CODE OF FAIR DISCLOSURE

(Pursuant to the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015)

SUDARSHAN CHEMICAL INDUSTRIES LIMITED

Registered Office & Global Head Office : 162, Wellesley Road, Pune-411001

Adopted by the Board of Directors on 27th May, 2015

1. PREAMBLE

1.1 The Board of Directors of Sudarshan Chemical Industries Limited (the '**Company**') is expected to manage the affairs of the Company in a fair, transparent and ethical manner keeping in view the needs and interest of all the stakeholders.

1.2 The Company endeavours to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information.

2. LEGAL FRAMEWORK

2.1 The Securities and Exchange Board of India ('**SEBI**') has, *vide* its circular no. LAD-NRO/GN/2014-15/21/85 dated January 15, 2015 enacted the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**the Regulations**").

2.2 Regulation 8 (1) under Chapter - IV of the Regulations provides for the formulation of a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ('**Code of Fair Disclosure**').

2.3 Schedule A to the Regulations enlists the principles of fair disclosure for the purpose of the Code of Fair Disclosure.

2.4 Any subsequent modification and / or amendments brought about by the Regulations shall automatically apply to the Code of Fair Disclosure.

2.5 The Code of Fair Disclosure shall be applicable to all members of the Board of Directors of the Company with effect from May 15, 2015.

3. PRINCIPLES OF FAIR DISCLOSURE FOR THE PURPOSE OF THE CODE OF FAIR DISCLOSURE

The Code of Fair Disclosure intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the securities of the Company. To achieve this objective, the members of the Board of Directors of the Company shall adhere to the following principles in letter as well as in spirit :

3.1 There shall be prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.

3.2 The uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure, shall be ensured.

3.3 Unless otherwise resolved by the Board of Directors of the Company, the Company Secretary shall act as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

3.4 There shall be prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise. It shall be ensured that such information is generally available.

3.5 Appropriate and fair response shall be provided to queries on news reports and requests for verification of market rumors by regulatory authorities.

3.6 The Board of Directors of the Company shall ensure that information shared with analysts and research personnel is not unpublished price sensitive information.

3.7 Best practices will be followed 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.

3.8 Unpublished price sensitive information shall be followed on a need-to-know basis.

4. POWER OF THE BOARD OF DIRECTORS

4.1 The Audit Committee, subject to approval of the Board of Directors of the Company, reserves the right to amend or modify the Code of Fair Disclosure in whole or in part, at any time, without assigning any reason whatsoever.

4.2 The Board of Directors of the Company may establish further rules and procedures, from time to time, to give effect to the intent of the Code of Fair Disclosure and to further the objective of good corporate governance.

4.3 The decision of the Board of Directors of the Company with regard to any or all matters relating to the Code of Fair Disclosure shall be final and binding on all concerned.

5. DISCLOSURE

5.1 The Code of Fair Disclosure shall be published on the official website of the Company www.sudarshan.com.

5.2 The Code of Fair Disclosure and every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the Company are listed, that is, the BSE Limited and the National Stock Exchange of India Limited.