



KANORIA CHEMICALS & INDUSTRIES LIMITED

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KC-13/

3rd April, 2019

The Manager
Listing Department
National Stock Exchange of India Limited,
"Exchange Plaza", Plot No. C/1,
"G" Block, Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051

Symbol: KANORICHEM

DCS-CRD
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Fort,
Mumbai - 400 001

Code No. 50 6525

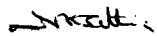
Dear Sir,

Sub: Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, we are enclosing herewith the amended Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") to be followed by the Company. The Code is applicable w.e.f 1st April, 2019.

Thanking you,

Yours sincerely,
Kanoria Chemicals & Industries Limited


N.K. Sethia
Company Secretary

Encl.: As Above

Kanoria Chemicals & Industries Limited

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Preamble

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 read with Schedule A of the Regulations every listed company is required to frame a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as the '**Code**') in order to disseminate 'Unpublished Price Sensitive Information' (hereinafter referred to as '**UPSI**') universally and not selectively by such companies. This Code is intended to lay down the principles and practices to be followed by Kanoria Chemicals & Industries Limited (the "Company") pertaining to universal disclosure of UPSI.

The Company intends to follow best practices, duly compliant with Applicable Law, in the matter of disclosure of UPSI. Accordingly this Code has been adopted by the Board of Directors of the Company, at its meeting held on 11th February, 2015. In view of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Code has been amended in the Board Meeting dated 13th February, 2019 and is applicable w.e.f 1st April, 2019.

I. Applicability

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

II. Definitions

"Applicable Law" shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

"Compliance Officer" for the purpose of these regulations means the Company Secretary of the Company. In absence of the Company Secretary the Board of Directors may authorize such other officer of the Company to discharge the duties of Compliance Officer under the regulations.

"Chief Investor Relations Officer" means the Compliance Officer of the Company.

"Generally available information" means information that is accessible to the public on a non-discriminatory basis.

"Selected Group of Persons" includes securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.

"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 include but not restricted to, information relating to the following:

- i. financial results
- ii. dividends
- iii. change in capital structure
- iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel

All the other terms used in the Code shall have the same meaning as assigned to them under the Regulations.

III. Roles and Functions of the Chief Investor Relations Officer

The Chief Investor Relations Officer, for the purpose of these regulations, shall oversee corporate disclosures and deal with dissemination of information and disclosure of unpublished price sensitive information. The Chief Investor Relations Officer shall be responsible for ensuring that the Company complies with continuous disclosure requirements and overseeing and co-ordinating disclosure of unpublished price sensitive information to stock exchanges, on the website of the company and media. The Chief Investor Relations Officer shall deal with any query received by any Insider about any UPSI and also provide advice to any Insider as to whether any particular information may be treated as UPSI.

IV. Disclosure Policy

The Company shall ensure that:

- prompt public disclosure is made of UPSI that may impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- uniform and universal dissemination of UPSI is made to avoid selective disclosure.
- if an Insider 'selectively' discloses any UPSI to any person including the Selected Group then prompt disclosure of such information shall be made to the public. Such disclosure will be made by Chief Investor Relations Officer immediately after he/she learns that communication of such UPSI has taken place.
- the information shared with the analyst/research persons/large investors like institutions is not UPSI. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.
- the transcripts of the meetings with analyst/research persons/large investors like institutions are made and posted on the website of the Company.
- Handling of unanticipated questions – The Company should be careful when dealing with analysts' questions that raise issues outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes unpublished price sensitive information, a public announcement should be made before responding.
- If an Insider receives a query about any UPSI related to the Company, he shall not comment on the same and shall forward such query to the Chief Investor Relations Officer. The Chief Investor Relation Officer shall deal with such query in accordance with Applicable Law.

V. Methods of Public Disclosure

Subject to Applicable Law, methods of public disclosure of information to ensure uniform distribution shall include either of the following-:

- Distributing through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- broad-based electronic, print, television and other media.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.
- Uploading the information on the website of the Company.

VI. Need to know handling of UPSI

The Company shall handle UPSI only 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.

VII. Legitimate Purposes

Legitimate Purpose shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants engaged in relation to the subject matter of the deal/ assignment in relation to UPSI, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

Any person in receipt of Unpublished Price Sensitive Information pursuant to a "Legitimate Purpose" shall be considered an "insider" for purposes of the Regulations and such persons are also required to ensure the confidentiality of Unpublished Price Sensitive Information shared with them, in compliance with the Regulations.

VIII. Structured Digital Database

A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for the said legitimate purposes.

IX. Rumours: Verification of Market Rumours and response to queries

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports. A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer shall not comment on market rumours except when requested by regulatory authorities to verify such rumours.

X. Intimation to Stock Exchange

The Code and every amendment thereto shall be promptly intimated to the Stock Exchanges where securities of the Company are listed.

XI. Posting of the Code

This Code shall be posted on the website of the Company.

XII. Interpretation

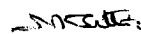
In any circumstance where the terms of this Code differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over the terms of the Code until such time as this Code is changed to conform to the law, rule, regulation or standard.

XIII. Amendments to this Code

Any amendment to this Code may be made by the Board of Directors of the Company, as may be required from time to time.

Date: 13th February, 2019

For KANORIA CHEMICALS & INDUSTRIES LTD.



(N. K. Sethia)
Company Secretary