

ASHAPURA MINECHEM LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(Effective from 1st APRIL, 2019)

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This Code is made pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, with the objective to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

PRACTICES AND PROCEDURES:

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following Principles of Fair Disclosure for the purposes of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” shall be strictly followed by the Company (Ashapura Minechem Limited) with immediate effect:-

- a) The Company shall promptly disclose to the public "unpublished price sensitive information" (UPSI) that would impact price discovery, no sooner than such credible & concrete information comes into being.
- b) The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- c) The Company shall uniformly & universally disseminate information (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 rumors 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.

LEGITIMATE PURPOSE:

The Unpublished price sensitive information can be shared as an exception by an Insider for Legitimate purposes as per its "Policy for determination of Legitimate Purposes"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.

LEAK/SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION: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Board has formulated written policy for initiating appropriate inquiries on becoming aware of leak/suspected leak of unpublished price sensitive information (**Annexure B**).

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.

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.

APPROVED AND ADOPTED:

This Policy has been approved and adopted by the Board on _____*.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

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

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.

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 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.

DEFINITIONS:

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
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial and any other Auditor as applicable)
3. Staff Members of the Audit firm/team conducting the Audit
4. Collaborators / intended business JV partners
5. Lenders
6. Customers
7. Suppliers
8. Bankers
9. Legal Advisors
10. Insolvency Professionals
11. Consultants
12. Any other advisors/consultants/partners

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.

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 under Regulation 3 of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 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.

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, except for the purpose of regulation 3(3) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and shall not otherwise trade in securities of the company when in possession of UPSI.

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.

APPROVED AND ADOPTED:

This Policy has been approved and adopted by the Board on _____*.

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]

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 leaked 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 Ashapura Minechem Limited have laid down this policy for procedure of inquiry in case of leaked Unpublished Price Sensitive Information (‘the policy’), for adoption.

OBJECTIVES:

1. To strengthen the internal control system to prevent leak of UPSI.
2. To restrict and prohibit the practice of sharing UPSI, with un-authorized person (s), which originates from within the company and which affects the market price of the shares of the Company as well as loss of reputation and investors’ / financiers’ confidence in the company.
3. 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.
4. 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.
5. To deal appropriately; to decide on any disciplinary action and/or to penalize any Insider, Employee & Designated Persons who appears to have been found guilty of violating this policy.

SCOPE

The Company endeavors to preserve the confidentiality of un-published 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 un-known person(s) with any un-authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

DEFINITIONS

Chief Investor Relation Officer (“CIO”) shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 after following the due process prescribed in this behalf in the Code of Practices Fair Disclosure of the Company and /or 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.

Support Staff shall include IT staff or secretarial staff who have access to unpublished price sensitive information.

Generally Available Information means information that is accessible to the public on a non-discriminatory basis, such as information published on websites of stock exchanges.

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. Intended declaration of dividends (Interim and Final);
- c. Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares etc.;
- d. Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, disposals and expansion of business and such other transactions;
- e. Changes in key managerial personnel;
- f. Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

DUTIES OF CHIEF INVESTOR RELATIONS OFFICER:

The CIO shall be responsible to

- a. Oversee the Compliance of this policy.
- b. Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India.
- c. Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges.
- d. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee.

DISCLOSURE OF ACTUAL OR SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES:

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIO shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in “Annexure C” to this policy.

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 CIO 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 in the format as set out in “Annexure D” to this policy.

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 Members which shall include Chairman of the Audit Committee, Chief executive Officer and Company Secretary and/or any other officer of the Company as may be mutually decided by the members of the Committee.

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; and
- b. To authorize any person to collect necessary support material; and
- c. To decide disciplinary action thereon.

PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI:

On becoming aware of suo moto or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-known person, the CIO after informing the same to the Chairman or Managing Director or Executive Director or Chief Executive Officer or Chief Financial Officer of the Company, shall follow the below mentioned procedure in order to enquire and/or investigate the matter to ensure.

(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 days from the date of his appointment on this behalf.

(c) Disciplinary Action:

The Disciplinary action(s) shall include, wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Committee.

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.

****Note:- Corporate Insolvency Resolution Process (CIRP) has been initiated in respect of Ashapura Minechem Limited ("the Company") under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by an order of Hon. National Company Law Tribunal (NCLT) dated 15th March, 2019. As such, pursuant to provisions of section 17 of the IBC, 2016, the authority of the Board of Directors stands suspended and such powers and authority shall be vested with Mr. Arun Chadha, having registration no. as IBBI/IPA-001/IP-P00165/2017-18/10334, who has been appointed as Interim Resolution Professional ('IRP') of the Company.***

Accordingly, this policy duly authenticated by the authorized officials of the Company, has been taken on record by IRP on 1st August, 2019.

FORMAT FOR INTIMATION OF ACTUAL OR SUSPECTED LEAK OF UPSI TO THE STOCK EXCHANGES

To,
The Stock Exchanges
(Where Company's Shares are Listed),

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known	
Name of Organization	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information	
Whether any action initiated by the Company? If yes, narration of the same	Yes/No

Request you to kindly take the aforementioned on your records.

Thanking you,

Yours faithfully
For Ashapura Minechem Limited

Compliance Officer

FORMAT FOR REPORTING ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI

To,
 Securities and Exchange Board of India
 Plot No. C 4-A, G Block,
 Near Bank of India, Bandra Kurla Complex,
 Bandra East, Mumbai – 400 051

Dear Sir / Madam,

Sub: Report of actual or suspected leak of UPSI pursuant to regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known	
Name of Organization	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information	
Whether any action initiated by the Company? If yes, narration of the same	Yes/No

Request you to kindly take the aforementioned on your records.

Thanking you,

Yours faithfully
 For Ashapura Minechem Limited

Compliance Officer