

CODE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 & Schedule A]

1) PREFACE

The Securities and Exchange Board of India had promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as "Regulations") on January 15, 2015. As per Regulation 8(1) read with Schedule A of the Regulations every listed company has to frame a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) (hereinafter referred to as the "Code"). The objective of this Code is to formulate a framework and policy for fair disclosure of such information that could impact price discovery in the market for its securities. This Policy is intended to lay down the principles and practices to be followed by the Company pertaining to universal disclosure of UPSI.

The Company intends to follow best practices, duly compliant with SEBI and other applicable Law, in the matter of disclosure of UPSI. Accordingly the following Code was adopted by the Board of Directors of KISAN MOULDINGS LIMITED at its meeting held on May 25, 2015. Further, owing to the amendments brought in the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 being effective from April 01, 2019, the respective amendments incorporated in the Code was adopted by the Board of Directors which shall be in operation with effect from April 01, 2019

2) PRINCIPLES

The following Principles of Fair Disclosure for the purposes of "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" shall be strictly followed by the Company (Kisan Mouldings Limited) with immediate effect:-

- a) The Company shall promptly disclose to the public "Unpublished Price Sensitive Information" (UPSI) that would impact price discovery, no sooner than such credible & concrete information comes into being in order to make such information generally available.
- b) The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- c) The Company shall uniformly & universally disseminate UPSI and avoid selective disclosure.
- d) The Company shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available to all public.
- e) The Company shall render appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities, if any.
- f) The Company shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on its official website in order to ensure official confirmation and documentation of disclosures made.
- g) The Company shall handle all UPSI on a need-to-know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All

insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

3) LEGITIMATE PURPOSE

The UPSI can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purposes" (Annexure A), provided it is not shared to evade or circumvent the prohibition under this Regulation.

4) LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of unpublished price sensitive information (Annexure B).

5) CODE OF CONDUCT

The Company shall adhere to the prescribed standards for code of conduct to regulate, monitor and report trading by insiders, designated employees and all other applicable persons and entities.

6) CHIEF INVESTOR RELATIONS OFFICER

The Compliance Officer of the Company has been designated / called as "Chief Investor Relations Officer" to deal with dissemination of information and disclosure of unpublished price sensitive information.

7) APPROVED AND ADOPTED

This amended code has been approved and adopted by the Board on March 29, 2019.

Annexure A

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

1) PREFACE

This Policy, as a part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy".

This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

2) OBJECTIVE

The objective of this policy is to identify 'Legitimate Purposes' for performance of duties or discharge of legal obligations, which will be considered as an exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

3) DEFINITION

a) "**Legitimate Purposes**" shall mean sharing of UPSI in the ordinary course of business by an Insider with the following, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

1. Promoters of the Company
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
3. Staff Members of the Audit firm/team conducting the Audit
4. Collaborators
5. Lenders
6. Customers
7. Suppliers
8. Bankers
9. Legal Advisors
10. Insolvency Professionals
11. Consultants
12. Any other advisors/consultants/partners
13. Any other person with whom UPSI is shared

b) "**Insider**"- Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such persons (Insiders) to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

4) SHARING OF UPSI FOR LEGITIMATE PURPOSE

- a. Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
- b. Sharing of relevant UPSI with intermediaries/ fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
- c. Sharing of relevant UPSI with persons for legitimate business purposes (e.g., attorneys, investment bankers or accountants);
- d. Sharing of relevant UPSI with persons who have expressly agreed in writing in the form of agreement to keep the information confidential, such as potential customers, other developers, joint venture partners and vendors, and not to transact in the Company's securities on the basis of such information;
- e. Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations.
- f. Before sharing of the UPSI, the concerned Designated Person sharing such UPSI shall comply with the requirements in relation to circumstances and procedure for bringing people 'inside' as provided in Insider Trading Code
- g. In the event of sharing of Unpublished Price Sensitive Information between departments, the consent of the relevant head of the department would be required to be obtained explaining the need and necessity of sharing such information before the information is shared.
- h. Till the UPSI becomes a generally available information, UPSI can be shared only on a need-to-know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the provisions

5) DIGITAL DATABASE

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks such as time stamping, audit trails, etc. to ensure non-tampering of the database.

6) RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

The Board of directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, and shall not otherwise trade in securities of the company when in possession of UPSI.

7) 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.

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, re-amendment or re-enactment thereto.

8) APPROVED AND ADOPTED

This Policy has been approved and adopted by the Board on March 29, 2019.

Annexure B

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI")

[Under Regulation 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018]

1. BACKGROUND

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Kisan Mouldings Limited ('the Company') has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information ('the policy'), for adoption.

2. OBJECTIVES

- i. To strengthen the internal control system to prevent leak of UPSI.
- ii. To restrict and prohibit the practice of sharing of UPSI with the un-authorized person, which originates from within the Company and which affects the market price of the Company as well as loss of reputation and investors' / financiers' confidence in the Company.
- iii. To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee(s) & Designated Persons with any person, firm, Company or Body Corporate.
- iv. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India ("SEBI") promptly.
- v. To penalize any Insider, Designated Persons and immediate relatives who appears to have found guilty of violating this policy.

3. SCOPE

The Company endeavors to preserve the confidentiality of Unpublished Price Sensitive Information (UPSI) and to prevent misuse of such information. The Company shall strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or unknown person(s) with any unauthorized person which affects the market price of the Company as well as causes loss of reputation and investors' / financiers' confidence in the Company.

4. DEFINITIONS

- i. Chief Investor Relation Officer ("CIRO") shall mean the Compliance Officer of the Company appointed by the Board of Directors under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii. Leak of UPSI shall mean communication of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Board.
- iii. Support Staff shall include IT staff or secretarial staff who have access to unpublished price sensitive information.
- iv. Un-published Price Sensitive Information ("UPSI") shall mean 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, ordinarily include but not restricted to, information relating to the following:
 - a) Periodical financial results of the Company;
 - b) dividends;
 - c) Change in capital structure
 - d) Mergers, De-mergers, Acquisitions, Delisting, disposals, expansion of business and such other transactions;
 - e) Changes in key managerial personnel;

5. DUTIES OF CHIEF INVESTOR RELATIONS OFFICER

The CIRO shall be responsible to;

- i. Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India.
- ii. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee.

6. REPORT OF ACTUAL OR SUSPECTED LEAK OF UPSI TO SEBI:

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIRO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly made to the SEBI.

7. CONSTITUTION OF ENQUIRY COMMITTEE

The Board of Directors or any Committee authorized by them in this behalf shall constitute a committee to be called as "Enquiry Committee". The Enquiry Committee shall consist of minimum 3 (three) Members which shall include Executive Director, Chief Financial Officer and Chief Investor Relation Officer and any other officer/ Director of the Company as may be mutually decided by the members of the Committee.

8. DUTIES OF ENQUIRY COMMITTEE:

The Enquiry Committee shall be responsible:-

- (a) To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- (b) To authorize any person to collect necessary support material; and
- (c) To decide disciplinary action thereon.

9. PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI:

Employees must promptly report instances of leak of Unpublished Price Sensitive Information to the Compliance Officer or Executive Director or Chief Financial Officer or Chairman of the Audit Committee.

On becoming aware of suo moto or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company from any Promoter, Director, Key Managerial Person, CISO, Insider, employee, designated person, support staff or any other known or un-known person, the Enquiry Committee, shall follow the below mentioned procedure in order to enquire and/or investigate the matter.

(a) Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The Enquiry Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

(b) Report of Preliminary Enquiry to the Enquiry Committee:

The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Enquiry Committee within 7 working days from the date of his/ her appointment.

Enquiry committee shall review the report and shall forward the same to the person against whom enquiry was conducted. The person shall give his/ her reply to the report, if any, to the Enquiry committee within 2 working days from the receipt of the report.

In case reply is received, enquiry committee shall review the reply and if not satisfied with the explanations, forward its report to SEBI within 5 working days from the date of receipt of reply. In case

of non-receipt of any reply, the enquiry committee shall forward its report to SEBI within 5 working days of the due date of receipt of reply.

(c) Disciplinary Action:

The Disciplinary action(s) shall include wage freeze, suspension, recovery, termination of employment contract/agreement recovery, clawback, ineligibility for future participation in employee stock option plans and such other actions as may be deemed appropriate by the Enquiry Committee. This action shall be in addition to the deposit of profit to the investor education fund of SEBI.

10. 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.

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, re-amendment or re-enactment thereto.