

MONNET INDUSTRIES LIMITED

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Annexure A

**CODE OF PRACTICES AND PROCEDURES
FOR
FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE
INFORMATION
(Amended on 30.03.2019)**

MONNET INDUSTRIES LIMITED

(As approved by the Board of Directors of the
Company)

I PREAMBLE

Introduction

The Securities and Exchange Board of India (SEBI), in its endeavor to put in place a framework for prohibition of insider trading in securities, has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (Regulations). SEBI has vide a notification dated December 31, 2018 has notified the SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018 ('Amended Regulations') which are effective from April 01, 2019. These Regulations are applicable to all companies whose securities are listed on stock exchanges.

In terms of Regulation (8) (1) of the said Regulations, the Board of Directors of every Company, whose securities are listed or proposed to be listed on a stock exchange are required to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information ('UPSI') that it would follow in order to adhere to each of the principles set out in Schedule A to the Regulations.

Further, in terms of Regulation 3(2A) of the Regulations the Board of Directors of a listed Company shall make a policy for determination of "legitimate purposes" as a part "Codes of Fair Disclosure and Conduct" formulated under Regulation 8.

In order to reflect the amendments notified by SEBI vide aforesaid regulations, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the Code) is being amended to bring in line with the amended Regulations with effect from 01 April 2019.

II DEFINITIONS

'Company' means Monnet Industries Limited

'Fair Disclosure Code' means this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

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'Generally available Information' means Information that is accessible to public on non-discriminatory basis.

'Unpublished Price Sensitive Information' (UPSI) means:-

any information, relating to a company or its securities (whether listed or unlisted), 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 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, delistings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel;

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***Policy for Determination of Legitimate Purpose
(Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading)
Regulations, 2015)***

Objective

The Company endeavors to preserve the confidentiality of unpublished price sensitive information and to prevent the misuse of such information. Accordingly, the policy for identification of “Legitimate Purposes” which will be considered as exception for the purpose of sharing / procuring unpublished price sensitive information (UPSI) relating to company or its listed securities or proposed to be listed securities, if any has been made.

“**Legitimate Purpose**” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.”

“**Insider**” includes any person in recipient of UPSI pursuant to a “Legitimate Purpose” (as defined above) shall be considered as a “insider” for the purpose of this Code, the Insider trading policy and the Regulations and thus, such persons shall maintain confidentiality of such UPSI in compliance with this code, the Insider Trading Policy and the Regulations.

“**Regulations**” shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

Criteria for Determination of Legitimate Purposes for sharing of UPSI

The sharing of UPSI shall be considered as for legitimate purposes, if it in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the regulations, this code or the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Their Immediate Relatives.

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Code

The Company will adhere to the following so as to ensure fair disclosure of events and occurrence that could impact price discovery in the market for its securities:

1. The Company will make prompt disclosure to the stock exchange of any UPSI that would impact price discovery no sooner than credible and concrete information comes into being, in order to make such information generally available. The Company may, in appropriate circumstances, also simultaneously disclose the UPSI in such manner as it deems fit including on the Company's website, print or electronic media or social media.
2. The Company will make uniform and universal dissemination of UPSI to avoid selective / speculative disclosure which could have an adverse impact on the market and the price discovery process.
3. The Company Secretary / Head of Investor Relations of the Company shall act as the Chief Investor Relations officer to deal with dissemination of information and disclosure of UPSI.
4. The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. The Company will provide appropriate and fair response to queries on news reports and requests for verification of market by regulatory authorities.
6. Research and analysis will be done on the basis of generally available information. The Company will ensure that information, if any, shared with analysts and research personnel during meetings/discussions/conferences, is not UPSI.
7. As a means of following best practices in respect of meetings with analysts and other investor relations conferences and to ensure official confirmation and documentation of disclosures made, the Company will:
 - a) Make transcripts or records of proceedings of meetings with analysts and other investor relations conference available on the official website of the Company, where the Company considers necessary;
 - b) Endeavour that at least 2 company representatives be present at meetings with analysts, brokers, institutional investors and research personnel;

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- c) In appropriate circumstances, consider posting of relevant information on its website or issuing a press release or disseminating information in any other mode as it deems appropriate in relation to meeting with analysts.

All UPSI shall be handled within the Company strictly on a need to-know basis i.e. unpublished price sensitive information may be disclosed where such disclosure is in furtherance of i) legitimate purposes as defined in this code, ii) discharge of legal obligations or iii) 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 such information.

Maintenance for the structured digital Database

The structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this code or Regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. The databases shall be maintained with utmost confidentiality and the access to such database shall be restricted only for purpose of implementation fair practices under this code.

Dissemination

This Code, including any amendment thereto, shall be published on the Company's official website and shall be promptly intimated to the stock exchanges where the securities are listed. The Board of Directors may lay down further principles, rules and procedures, from time to time, to ensure fair disclosure of unpublished price sensitive information

Amendment

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

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This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment(s) or re-enactment thereto.