

MUKAND LIMITED

INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING

Introduction

SEBI has vide notification dated 31 December 2018 amended the SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 1 April 2019. Pursuant to Regulation 9A of the said Regulations, an institutional mechanism for prevention of insider trading has been framed and adopted by the Board of Directors of the Company at the meeting held on 12th February, 2019 & the same will be effective from 1 April 2019.

Institutional Mechanism

A. Role of Managing Director & CEO

- 1 The Managing Director & Chief Executive Officer of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the said regulations to prevent insider trading.
- 2 The internal controls shall include the following:
 - a) all employees who have access to unpublished price sensitive information are identified as designated employee;
 - b) all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of the regulations;
 - c) adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by the regulations;
 - d) lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
 - e) all other relevant requirements specified under the regulations shall be complied with;
 - f) periodic process review to evaluate effectiveness of such internal controls.

B. Role of the Board of Directors

The board of directors shall ensure that the Managing Director & CEO or such other analogous person ensures compliance with regulation 9 and sub-regulations (1) and (2) of the regulations.

The Board of Directors/Chairman/Managing Director & CEO shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom unpublished price sensitive information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not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.

C. Role of Audit Committee

The Audit Committee shall review compliance with the provisions of the regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

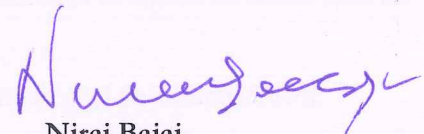
D. Duties / responsibilities in case of leak of information

1. The Company shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors/ Chairman/ Managing Director & CEO of the Company and accordingly, initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.
2. The Company shall have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.
3. If an inquiry has been initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry.

This mechanism is subject to review from time to time.

Place: Mumbai

Date: 12th February 2019



Niraj Bajaj

Chairman & Managing Director

