

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(Pursuant to Regulation 8(1) read with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015)

PREAMBLE:

This Code has been framed in pursuance to the Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and approved by the Board of directors on April 27, 2015 and its came into force w.e.f. May 15, 2015, the purpose of this Code is to ensure timely and adequate disclosure of Unpublished Price Sensitive Information.

Mohindra Fasteners Limited (“MFL”) has formulated this code called MFL’s Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in adherence to the principle set out in Schedule A to the said Regulations.

Thereafter, SEBI vide notification dated 31.12.2018 notified SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which amended the SEBI (Prohibition of Insider Trading) Regulations 2015 and would become effective from 01.04.2019.

Accordingly, the Board of Mohindra Fasteners Limited accorded their approval on 28.03.2019, for amendment to the “Code for Prevention of Insider Trading in the Securities of “Mohindra Fasteners Limited” in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and shall become effective from 01.04.2019.

DEFINITIONS:

Board or Board of Directors shall mean the Board of Directors of Mohindra Fasteners Limited.

Code shall mean the Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive information (UPSI), as amended from time to time.

Company means Mohindra Fasteners Limited.

Compliance Officer for the purpose of these regulations means the Company Secretary of the Company, or in his/her absence, such other Senior Officer of the Company as may be authorised by the Board of Directors, who is financially literate and is capable of discharging the duties of Compliance Officer under the regulations.

Connected person means:

a) any person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of frequent communication with the officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

b) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:

- i. an immediate relative of connected persons specified in above clause (a); or
- ii. a holding company or associate company or subsidiary company; or
- iii. an intermediary as specified in section 12 of the SEBI Act, 1992 or an employee or director thereof; or
- iv. an investment company, trustee company, asset management company or an employee or director thereof; or
- v. an official of a stock exchange or of clearing house or corporation; or
- vi. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- vii. a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
- viii. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- ix. a banker of the company; or
- x. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten percent of the holding or interest.

Chief Investors Relations Officer means Compliance Officer of the Company.

MOHINDRA FASTENERS LIMITED

CIN: L74899DL1995PLC064215

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Designated Person(s), for the purpose of this Code shall mean and include following:

- a) Promoter(s) of the Company and Promoter(s), whether individual or investment companies, of fiduciaries;
- b) Director(s) of the Company;
- c) Key Managerial Personnel(s) of the Company;
- d) Such other officer(s) of the Company having professional designation;
- e) Chief Executive Officer (CEO) or Managing Director (MD) or any such equivalent position of the Company as well as fiduciaries and employees up to two levels below such CEO or MD or person occupying such other equivalent position irrespective of functions/ role/ ability to have access to UPSI;
- f) Employees of the Company as well as fiduciaries employed into Finance/Accounts/Information Technology/Legal/Secretarial Department or such other department having access to unpublished price sensitive information;
- g) Such other person as may be determined by the Board of Directors in consultation with the Compliance Officer from time to time.

Immediate Relative means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.

Insider means any person who is:

- a) a connected person; or
- b) in possession of or having access to unpublished price sensitive information

Policy shall mean 'Policy for determination of Legitimate Purposes'

Regulations shall mean the SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto including any statutory modification(s) or re-enactment thereof.

Trading means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly

Unpublished Price Sensitive Information (UPSI) means 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 including 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; and
- vi. such other information, as the Compliance Officer in consultation with concerned departmental head, is of the opinion that the information is in the nature of UPSI

DISCLOSURES UNDER THIS CODE:

The Company will adhere to the following principles so as to ensure fair disclosure of events, occurrences and unpublished price sensitive information that could impact price of its securities in the market:

- 1) The Company shall promptly disclose to the public all of Unpublished Price Sensitive Information ("UPSI") that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- 2) The Company shall follow uniform and universal dissemination of UPSI to avoid selective disclosure.
- 3) The Compliance Officer of the Company shall act as the Chief Investor Relations Officer of the Company to deal with dissemination of information and disclosure of UPSI.
- 4) In the event of any UPSI getting disclosed selectively either inadvertently or otherwise, the Company shall ensure prompt dissemination of UPSI as generally available, by publishing the same on Company's website: www.mohindra.asia.
- 5) The Company shall ensure appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
- 6) The Company shall ensure that information shared with analysts and research personnel not UPSI.

7) The Company shall develop best practices to make transcripts or record of proceedings of meetings with analyst and conference call with investors/analysts are promptly published on the official website of the Company to ensure official confirmation and documentation of disclosures made.

8) The Company shall handle all Unpublished Price Sensitive information on a "need to know basis, i.e., it should be disclosed only in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES:

This policy is a part of the 'Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive information (UPSI)'.

A. Prohibition on communicating or procuring UPSI:

All UPSI shall be handled within the organisation on a need-to-know basis and an insider shall not:

a) communicate, provide, or allow access to any UPSI, relating to a company or securities listed or proposed to be listed, to any person including other insiders except to the extent allowed under the regulations;

b) procure from or cause the communication by any insider of UPSI, relating to a company or securities of the Company except to the extent allowed under the regulations.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, or allowed access to or procured in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

B. Communication or procurement of UPSI for legitimate purpose:

An insider may communicate, provide or allow access to any UPSI or a person may procure from or cause the communication by any insider of UPSI in furtherance of legitimate purposes, performance of duties or discharge of legal obligations only.

For the purpose of this Policy, the legitimate purpose shall include sharing of UPSI in ordinary course of business during performance of duties or discharge of legal obligations by an insider with:

1. Partners
2. Collaborators
3. Banks
4. Lenders
5. Customers
6. Suppliers
7. Merchant Bankers
8. Legal or other advisors,
9. Auditors and Accountancy Firms
10. Law Firms, Analysts and Research Personnel
11. Insolvency Professionals
12. Consultants
13. Such other person as the Board may determine in consultation with the Compliance Officer

C. Conditions for communication or procurement of UPSI by an insider:

The sharing of UPSI by an Insider for the legitimate purpose, performance of duties or discharge of legal obligations shall be subject to following conditions:

1. The UPSI shall be shared in ordinary course of business(es) only.
2. Such sharing of UPSI shall not be carried out to evade or circumvent the prohibitions of the Regulations.
3. Such sharing of UPSI shall be subject to the Compliances stated in Clause D of this Policy.

D. Compliances:

1. Any “Person” in receipt of UPSI pursuant to the “legitimate purpose”, shall be considered as an “Insider” for the purpose of the Regulations till the time and event, the UPSI, of which that “Person” is having knowledge or having or cause to have access to, is made public.

2. A Due Notice shall be served to the “Person” identified in (1) above by the Compliance Officer/ such other officer as may be instructed by the Compliance Officer, for the purpose of maintaining confidentiality of the UPSI known to that person, for the purpose of compliance with the Regulations.

3. As an alternative step to (2) above, a Non-Disclosure Agreement (NDA) or such other Agreement/ Memorandum of Understanding of corresponding nature may be entered into by the Company with the “Person” identified in (1) above for the purpose of maintaining confidentiality of the UPSI known to that person, for the purpose of compliance with the Regulations.

E. Duty of officers under the Policy:

1. It shall be the duty of Compliance Officer of the Company to observe the Compliance of this Policy.

2. The Onus of Compliance of this Policy shall also lie on the ‘Insider’ or the ‘Designated Person’ who is the root cause for generation of UPSI or who has shared or has abetted in sharing the UPSI to a “Person” referred to in sub-clause (1) of Clause D.

PENAL PROVISIONS:

Any non-compliance or irregularity or non-adherence to this Policy shall be such penal/ disciplinary/ remedial action as may be considered appropriate by the Board of Directors of the Company in the best interest of the Company.

AMENDMENT:

This Revised Code including the Policy may be further amended from time to time by the Board of Directors.

GENERAL:

In case of any inconsistency between the terms of this Code/ Policy and any existing or newly enacted law, rule, regulation or standard including amendments thereof governing the Company, such law, rule, regulation or standard including amendments thereof will take precedence over this Code/ Policy and procedures until such time this Code/ Policy is changed to conform to the law, rule, regulation or standard including amendments thereof.

IMPLEMENTATION:

The Board of Directors may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

This code shall be published on the Official Website of the Company.

This code and every subsequent amendment made thereto, shall also be intimated to the Stock Exchange where the securities of the Company are listed.

Subsequent modification(s)/amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015 shall automatically apply to this Code.
