

KENT R O SYSTEMS LTD

**CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE
SENSITIVE INFORMATION AND HANDLING OF PRICE SENSITIVE INFORMATION FOR
LEGITIMATE PURPOSES**

Revision History

Date	Author	Section	Change Description	Reason for Change	Version
8 th Jan 2025	PK Trivedi	Complete Policy	New policy drafted	NA	v1.0

PK Trivedi

INTRODUCTION

This Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") has been framed in compliance with **Regulation 8** and **Schedule A** of the **SEBI (Prohibition of Insider Trading) Regulations, 2015** ("Insider Trading Regulations"). It establishes principles and procedures for fair disclosure of events and occurrences that may impact the price discovery of securities of **KENT R O SYSTEMS LIMITED** ("Company").

DEFINITIONS

1. "Act"

The **Securities and Exchange Board of India Act, 1992**, as amended from time to time.

2. "Board" shall mean the board of directors of the Company.

3. "Company"

KENT R O SYSTEMS LIMITED

4. "Compliance Officer" shall mean any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Insider Trading Regulations, and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules of preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified under the Insider Trading Regulations under the overall supervision of the Board.

Explanation – For the purpose of this regulation, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows

5. "Connected Person"

Any person who is or has been associated with the Company during the six months prior to the relevant act in any capacity, including through frequent communication with its officers, contractual, fiduciary, or employment relationships, or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the Company that allows such a person directly or indirectly access to unpublished price-sensitive information or is reasonably expected to allow such access. This includes, but is not limited to:

- Immediate relatives of connected persons.
- Holding, subsidiary, or associate companies.
- an intermediary as specified under Section 12 of the Act or an employee or director thereof;
- an investment company, trustee company, asset management company or
- an employee or director thereof; or
- an official of a stock exchange or of clearing house or corporation; or
- a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
- a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- an official or an employee of a self-regulatory organization recognised or authorized by



the Securities and Exchange board of India; or

- a banker of the company or
- a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent. of the holding or interest;
- a firm or its partner or its employee in which a connected person is in or
- a person sharing household or residence with a connected person.

6. "Generally Available Information"

Information that is available to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.

7. "Legitimate Purposes"

Sharing of unpublished price-sensitive information in the ordinary course of business with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, or other advisors or consultants, provided such sharing has not been carried out to evade or does not circumvent the Insider Trading Regulations and other SEBI regulations.

8. "Immediate Relative"

A spouse of a person, and includes parent, sibling, or child of a person or their spouse any of whom is either financially dependent on the person or consults the individual for decisions related to securities trading.

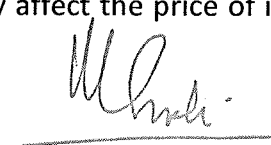
9. "Insider"

Any connected person or any individual in possession of or having access to unpublished price-sensitive information.

10. "Unpublished Price Sensitive Information (UPSI)"

Information relating to the Company or its securities, directly or indirectly, that is not generally available and which upon becoming generally available could materially affect the price of its securities once disclosed. This includes, but is not limited to:

- Financial results.
- Dividends.
- Changes in capital structure; buy-back of securities of any forfeiture of shares or change in market lot of the Company's shares;
- Mergers, acquisitions, de-mergers, or disposals; Amalgamation, Restructuring, Scheme of arrangement or takeovers;
- De-listings, Disposals, spinoff or selling division of whole or substantially whole of the undertaking, and expansion of business and such other transactions;
- Changes in key managerial personnel.
- Other matters as may be prescribed by SEBI/considered by the Compliance Officer to be price sensitive from time to time.



PRINCIPLES OF FAIR DISCLOSURE

The Company shall adhere to the following principles to ensure fair disclosure of unpublished price-sensitive information (UPSI):

1. Prompt Public Disclosure

- Publish UPSI promptly and in a credible manner to ensure it becomes generally available at the earliest opportunity.

2. Uniform Dissemination

- Ensure the uniform and universal dissemination of UPSI to avoid selective disclosure.

3. Rectification of Inadvertent Disclosures

- Promptly disseminate UPSI disclosed selectively, unintentionally, or inadvertently through stock exchanges and make it generally available.

4. Appropriate Responses to Market Rumours

- Provide accurate, timely, and fair responses to news reports or requests for verification of market rumours by regulatory authorities.

5. Avoidance of UPSI Sharing with Analysts

- Ensure that no UPSI is shared with analysts or research personnel.

6. Publication of Analyst Interactions

- Post recordings or transcripts of analyst meetings and investor conferences on the Company's website promptly to ensure transparency.

7. Handling UPSI on a Need-to-Know Basis

- Restrict the sharing of UPSI strictly to those who require it for legitimate purposes.

DETERMINATION AND HANDLING OF UPSI FOR LEGITIMATE PURPOSES

1. Restriction on Communication

- Insiders shall not communicate UPSI to any person, except for legitimate purposes, performance of duties, or compliance with legal obligations i.e. only for a need to know basis.

2. Obligations of Third Parties

- Any person in receipt of UPSI for legitimate purposes shall be deemed an insider and must maintain confidentiality in accordance with SEBI regulations.

3. Confidentiality Agreements

- The Company shall execute confidentiality and non-disclosure agreements with third parties sharing UPSI for legitimate purposes.
- All the insider in possession of Unpublished Price Sensitive Information shall be under obligations to share such information only on need to know basis.

4. Secure Database Management

- Maintain a secure database of persons/entities with whom UPSI is shared. The database should include:
 - Details of the recipient.
 - Purpose of sharing.
- Adequate internal controls to prevent misuse of UPSI.



[DESIGNATION OF A CHIEF INVESTOR RELATIONS OFFICER (CIRO)]

The **Company Secretary and Compliance Officer** shall act as the **Chief Investor Relations Officer (CIRO)** to oversee:

1. Dissemination and disclosure of UPSI.
2. Ensuring compliance with the principles outlined in this Code.
3. Responding to regulatory inquiries related to UPSI.

BEST PRACTICES FOR DISCLOSURE

1. News and Rumours

- The CIRO shall respond promptly to inquiries from stock exchanges and regulators regarding news reports or market rumours.

2. Investor Interactions

- Post the outcomes of investor and analyst meetings, including transcripts, on the Company's website for public access.

3. Training and Awareness

- Conduct regular training for employees and connected persons to ensure compliance with the Code.

AMENDMENTS TO THE CODE

The Company is committed to periodically reviewing and updating this Code to align with changes in regulations and business practices. Amendments to this Code shall:

1. Be approved by the Board of Directors through a resolution.
2. Be disclosed on the Company's website immediately.

PENALTIES FOR VIOLATION

Violations of this Code or the Insider Trading Regulations or other SEBI regulations shall attract penalties, which may include:

1. Disciplinary action as per the Company's internal policies.
2. Fines or penalties imposed by SEBI.
3. Legal action as deemed appropriate by the Company or regulatory authorities.



M. Chakraborty