

# KALPA COMMERCIAL LIMITED

## CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

### *Introduction*

Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**Regulations**”) requires every listed company to formulate a code of practices and procedures for fair disclosure of unpublished price sensitive information (“**UPSI**”) that it would follow in order to adhere to each of the principles set out in Schedule A of the Regulations. This code (the “**Code**”) is prepared by Kalpa Commercial Limited (the “**Company**”) to comply with the said requirement of the Regulations.

### *Timely dissemination of UPSI*

All UPSI shall be made generally available in public domain in a timely manner. All UPSI shall be deemed to be have been generated only on entering of definitive agreements/ credible and concrete information and not on a possibility/ likelihood.

### *Modes for dissemination of UPSI*

All UPSI shall be disseminated through notification to the stock exchanges/ press release/ hosting on Company’s website or any combination thereof.

### *Chief Investor Relations Officer*

The Chief Financial Officer of the Company is authorized to discharge the function of Chief Investor Relations Officer relating to the dissemination of information and disclosure of UPSI, including determining whether an information constitutes UPSI and the timing/ mode of dissemination of UPSI, if so required. In case any UPSI requiring disseminating has been disclosed selectively, inadvertently or otherwise, the Chief Investor Relations Officer shall ensure that such UPSI is generally available.

### *News Reports/ Market Rumors*

The Company does not follow the practice of responding to news reports/ market rumors, unless they are grossly incorrect. The Company shall cooperate and provide appropriate and fair response to queries on news reports and request for verification of market rumors from regulatory authorities.

### *Analyst / Investor presentation / conference calls*

The Company will ensure that the information shared with analysts and research personnel is not UPSI.

The Company shall upload a presentation on the quarterly financial results on its website. The Company shall also upload the transcript of the conference call on the quarterly financial results on the website of the Company.

### *Information on Need to Know basis*

All UPSI shall be handled on a need-to- know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

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The term “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, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations. The policy for Determination of Legitimate Purposes is annexed hereto and forms part of the Code.

## *Disclosure of Code*

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

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## POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

[Pursuant to Regulation 3 (2A) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015]

### ***Introduction***

This Policy, as a part of the code of practices and procedures for fair disclosure of unpublished price sensitive information, is framed under Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (the “**Regulations**”), will be known as “Policy for Determination of Legitimate Purposes” (the “**Legitimate Purposes Policy**”).

This Legitimate Purposes Policy is prepared in accordance with Regulation 3(2A) of the Regulations.

### ***Objective***

The objective of this Legitimate Purposes 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 sharing Unpublished Price Sensitive Information relating to the Company or ORL Securities, if any.

### ***Definition***

“**Legitimate Purpose**” shall mean sharing of Unpublished Price Sensitive Information 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 the Regulations:

1. Promoters of the Company;
2. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable);
3. Staff Members of the Audit firm/team conducting the Audit;
4. Collaborators;
5. Lenders;
6. Customers;
7. Suppliers;
8. Bankers;
9. Legal Advisors;
10. Insolvency Professionals;
11. Consultants;
12. Any other advisors/consultants/partners;
13. Any other person with whom Unpublished Price Sensitive Information is shared.

### ***Sharing of Unpublished Price Sensitive Information for Legitimate Purpose***

The assessment of whether sharing of Unpublished Price Sensitive Information for a particular instance would tantamount to ‘Legitimate Purpose’ would depend on the specific facts and circumstances of each case. Accordingly, this Legitimate Purposes Policy sets out the principles/ standards that should be considered by the Board while assessing if the purpose for which Unpublished Price Sensitive Information is proposed to be shared is legitimate.

Primarily, the following factors should be considered while sharing the Unpublished Price Sensitive Information:

- i) whether sharing of such Unpublished Price Sensitive Information is in the ordinary course of business of the Company;

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- ii) whether sharing of the information is in the best interests of the Company or in furtherance of a genuine commercial purpose;
- iii) whether the nature of Unpublished Price Sensitive Information being shared is commensurate to the purpose for which access is sought to be provided to the recipient.

Any person in receipt of Unpublished Price Sensitive Information pursuant to a “Legitimate Purpose” shall be considered as an “Insider” for purpose of the Regulations and Code, and due notice shall be given to such person to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Regulations and / or Non-Disclosure Agreement / Confidential Agreement shall be signed with such persons (Insiders) to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Regulations.

## ***Maintenance of Digital Database***

In regard to the above, adequate systems and controls shall be put in place to ensure compliance with the Regulations towards sharing of Unpublished Price Sensitive Information for Legitimate Purposes, including maintenance of a structured digital database containing the names of such persons or entities as the case may be with whom information is shared under this Legitimate Purposes Policy 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.

## ***Penalty***

In case of any failure of any person to maintain confidentiality of Unpublished Price Sensitive Information received in terms of this Legitimate Purposes Policy, appropriate action may be taken by the Company.

## ***Amendments***

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Legitimate Purposes Policy entirely with a new policy.

This Legitimate Purposes Policy may be amended or replaced from time to time, and such amended or replaced policy shall immediately apply to all Designated Persons and their Immediate Relatives.

## ***Interpretation***

Any words used in this Legitimate Purposes Policy but not defined herein shall have the same meaning ascribed to it in the Act, Companies Act, 2013, Securities Contracts (Regulation) Act, 1956 or applicable rules and regulations made thereunder, including the Regulations, and the Code of Conduct for Prevention of Insider Trading in the securities of Kalpa Commercial Limited, as the case may be.

## ***Communication of this Legitimate Purposes Policy***

This Legitimate Purposes Policy shall be communicated for the knowledge of all concerned by way of being hosted on the website of the Company.