of the Company or holding company or subsidiary of the holding company or any other company in which the Company holds more than 20% of the equity share capital.
- r) "Securities" means any of the following instruments issued, or to be issued or created, or to be created, for the benefit of the Company:
1. shares, stocks and bonds ;
 2. debentures ;
 3. mortgage deeds, instruments of pawn, pledge or hypothecation or any other instrument creating or evidencing charge or lien on assets of the Company;
 4. An instrument acknowledging loan to the Company or in-debtness of the Company, whether guaranteed by a third party or not or entered into jointly with the third party.
- s) "Stock Exchange" means a stock exchange which is recognized by the Central Government or Securities & Exchange Board of India (SEBI) under Section 4 of the Securities Contracts (Regulations) Act, 1956."
- t) "Specified Executives/Designated Employees" shall mean such Employees of the Company and their Relatives, from time to time, as are in the opinion of the Chairman, in consultation with the Managing Director, likely to be in possession of Price Sensitive Information. The employees in cadre of managers and above may be considered as designated for the purpose.

- u) "Dependents" shall mean Designated Person's spouse, dependent parents, minor children and such other persons as declared by the Designated Person.
- v) "Quiet Period" shall mean that period defined by the Board during which Directors, Specified Executives and their Relatives are prohibited from any form of dealing in the Company's Securities. The Quiet Period shall be the period as determined by the Company and shall be informed by way of circular.
- w) "Regulations" shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended time to time.
- x) "Working Day" shall mean the working day when the regular trading is permitted on the concerned stock exchange where securities of the company are listed.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

1. Insider dealing at any time by a Person Connected with the Company or his Relatives on the basis of unpublished Price Sensitive Information is prohibited.
2. Persons Connected with the Company and their Relatives are prohibited at all times from counseling or procuring any person (including a body corporate) to deal in Securities on the basis of unpublished Price Sensitive Information.
3. Persons Connected with the Company and their Relatives are prohibited at all times from communicating unpublished Price Sensitive Information to any person including a body corporate.
4. Subject to compliance with the formalities prescribed by this code and provided that Insider Dealing is not influenced by unpublished Price Sensitive Information, Persons Connected with the Company and their Relatives shall be entitled to purchase or sell Securities of the Company.
5. During the Quiet Period the Directors, Specified Executives and their Relatives shall be prohibited from Insider Dealing provided that for compelling reasons the Board may in its discretion permit the sale and purchase of Securities. The exact dates of each Quiet Period shall be advised or informed well in advance to each Specified Executive and it is the responsibility of each Specified Executive to ensure compliance with this Code by each of his Relatives.
6. Notwithstanding anything contained in this code nothing shall prevent a Director or Employee of the Company from communicating unpublished Price Sensitive Information only on need to know basis in the discharge of his official duties.

CODE OF CONDUCT FOR PREVENTION OF MISUSE OF PRICE SENSITIVE INFORMATION:

1. Any of the Directors / Relatives/ Designated Employees and their dependents/ Connected Persons Deemed Connected Persons shall disclose to the Compliance officer in the format as may be prescribed under the insider Trading Regulations and as may be modified by the Company from time to time, the number of shares or voting rights held and positions taken in derivatives by such a person and his Dependant Family Members, within two (2) working days of becoming a Director or a Designated Employee of the Company.
2. All Directors / Relatives / Designated Employees and their dependents / Connected Persons/ Deemed Connected Persons of the Company shall be subject to certain trading restriction as enumerated below;
 - a. The Company shall specify from time to time a trading period to be called 'Trading Window' for trading in the Company's securities. The Trading Window shall remain closed during the time the information in paragraph (b) below is unpublished.
 - b. The Trading Window shall remain closed (hereinafter referred to as 'Quiet Period') inter-alia, at the time of:
 - a. Periodical audited or un-audited financial results of the Company;
 - b. Intended declarations of dividend (both interim and final);
 - c. Issue of Securities by way of public, rights, bonus etc; Buy-back of shares;
 - d. Any major expansion plans or execution of significant new projects;
 - e. Amalgamation, mergers and acquisitions;
 - f. Disposal of the whole or substantial part of the Company's undertaking;
 - g. Any changes in policies, plans or operations of the Company;

And also any such periods that the Compliance Officer may intimate from time to time in consultation with the Chairman / Managing Director.

- c. All Directors / Relatives / Designated Employees and their dependents / Connected Persons / Deemed Connected Persons shall not trade in the Company's securities during the period when the TRADING WINDOW is closed.
- d. The Trading Window shall be opened 24 hours after the information referred to in Clause (b) is made public.
- e. All Directors / Relatives / Designated Employees and their dependents/ Connected Persons / Deemed Connected Persons shall conduct all their dealings in the securities of the Company only in a valid Trading Window

and shall not deal in any transaction involving the purchase or sale of the Company's securities during the period when Trading Window is closed or during any other as may be specified by the Company from time to time.

REGISTER OF SECURITIES HELD BY DIRECTORS AND SPECIFIED EXECUTIVES OF THE COMPANY:

1. The Company shall maintain a register showing the details of Securities held, purchased and sold by the Directors, Specified Executives and their Relatives.
2. Every Director, Specified Executive and their Relatives shall give notice to the Compliance Officer of every purchase and sale of Securities between the date of the last Board Meeting and the next Board Meeting at the next Board Meeting.

POWER OF INVESTIGATION IN CASE OF SUSPECTED CONTRAVENTION OF THIS CODE:

1. The Board shall have the power to investigate suspected contraventions of this Code.
2. The Board shall be entitled to appoint any person to investigate a suspected contravention of this Code.
3. The Board shall have the power to delegate to the person so appointed all the powers including powers to call for information, examination, interrogation, recording evidence, etc.
4. In any investigation of suspected contravention of this Code the onus to prove that there is no violation of this code shall be on the Directors, Employees, person Connected with the Company, Specified Executives or their Relatives.
5. The Company's investigating officer shall, within 5 working days from the conclusion of the investigation, submit a report to the Board.
6. The Board after consideration of the investigation report shall communicate the findings to the person being investigated and accord him an opportunity of being heard before taking any action as contemplated in these rules.

CONSEQUENCES OF VIOLATION OF THE CODE:

The Board shall upon receipt of the report and based on the finding contained therein be entitled to take action against the person found guilty for violation of this Code as the Board may in its absolute discretion deem fit. SEBI may also be informed in case of a suspected violation of SEBI (Insider Trading) Regulations so that appropriate action may be taken.

CODE OF INTERNAL CONTROLS AND PROCEDURES:

All the Directors and Employees of the Company shall strictly adhere to the Insider Trading Code of the Company. Further the Directors and Employees shall abide by the following internal control and procedures.

1. Initial Disclosure: Any person who holds more than 5% shares or voting rights shall disclose (in Form A) to the Company, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of:
 - a. the receipt of intimation of allotment of shares,
 - b. the acquisition of shares or voting rights, as the case may be.

Further any person who is director or officer Or promoter or part of promoter group of a listed company of the Company shall disclose to the Company, in Revised form B, the number of shares or voting rights held and positions taken in derivatives, if any, by him in the Company within 2 working days of his becoming a director or officer or promoter or person belonging to promoter group of the Company.

All the directors/designated employees shall be required to forward to the Compliance officer details of all holdings in the securities of the Company held by him and his Dependents at the time of joining the Company. (Form AA)

2. Continual Disclosure: Substantial shareholders i.e. persons who holds more than 5% shares or voting rights shall disclose to the Company the number of shares or voting rights held and change in their shareholding or voting rights, if such change results in the shareholding falling below 5% and such change exceeds 2% of total shareholding or voting rights of the last disclosure made. (Form C)

Any person who is a director or officer or promoter or part of promoter group of a listed company shall disclose to the Company and the stock exchanges where the securities of the Company are listed, the total number of shares or voting rights held and change in shareholding or voting rights, if the total number of shares or voting rights held and change in shareholding or voting rights, if there has been change in such holdings of such person and his dependants since the last disclosure made to the Company and such change exceeds Rupees 5 Lacs in value or 25000 shares or 1% of shareholding or voting rights, whichever is lower. (Form D)

All continual disclosure shall be made within 2 working days of:

- a. the receipt of intimation of allotment of shares,
- b. the acquisition of shares or voting rights, as the case may be.

3. Annual Disclosure by Insiders: All directors/officers/designated employees shall disclose to the Company all holdings in securities held by him and his Dependents in the prescribed "Form CC" as on 31st March by 30th April every year.
4. Trading Restrictions: As mentioned in the Code, the directors/designated employees of the Company shall conduct all their dealings in the securities of the Company only in a valid trading window and shall not deal in any transactions during the Quiet Period. All directors/ designated employees, who buy or sell any number of shares of the company, shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All directors/ officers/ designated employees shall also not take positions in derivative transactions in the shares of the company at any time.

In the case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance officer after recording in writing his/her reasons in this regard.

5. Pre-Clearance of transactions: All directors/officers/designated employees of the Company who intend to deal in the Securities of the Company above 500 shares should pre-clear the transactions. Such persons are required to make an application in the Application Form as may be prescribed by the Company along-with an undertaking prescribed. (Annexure I).

Such person shall execute their order for which the pre-clearance is obtained within one week of such approval. If the order is not executed within one week, the person shall apply afresh for pre-clearance. The Compliance Officer shall be responsible to pre-clear the transaction. On completion of transaction after having pre-cleared the transaction by the compliance officer, such person shall intimate in a prescribed form within 2 working days. (Annexure II)

In exceptional circumstances consent may not be given if the Compliance officer is of opinion that the proposed deal is on the basis of possession of unpublished Price sensitive information.

CODE OF CORPORATE DISCLOSURE PRACTICES:

To ensure timely and adequate disclosure of Price Sensitive Information, the following norms are followed:

1. Price sensitive information will be given by the Company to stock exchanges and disseminated on a continuous and immediate basis.
2. The Company has designated the Compliance Officer to oversee corporate disclosure. He is responsible for ensuring that the Company complies with continuous disclosure requirements, overseeing and coordinating disclosure of Price Sensitive Information to stock exchanges, analysts, shareholders and media, and educating staff on disclosure policies and procedure.
3. The Company has clearly laid down procedures for responding to any queries or requests for verification of market rumours by exchanges. The Compliance Officer has been made responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.
4. Disclosure of shareholdings/ownership by major shareholders and disclosure of changes in ownership as provided under any Regulations made under the Act and the listing agreement will be made in a timely and adequate manner, by the Compliance Officer.
5. The Compliance Officer will disclose / disseminate the information may be through various media so as to achieve maximum reach and quick dissemination. He shall ensure that disclosure to stock exchanges is made promptly. The Company will also facilitate disclosure through the use of their internet website and provide information filed with exchanges under continuous disclosure requirements.

Annexure - 1

APPLICATION OF PRE-CLEARANCE

Date:

To: The Compliance Officer

Name:

Designation:

Department/ Date of joining:

With reference to the Code for prohibition of Insider Trading of the Company, I seek your approval to subscribe to/agree to subscribe/to purchase/sell/deal as an agent /principal in _____ nos. of Equity Shares of the Company.

As required by the Code, I hereby state that:

1. I have no access to nor do I have any information that could be construed as unpublished "Price Sensitive Information"
2. In the event that I have access to or received any information that could be construed as unpublished "Price Sensitive Information" after the signing of this undertaking but before executing this transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities until such information becomes public.
3. I have not contravened the provisions of the Code of Conduct for Prohibition of Insider Trading as notified by the Company from time to time;
4. I have made full and true disclosure in the matter.

Signature

Annexure – II

Confirmation of Date of completion of transaction

The Compliance Officer
Hitech Plast Limited
C-130 Solaris-1, Opp. L&T Gate No.6,
Powai, Mumbai – 400 072

Dear Sir,

Sub : Date of completion of transaction

I hereby confirm that the transaction for dealing in the shares of the Company for which, pre-clearance was granted on _____ , was completed on _____ by purchasing * / selling* / * _____ (any other) _____ (nos.) equity shares of the Company.

Thanking you,

Yours faithfully,

(Signature)

Name of the Designated Employee :

Employee Code No.:

Department :

Location :

Place :

Date :

* - strike out whichever is not applicable

FORM AA
"INITIAL DISCLOSURE"

Date:

To: The Compliance Officer

Name:

Designation:

Department/ Date of joining:

1. Details of shareholding of substantial shareholders/directors/officers/designated employees.

Date of becoming Substantial Shareholders/Director/Officer	Nos. of shares held	Date of Acquisition	Folio No./ DP ID/ Client ID

2. Details of shares held by Dependent:

Name of the Dependent	Relationship	Nos. of shares held	Folio No./ DP ID/ Client ID

Signature

**FORM CC
"ANNUAL DISCLOSURE"**

Date:

To: The Compliance Officer

Name:

Designation:

Department/ Date of joining:

1. Details of shareholding of substantial shareholders/directors/officers/designated employees.

Nos. of shares held on 1 st April	Number of shares During the year		Nos of shares held on 31 st March	Folio No./ DP ID/ Client ID
	Bought	Sold		

2. Details of shares held by Dependants:

Name of the Dependant	Relationship	Nos. of shares held on 1st April	Number of shares During the year		Nos. of shares held on 31st March	Folio No./ DP ID/ Client ID
			Bought	Sold		

I/We hereby declare that the shares sold have been held by me /us for 6 months
I/We further declare that the above disclosure is true and correct and in accordance with the previous disclosures given by me.

Signature

