



Relationships, By Design

MANOJ VAIBHAV GEMS 'N' JEWELLERS LIMITED

Policy ref : 16/2023

Code of Practices and Procedures for Fair Disclosure of Unpublished Price

Sensitive Information (UPSI)

PREFACE

The Securities and Exchange Board of India (SEBI), to put in place a framework for prohibition of insider trading in securities, has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations). These Regulations are applicable to all companies whose securities are listed on stock exchanges.

According to Regulation 8 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of these Companies are required to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information that it would follow in order to adhere to each of the principles set out in Schedule A to the Regulations.

The Board of Directors of Manoj Vaibhav Gems 'N' Jewellers Limited ("The Company") has adopted the following Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI).

Any term which is used but not defined under this Code shall have the meaning assigned to it under the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Schedules annexed thereto (modification and/or re-enactment included).

OBJECTIVE

The objective of this Policy is to formulate a framework and policy for fair disclosure of Unpublished Price Sensitive Information (Hereafter known as UPSI) that could impact price discovery in the market for its securities. Accordingly, this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) has been formulated with a view to maintain uniformity, transparency and fairness in dealing with all stakeholders and to ensure timely, fair and adequate disclosure of unpublished price sensitive information to the investor community by the Company to enable them to take informed investment decisions with regard to the Company's securities.

DEFINITIONS

Words and expressions used in this Code shall have same meaning as assigned to them by the SEBI (Prohibition of Insider Trading) Regulations, 2015 or the Securities Exchange Board of India Act, 1992, the securities (Contracts) Regulation Acts, 1956, the depositories Act, 1996 or the Companies Act, 2013 and any rules and regulation made thereunder, and any amendments made thereto.

PRINCIPLES AND PROCEDURES

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 public disclosures to the Stock Exchanges of and 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 or speculative disclosure.
3. The Mr. Bandari Shiva Krishna, Company Secretary and Compliance Officer of the Company shall act as the Chief Investor Relations officers to deal with dissemination of information and disclosure of UPSI.

The Chief Investor Relations Officer shall take prior approval of the Managing Director and/or the Wholetime Director & CFO as the case may be before dissemination / disclosure of UPSI.

If any information is accidentally or inadvertently disclosed, the person responsible for such disclosure may inform the Chief Investor Relations Officer immediately, who in turn will promptly inform the Managing Director and/or the Wholetime Director & CFO as the case may be for further action at their end.

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 would make a public announcement with respect to any matter only after it has taken a final or definitive decision. When there are rumours/ news reports and the Company is queried by the regulatory authorities, the Company will provide an appropriate and fair response by accepting/denying/clarifying the same. The Company will not be required to make disclosures in cases where the proposal is still in progress, or there are impending negotiations or incomplete proposals, the disclosure of which will not be appropriate and could prejudice Company's legitimate interests.
6. The Company will ensure that information shared with analysts and research personnel is not unpublished price sensitive information.
7. The Company will develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences, if any, on the official website to ensure official confirmation and documentation of disclosures made.
8. All designated persons of the Company are required to ensure that handling of all UPSI, including onward communication, is done on a need-to-know basis. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed, except in furtherance of legitimate purposes¹, performances of duties or discharge of legal obligations.

Legitimate Purpose¹

The term "legitimate purposes" shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with its 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 SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other Regulations that may be in force for the time being.

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” for the purposes of the Regulations.

Further, under Regulation 3(2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a policy to determine as to what would constitute “legitimate purposes”, policy is attached herewith as **Annexure I**.

Annexure I

POLICY TO DETERMINE LEGITIMATE PURPOSES

(Under Regulation 3 of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended thereto)

PREFACE

The Company shares data or information with various stakeholders like organizations, agencies, institutions, intermediaries, establishments, persons, etc., as the case may be, during the course of its business operations. Such unpublished data or information, if made publicly available may materially impact the market price of the listed securities of the Company. If such persons trade on the basis of unpublished price sensitive information ('UPSI'), it could result in an undue advantage to such persons. The trading in the securities of the Company by an insider is governed by and subject to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('the Regulations') as amended from time to time and Code of Practices and Procedures for Fair Disclosure of UPSI ('Code').

In terms of Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto ("Insider Trading Regulations"), the Company has framed this policy to determine "legitimate purposes" as a part of "Code of Fair Disclosure and Conduct" formulated under Regulation 8 of the Regulations.

APPLICABILITY

This policy will be applicable to all Insiders. In this policy, the terms used but not defined shall have the meaning assigned to such terms under the Regulations, including any notes/explanations given thereunder.

HOW AND WHEN AN OUTSIDER BECOMES INSIDER

For the purpose of this Policy, an outsider i.e. a person who is not a 'connected person' would qualify as an 'insider' if such person was 'in possession of' or 'having access to' UPSI.

With the introduction of the Regulations, the scope of who an 'insider' or a 'connected person' is, stands significantly widened. Therefore, any person, whether or not related to the company, may come within the purview of the Regulations if he is expected to have access or possess UPSI.

MEANING OF LEGITIMATE PURPOSE

"Legitimate Purpose" includes any purpose for which UPSI has been shared in the ordinary course of business or in the interest of the Company, on a need to-know basis.

In this Policy, the term "Legitimate Purpose" shall, inter alia, include sharing of UPSI on need to know basis by an insider with its 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.

In following cases, which are illustrative in nature, sharing of UPSI would be considered for legitimate purposes:

1. Sharing of any information with a non-insider in order to receive any legal, tax, financial or other similar advice from any professional under or pursuant to any official duty of the Company.
2. As part of compliance with applicable laws, regulations, rules, statutes, ordinances, notifications etc., issued by any government, local, regulatory or statutory authorities or pursuant to any orders, directions, decrees, decisions of any competent authorities in law.
3. For any investigation, inquiry, or request for information by statutory, regulatory, governmental authorities or any other administrative, local, revenue body or authority or any other competent authority in law;
4. Under or pursuant to any proceedings, prosecutions, or pursuant to any order, decree, judgement or direction of courts or tribunals or any other competent authority in law;
5. Arising out of any contractual obligations or arrangement entered by the Company or pursuant to any contract, agreement, arrangement, settlement, understanding, arrangement, undertaking or any other writings.
6. Arising out of business requirements, including requirement for the purposes of promoting the business and strategies of business.
7. Such other instances in furtherance of business objectives or purposes as may be deemed legitimate by the Managing Director and/or Wholetime Director and Chief Financial Officer.

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the Regulations and shall comply with the Code.

PROCESS FOR SHARING UPSI

The insider shall conduct the following steps while sharing UPSI:

- a. Satisfy that information is UPSI and that sharing of UPSI is for legitimate purposes;
- b. Identify the persons with whom such information is to be shared;
- c. Notify the recipient that the information that is being shared is UPSI and maintain confidentiality/non-disclosure.
- d. Mode of sharing UPSI may be either by an email (addressed directly to the insider without copying) or via hard copy or any by other electronic mode or device or provide access to the information, data or server.
- e. Maintain the names of the persons along with PAN (or any other identifier where PAN is not available) with whom UPSI is shared. The database shall be maintained with adequate internal controls and checks as per SEBI (Prohibition of Insider Trading) Regulations, 2015 (‘the Regulations’).

POLICY REVIEW

The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes or any regulatory requirements from time to time. In the events of inconsistency of this Policy with any legal provisions, the provisions of the law shall override this Policy.

AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The amended policy will be published on the website of the Company.
