

Parabolic Drugs Limited

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (SEBI) has formulated the SEBI (Prohibition of Insider Trading) Regulations 1992(Regulations)and these regulations have been amended in February 2002 and further in November, 2008 and August 2011. Now with the coming into force of Companies Act, 2013 certain amendments are required to make the same in compliance thereof. The objective of these regulations is to prevent persons who have access to unpublished price sensitive information relating to a Company to misuse such information and /or profit from such information. In addition to the Regulations, Section 195 of the Companies Act, 2013 ("Act") prohibits any person including any director or key managerial personnel of a company from entering into insider trading (as defined under the Act).

The salient features of these Regulations are:

- Any person (insider) who is/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with the Company or is deemed to have been connected with the Company and who is reasonably expected to have access to unpublished price sensitive information in respect of the securities of the Company or who has received or has had access to such unpublished price sensitive information, shall not either on his own behalf or on behalf of any other person :
 - (a) either on his own behalf or on behalf of any other person deal in the securities of the Company listed on any stock exchange when in possession of any unpublished price sensitive information.;
 - (b) Communicate or counsel or procure directly or indirectly any unpublished price sensitive information to any person;
 - (c) Counsel or procure directly or indirectly any person to deal in securities of the Company on the basis of unpublished price sensitive information.

Provided that nothing contained above shall be applicable to any communication required in the ordinary course of business or professional employment or under any law

1. The following persons shall be covered under this code of conduct for prevention of insider trading ("**Code of Conduct/Code**"):
 - a) Directors/ officers/employees (insiders) who have access to any unpublished sensitive information about the Company;
 - b) Relatives/dependents of such insiders (relative as defined in Annexure F) ;

For Parabolic Drugs Ltd

Chairman & Managing Director

c) Persons connected with the Directors/ employees (i.e. bankers, brokers, advisors, merchant bankers, auditors etc.)

2. The following persons are deemed to be connected persons:

- (i) Company under the same group/ management or any subsidiary company .
- (ii) Intermediary, investment company, trustee company, asset management company or an employee or director thereof or an official of a stock exchange or clearing house or corporation;
- (iii) Merchant Banker, or Share Transfer Agent or Broker, registrar to an issue, debenture trustee, broker, portfolio manager, investment advisor, sub-broker, investment company or an employee thereof, or is a member of the board of trustees of a mutual fund or is an employee thereof who have a fiduciary relationship with the company;
- (iv) Member of the board of directors or an employee of a public financial institution;
- (v) Official of an employee of a self-regulatory organization recognized or authorized by the board of a regulatory body;
- (vi) Relatives of the connected person(s)
- (vii) Bankers of the Company.

3. **Price sensitive information** means any information which relates directly or indirectly to the Company and is not generally known or published by the Company for general information, but which if known or published is likely to affect the price of the securities of the Company. The following list is an illustrative list (not comprehensive) of information which can be considered as price sensitive:

- Periodical Financial results of the Company;
- Intended declaration of dividend (both interim and final) or issue of shares by a public, rights, buy-Back of securities, bonus, etc;
- Any major expansion plans or execution of new projects;
- Amalgamations, mergers and take-overs;
- Disposal of the whole or substantial part of the undertaking of the Company;
- Any change in the policies, plans or operations of the Company;
- Such other information, which may affect the operations of the Company.

4. "**Unpublished**" means information which is not published by the Company or its agents and is not specific in nature.

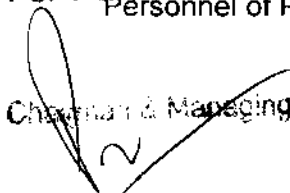
5. Person for the purposes of this Code shall include an individual, company, a trust, etc.

6. Dependents referred to herein shall include spouse, children, parents, dependent brother and dependent sister).

7. "Officer" for the purposes of this Code shall mean any Director, or Key Managerial Personnel of PDL)

For Parabolic Drugs Ltd
Personnel of PDL)

Chairman & Managing Director



As per the regulations, there is no prohibition per se in dealing in shares of the Company, though there is a prohibition in being privy to price sensitive information and then dealing in the Company's shares either directly or indirectly or communicating such sensitive information to any other person/s.

The following code of conduct for prevention of insider trading has been instituted by the Company for compliance by the employees / directors of the Company and its subsidiaries with immediate effect.

Compliance Officer: Company Secretary of Parabolic Drugs Limited(PDL), shall be the Compliance Officer who shall, in regard to the matters relating to this code, shall report directly to the Managing Director. The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' and their dependents' trades, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of Directors.

For the purposes of this code the expressions "Company", "Directors" and "employees shall include all subsidiaries of Parabolic Drugs Limited, India, their directors and employees.

All employees and directors of the Company and the Company's subsidiaries are required to strictly follow the conditions and processes laid down in Section 1. In addition all directors and the designated employees (as listed in Annexure A) and their dependents must strictly follow the conditions and processes laid down in Section 2. The Company may revise the list of designated employees from time to time.

SECTION 1 - CONDITIONS TO BE ADHERED TO BY ALL EMPLOYEES, OFFICERS AND DIRECTORS OF THE COMPANY AND ITS SUBSIDIARIES.

1. All directors/Officers and employees shall maintain the confidentiality of all Price Sensitive Information, which they have access to. Directors/ employees shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.
2. Unpublished Price Sensitive Information is to be handled on a " need to know" basis, i.e., Unpublished Price sensitive Information 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.
3. All non-public information directly received by any employee should be reported to the head of the department.

For Parabolic Drugs Ltd

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Managing Director

4. Files containing confidential information shall be kept secure. Computer files must have adequate security of login and pass word etc.
5. All directors/officers and employees of the Company shall be subject to the following trading restrictions:

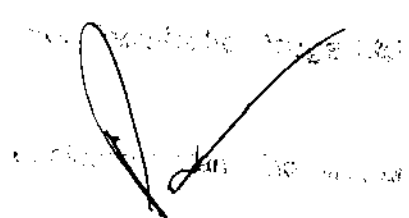
Trading in PDL shares shall be permitted only during the periods when there are no restrictions. Trading restrictions shall be in force for a period of 10-15 days prior to an announcement or declaration by the Company and shall continue for a period of 24 hours after the said announcement or declaration. e.g. If the quarterly results are to be declared on 15th April, the trading restrictions shall be in force from the beginning of business hours (IST) on 1st April and shall remain in force till the end of business hours (IST) on 16th April. The company may also specify any other trading restrictions from time to time. Instances (not exhaustive) when the trading restrictions shall be in force include:

- a) Declaration of Financial results (quarterly, half-yearly and annual)
 - b) Declaration of dividends (interim and final)
 - c) Issue of securities by way of public/ rights/bonus etc.
 - d) Any major expansion plans or execution of new projects
 - e) Amalgamation, mergers, takeovers and buy-back
 - f) Disposal of whole or substantially whole of the undertaking
 - g) Significant changes in policies, plans or operations of the company
6. Employees are permitted to exercise the stock options granted to them at all times of the year including the time when the trading restrictions are in force. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.

SECTION 2 - CONDITIONS TO BE ADHERED TO BY THE DIRECTORS / OFFICERS / DESIGNATED EMPLOYEES/DEPENDANTS

A. Compliances:

1. Directors and designated employees and their dependents, to whom the conditions specified in this Section 2 shall apply, are named in Annexure A. The Company may revise the list of designated employees from time to time.
2. Directors and designated employees are permitted to exercise the stock options granted to them at all times of the year including the time when the trading restrictions are in force. However, sale of shares allotted on exercise of ESOPs shall not be allowed when trading window is closed.



B. Pre clearance of trades:

1. Directors/Officers and designated employees, who intend to deal in the shares of the Company (either by themselves or through their dependents) in excess of 1000 shares in a day, shall be required to pre-clear the transactions by making an application to the Compliance Officer in the format enclosed at Annexure B. The application for pre-clearance may be sent in hard copy to the Compliance Officer or alternately send a scanned copy of the original signed application may be sent through email at pd.l.ipo@parabolicdrugs.com. Requests for pre-clearance shall be cleared to the concerned Director/designated employee normally within a period of 2 business days of receipt.
2. Directors and designated employees and their dependents shall execute their order in respect of securities of the company within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the employee/ director must pre clear the transaction again.
3. All Directors, officers and designated employees and their dependents 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 position in derivative transactions in the shares of the company at any time.

C. Reporting requirements:

1. Initial disclosures:

- a) Directors/Officers and designated employees shall be required to forward the details of the securities of the Company held by them and positions taken in derivatives by such person and /or their dependent family members (Dependents referred to herein shall include spouse, children, parents, dependent brother and dependent sister). In the case of new appointees the declaration shall be made within 2 working days of joining the Company in the format enclosed at Annexure C;
- b) Any person (who holds more than 5% shares or voting rights in the Company shall disclose to the company, the number of shares or voting rights held by such person, on becoming such holder, within 2 working days of the receipt of allotment of shares or the acquisition of shares or voting rights, as the case may be, in the format enclosed at Annexure C;
- c) (c) Any person who is a promoter or part of promoter group of a listed company shall disclose to the company the number of shares or voting rights held by such person, within two working days of becoming such promoter or person belonging to promoter group in the format enclosed at Annexure C .

- d) The information of shareholding as per format at Annexure C, may be sent in hard copy to the Compliance Officer or alternately a scanned copy of the same may be sent through email at pdl.ipo@parabolicdrugs.com

2. Continual disclosures:

- a) Directors/Officers and designated employees shall be required to forward the details of the transactions in securities of the Company made by them and /or their dependent family members This declaration shall be made within 10 days from the end of each calendar month in the format enclosed at Annexure D. The information is to be forwarded to pdl.ipo@parabolicdrugs.com.
- b) Annual statement of shareholding in the Company as on June 30 every year within 7 days from the end of each year in the format at Annexure E.
- c) In the event of there are no transactions in the Company's shares during a month a NIL return would **not be** required to be filed by the concerned Director/Officers and designated employees .
- d) Any person who holds more than 5% shares or voting rights in the Company shall disclose to the Company the number of shares or voting rights held and change in shareholding or voting rights even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made and such change exceeds 2% of total shareholding or voting rights in the company within 2 working days of the receipt of intimation of allotment of shares or the acquisition or sale of shares.
- (e) Any person who is a promoter or part of promoter group of a listed company, shall disclose to the company and the stock exchanges where the securities are listed the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings of such person from the last disclosure made under Listing Agreement or under sub -regulation (2A) or under this sub-regulation, and the change exceeds Rs. 5 lakh in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower.";
- f) Any person who is a director or officer of PDL, shall disclose to the Company and the stock exchange where the company is listed, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made and the change exceeds Rupees 5 lac in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower. This transaction may be on account of fresh allotment of shares including allotment of shares on

For Parabolic Drugs Ltd
Chairman & Managing Director

exercise of Employees Stock Option, or purchase or sale of the shares. This disclosure is required to be made within 2 working days of the receipt of intimation of allotment of shares or the acquisition or sale of shares as the case may be in the format at Annexure D.

- g) The Monthly and Annual disclosures as per formats at Annexure D and E respectively, may be sent in hard copy to the Compliance Officer or alternately send a scanned copy of the same may be sent through email at pdl.ipo@parabolicdrugs.com

3. Disclosure to the Stock Exchanges:

The Compliance Officer, within two working days of receipt of the information under the Initial and Continual disclosures shall disclose the same to all the Stock Exchanges, where the shares of the Company are listed.

SECTION 3: REVIEW AND CONTROL

A. Reporting to the Managing Director

The Compliance Officer shall place before the Managing Director, on a monthly basis all the details of the dealing in the shares of the Company by the Directors/Officers and Designated Employees and their dependents and the accompanying documents that such persons had executed under the pre-dealing procedure as envisaged in this Code.

The Compliance Officer shall maintain records of all the declarations in the appropriate forms given by the directors/officers/designated employees for a minimum period of three years.

B. Contravention of the Code of Conduct:

In the event that one or more conditions specified in Section 1 or Section 2 are not complied with by the Directors/employees /Officers designated officials such noncompliance shall be treated as a contravention of the code. Instances (not exhaustive) that shall be treated as contravention of the code of conduct include:

1. Dealing in the Company's securities when the trading restrictions are in force.
2. Dealing in the Company's securities while in possession of price sensitive information.
3. Passing on the price sensitive information to any other person who deals in the Company's securities on the basis of price sensitive information.
4. Not forwarding to the Company from time to time the details of the securities held by the designated employees /Directors/officers and their dependents and the transactions made by the designated officials and /or the dependents of the designated officials.

For Parabolic Drugs Ltd

Managing Director

5. Dealing in the Company's securities by the Directors/ Officers and designated employees (directly or through their dependents) officials beyond 1000 shares in a day without obtaining the pre-clearance from the Compliance officer.

C. Penalty for contravention of code of conduct

1. Any employee / Director/Officer/ designated employee their dependents who trades in securities or communicates any information for trading in securities, in contravention of the code of conduct shall be penalised and appropriate action shall be taken by the company which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, etc.
2. The action by the company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 1992.
3. The "leaking" of sensitive information can also result in penal action for the Company by the Stock Exchanges.

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Contact details of the Compliance Officer:

Company Secretary,
Parabolic Drugs Limited
S.C.O 99-100, top floor
Sector-17-B, Chandigarh

For Parabolic Drugs Ltd

Signature of Compliance Officer

Tel: (Direct) + 0172-3914647
Fax: 0172-3914645
E-MAIL – pdl.ipo@parabolicdrugs.com

Annexure A

List of Directors and Designated Employees (referred to as Designated Officials, above) to whom the conditions referred in Section 2 of the Code shall apply.

1. Directors on the Board of Directors of Parabolic Drugs Limited, India or its subsidiaries and their dependant family members; (hereinafter referred to as Directors); and
2. Designated Employees, which term will include the following:
 - (A) Corporate Officers of the Company or its subsidiaries as may be notified by the Company from time to time. Current list of such officers is enclosed.
 - (B) Key Managerial Personnel of the Company;
 - (C) All other employees of the Company or its subsidiaries as may be notified from time to time; and
 - (D) Dependent family members of A, B and C above;

For Parabolic Drugs Ltd

Annexure-B

Company Secretary,
Parabolic Drugs Limited
S.C.O 99-100, top floor
Sector-17-B, Chandigarh

Application for Pre-clearance for trades in the shares of the Company

I, _____, wish to inform you that I myself and / or dependant family member (s) as mentioned below intend to purchase / sell _____ equity shares of the Company for which I seek Pre-clearance. (Please indicate separately the no. of shares to be purchased or sold.)

Name, address, PAN No. and telephone nos of the employee and / or dependant family member(s)	Relation with the employee	Name of the Depository Participant (DP) and DP ID	Client ID	No. of shares of the Company held as on date	
				Physical	Demat

I hereby undertake as follows:

- a) That I do not have or have not received any "Price Sensitive Information" upto the time of signing the undertaking.
- b) That in case if I have access to or receive "Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction, I shall inform you, the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- c) That I have not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time.
- d) That I have made a full and true disclosure in the matter.

Signatures: _____

Name of the Employee: _____

Employee Code: _____

Location: _____; E-mail id: _____

Date: _____; Place: _____



Annexure - C

Information of shares held in Parabolic Drugs Limited

Company Secretary,
Parabolic Drugs Limited
S.C.O 99-100, top floor
Sector-17-B, Chandigarh

Sub: Code of Conduct for Prevention of Insider Trading

Dear Sir,

Given below is the shareholding in the Company as on _____ (date).

Name, address, Pan No. and telephone nos of the employee and / or dependant family member(s)	Relation with the employee	Name of the Depository Participant (DP) and DP ID	Client ID	No. of shares of the Company held as on date	
				Physical	Demat

Yours truly,

Signatures: _____

Name of the employee: _____

Employee Code: _____; Location: _____

E-mail id: _____

Date: _____; Place: _____

Notes: Where a disclosure is being made by a person other than an employee, for e.g. when a disclosure being made by a Director, company or trust, promoter/persons of the promoter group etc the words "employee" and "relation" in this format may be substituted with appropriate words.



Annexure D

Monthly Statement of Purchase and Sale of shares of the Company

Company Secretary,
Parabolic Drugs Limited
S.C.O 99-100, top floor
Sector-17-B, Chandigarh

Sub: Code of Conduct for Prevention of Insider Trading

Dear Sir,

I give below the details of the purchase and sale of the shares of the Company for the month ended _____.

The sale of shares is inclusive of the shares for which pre-clearance was obtained on _____. (Please write NIL if not applicable)

Name, address, Pan No. and telephone nos of the employee and / or dependent family member (s)	Relation with the employee	Purchase		Sale	
		Date	No of shares	Date	No of shares
	TOTAL				

Yours truly,

Signatures: _____

Name of the employee: _____

Employee Code: _____

Location: _____

E-mail id: _____

Date: _____; Place: _____

For Parabolic Drugs Ltd
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Chairman & Managing Director

Annexure E

Annual Statement of shares held in the Company

Company Secretary,
Parabolic Drugs Limited
S.C.O 99-100, top floor
Sector-17-B, Chandigarh

Dear Sir,

Sub: Code of Conduct for Prevention of Insider Trading

I give below the shareholding in the Company as on June 30_____.

Name, address, Pan No. and telephone nos of the employee and / or dependant family member(s)	Relation with the employee	Name of the Depository Participant (DP) and DP ID	Client ID	No. of shares of the Company held as on date	
				Physical	Demat

Yours truly,

Signatures: _____

Name of the employee: _____

Employee Code: _____

Location: _____

E-mail id: _____

Date: _____; Place: _____

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For Parabolic Drugs Ltd

Chairman & Managing Director

Annexure F

1. Relatives of an employee shall include the following:

Husband, Wife, Father, Mother, Son, Son's wife, Daughter, Daughter's husband. Brother and sister.

2. (Dependents referred to in this Code shall include spouse, children, parents, dependent brother and dependent sister)

3. The following shall also be treated as a connected person;

A concern, firm, trust, Hindu Undivided Family, Company, Association of Persons wherein the relatives of a connected person has more than 10% of the holding or interest

For Parabola Drugs Ltd

Chief Executive Officer