



**KALIND INFOTECH LIMITED**

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS & THEIR IMMEDIATE RELATIVES FOR PROHIBITION OF INSIDER TRADING**

**Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons for prohibition of Insider Trading.**

**1. INTRODUCTION**

Insider trading means dealing in securities of a company listed / traded on any stock exchange in India based on, or when in possession of, unpublished price sensitive information.

With a view to govern the conduct of insiders on matters relating to insider trading, the Securities and Exchange Board of India (SEBI) had formulated Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, including amendments thereto (hereinafter referred to as the 'Regulations').

Sub-regulation (1) of Regulation 9 inter alia, requires all listed companies to frame a Code of Conduct for Regulating, Monitoring and Reporting of trading of all insiders including by Designated Persons and their immediate relatives (hereinafter will be collectively referred to as "Designated Persons") by adopting the minimum standards as set out in Schedule B to the Regulations.

Kalind Limited ("the Company") had formulated this Code of Conduct called the "Code of Conduct to regulate, monitor and report trading by Insiders". The Code shall be applicable to Designated Persons and immediate relatives of designated persons, Connected Persons and other Insiders as described in the Code or as may be specified by the Board of Directors in consultation with the Compliance Officer.

This Code has been reviewed and approved by the Board of Directors of the Kalind Limited ("the Company") and shall come into effect from the date of listing of Equity Shares of the company.

**2. DEFINITIONS**

- i. "Act" shall mean the Securities and Exchange Board of India Act, 1992 (15 of 1992).
- ii. 'Audit Committee' shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. 'Board' shall mean the Board of Directors of the Company.

iv. **'Company'** means Kalind Limited.

v. **Compliance Officer'** means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be;

**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.

vi. **'Connected Person'** means–

- i. any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship 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.
- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, –
  - a. a relative of connected persons specified in clause (i); or
  - b. a holding company or associate company or subsidiary company; or
  - c. an intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - d. an investment company, trustee company, asset management company or an employee or director thereof; or
  - e. an official of a stock exchange or of clearing house or corporation; or
  - f. 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
- g. 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
  - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - i. a banker of the company; or
  - j. 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 or;
  - k. a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
  - l. a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d);

**vii. 'Contra trade'** means a trade or transaction which involves buying or selling any number of shares of the Company and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction."

**viii. 'Designated Person'** shall consist of:

- i. Promoters of the Company
- ii. Directors of the Company and its subsidiaries;
- iii. Key Managerial Personnel (KMP) and Senior Managerial Personnel(s) of the Company;
- iv. All employees in the Finance and Accounts Department, Corporate Planning Department, Legal Department, Enterprise Risk Management Department, Corporate Strategy, Information Security, Human Resource Department and any other departments of the company and its material subsidiaries, if any on the basis of their functional role or access to unpublished price sensitive information
- v. Managing Director and employees upto two levels below Managing Director of the Company and material subsidiaries.
- vi. Executive Secretaries of Directors and Executive Officers of the Company, any support staff of the Company, such as IT staff or secretarial staff who have access to unpublished price sensitive information;
- vii. Immediate Relatives and persons with whom such designated person(s) specified in (I) to

(VI) above, who shares a material financial relationship

- viii. Any other Person designated by the Company on the basis of their functional role and such function would provide access to UPSI;
- ix. **'Director'** shall have the meaning assigned to it under the Companies Act, 2013.
- x. **"Digital Database"** shall be a database maintained by the Compliance Officer of the Company with Permanent Account Numbers ("PANs") or any other identifier authorized by law where such PAN is not available, disclosures and other details of Designated Persons, Fiduciaries and Insiders who have or are in possession of or likely to have access to Unpublished Price Sensitive Information in accordance with the MIL Code;
- xi. **'Fiduciaries'** includes professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Bank.
- xii. **'Generally Available Information'** means information that is accessible to the public on a non-discriminatory basis [and shall not include unverified event or information reported in print or electronic media]  
  
***NOTE:** It is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what constitutes unpublished price sensitive information. Information published on the website of a stock exchange, would ordinarily be considered generally available.*
- xiii. **'Immediate Relative'** means a spouse of a person, and includes parent, sibling, and child of that person or of the spouse, if they are either dependent financially on such person, or consult such person in taking decisions relating to Trading in securities.
- xiv. **'Insider'** means any person who is:
  - i. a Connected Person or
  - ii. in possession of or having access to UPSI.
- xv. **'Key Managerial Personnel'** shall have the meaning assigned to it under the Companies Act, 2013.
- xvi. **'Leak of UPSI'** shall refer to such act/circumstance(s) by virtue of which an UPSI is made

available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

*Explanation: It covers the instances where the UPSI has been shared by a person to any person, association, body, firm, agency, society, entity or to a group thereof except in compliance with applicable law.*

- xvii. **'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 these regulations.
- xviii. **'Material financial relationship'** shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person, but shall exclude relationships in which the payment is based on arm's length transactions.
- xix. **'Need to know'** means the Price Sensitive Information shall be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information
- xx. **'Officer'** shall have the meaning assigned to it under the Companies Act, 2013.
- xxi. **Promoter and Promoter Group**  
  
**'Promoter'** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.  
  
**'Promoter Group'** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- xxii. **'Relative'** shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

- xxiii.** **‘Securities’** shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.
- xxiv.** **‘Trading’** means and includes subscribing, redeeming, switching , buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, deal in the Company’s securities either directly or through portfolio management services, and “trade” shall be construed accordingly.
- xxv.** **‘Trading Day’** means a day on which the recognized Stock Exchanges are open for trading;
- xxvi.** **‘Unpublished Price Sensitive Information (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 including but not restricted to, information relating to the following: -
- i. financial results;
  - ii. dividends;
  - iii. change in capital structure;
  - iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions;
  - v. changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
  - vi. change in rating(s), other than ESG rating(s);
  - vii. fund raising proposed to be undertaken;
  - viii. agreements, by whatever name called, which may impact the management or control of the company;
  - ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

- x. resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
- xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
- xii. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- xvii. such other information as may be deemed to be constituted as UPSI by the Board from time to time

Words and expressions used and not defined in these Rules but defined in the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under shall have the meanings respectively assigned to them in those legislations.

### **3. ROLES AND RESPONSIBILITIES UNDER THIS CODE**

#### **a. Board of Directors**

As per Regulation 9(1) of the Insider Trading Regulations, the Board shall ensure that the Company at all times has in place this Code to regulate, monitor and report trading by Designated Persons and Immediate Relatives of such Designated Persons. The Board shall be responsible for monitoring the overall compliance with the Insider Trading Regulations. In accordance with the Insider Trading Regulations

**b. Compliance Officer**

- i. Administer the Code of Conduct.
- ii. Report to the Board of Directors.
- iii. Maintain and preserve the records under this Code as per SEBI Regulations.
- iv. Close the trading window as per this Code.
- v. The Compliance Officer shall send a report on compliance of the Code and the regulations to the Chairman of Audit Committee and shall also place it before the Audit Committee, on annual basis. The Report shall cover compliance status, coverage of Designated Persons, violations of the Code, if any, action taken in such violation cases, details of trades undertaken by a Designated Person and/or his/ her Immediate Relative(s).

**c. Designated Persons**

- i. Designated Persons shall be identified by the Managing Director & Chief Financial officer in consultation with the Compliance Officer, basis their role and function and the access that such role and function would provide Unpublished Price Sensitive Information of the Company in addition to seniority and professional designation shall be governed by the MIL Code.
- ii. All the obligations/responsibilities with respect to compliance with the MIL Code relating to the Immediate Relatives, shall devolve upon the Designated Persons.
- iii. **No Designated Person shall:**
  - Communicate, provide, or allow access to any UPSI related to the Company or its securities, to any person (including other Designated Persons), except in furtherance of legitimate purpose, performance of duties, or discharge of legal obligation(s) as defined under the SEBI Regulations.
  - Procure from, or cause communication, by any Designated Person, of UPSI related to the Company or its securities, except in furtherance of legitimate purpose, performance of duties or discharge of legal obligation(s) as defined under the SEBI Regulations.

Provided that the Designated Person may communicate, provide, or allow access to any UPSI only on need-to-know basis, in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, as permitted under the SEBI Regulations.

Determination of legitimate purposes forms part of the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The decision of the Company on what constitutes 'legitimate purpose' / 'fair disclosure' shall be final and binding.

**d. Inquiry in case of leakage of UPSI**

- i. The Company has formulated written policies and procedures for inquiry, in case of an alleged leak or misuse of UPSI.
- ii. As soon as the Company becomes aware of leak/suspected leak of unpublished price sensitive information, it shall initiate an appropriate inquiry and inform SEBI about the same.

**4. PROHIBITION ON COMMUNICATING OR PROCURING UPSI**

An Insider shall not-

- i. communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other Insiders, except to the extent allowed by these Rules or SEBI Regulations; or
- ii. procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities.

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

- i. in furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate notice, confidentiality and non-disclosure agreements being executed; or
- ii. in the event the Board of Directors directs or causes the public disclosure of UPSI in the best interest of the Company; or
- iii. within a group of persons if such persons have been identified and secluded within a "Chinese wall" or information barrier by the Compliance Officer from the rest of the Company for a particular purpose or for a specified period of time in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and are subjected to, among other conditions, additional confidentiality obligations, information barriers designed to prevent exchanges of UPSI outside the "Chinese wall", and the execution of an undertaking by such persons to abstain and/or forego Trading during such seclusion or till the UPSI no longer

constitutes UPSI and has become generally available.

## 5. PROHIBITION ON INSIDER TRADING

An Insider shall not, directly or indirectly, –

- i. Trade in securities of the Company that are listed or proposed to be listed when in possession of UPSI;
- ii. Designated Persons and their immediate relatives are prohibited to trade in Securities of the Company during the trading window closure period.

The Compliance Officer shall communicate the closure Period to all Designated Persons through email or physical copies or any other prescribed mode. *Irrespective of whether such communication has been received or not, Designated Persons governed by this Code shall mandatorily verify with the Compliance Officer, the status of the Trading Window before undertaking any Trades in the Securities of the Company. Ignorance of the closure of the Trading Window or non-receipt of communication of closure of the Trading Window shall not justify any trades undertaken by Designated Persons during the closure Period.*

- iii. Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI.
- iv. Provide advise/tips to any third party on trading in Company's securities while in possession of UPSI and

An insider who has ceased to be associated with the Company shall not, for a period of six months from date of such cessation, directly or indirectly trade in the Company's Securities while in possession of UPSI.

Trading in Securities of other companies. No Insider may, while in possession of unpublished price sensitive information about any other public company gained in the course of employment with the Company, (a) trade in the securities of the other public company, (b) "tip" or disclose such material non-public information concerning that company to anyone, or (c) give trading advice of any kind to anyone concerning the other public company.

No Insider may take positions in derivative transactions in the securities of the Company at anytime.

The restriction above may not apply to:

- a) A transaction that is an off-market inter-se transfer between Insiders who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and
- b) Trades pursuant to a Trading Plan setup in accordance with these Rules and SEBI Regulations.

When a person has traded in securities while in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

## 6. TRADING WINDOW

1. Trading Window Closure means the period when the Designated Persons and their Immediate Relatives are not allowed to trade in securities of the Company. The Company has the following Trading Window Closure periods:

**a. Standard Trading Window Closure**

For the declaration of financial results, the trading window shall be closed from the end of every quarter/half year. The trading window shall re-open 48 (forty-eight) hours after the declaration of the financial results.

**b. Event Specific Trading Window Closure**

The trading window shall be closed as and when the compliance officer deems fit but shall be opened 48 hours after the price sensitive information becomes generally available.

2. The trading window shall be, inter alia, closed at the time of

- a. Declaration of financial results (quarter, half-yearly and annual);
- b. Declaration of dividends (interim/final);
- c. Issue of securities by way of public/bonus/rights etc;
- d. Any major acquisition/expansion plans or execution of new projects;
- e. Amalgamation, mergers, takeovers and buy-back;
- f. Changes in key managerial personnel, other than due to superannuation or end of term, and

resignation of a Statutory Auditor or Secretarial Auditor;

- g. Disposal of whole or substantially the whole of the undertaking;
  - h. Change in rating(s), other than ESG rating(s)
  - i. Fund raising proposed to be undertaken;
  - j. Agreements, by whatever name called, which may impact the management or control of the company;
  - k. Fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;
  - l. Resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions;
  - m. Admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016;
  - n. Initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
  - o. Action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
  - p. Outcome of any litigation(s) or dispute(s) which may have an impact on the company;
  - q. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
  - r. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
  - s. Any other event, as may be notified by the Compliance Officer in consultation with Board, from time to time.
- i. Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer. Designated Person or class of Designated Persons will receive a notification on such special blackout periods.
- ii. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company, such as auditors, accountancy firms, law firms, analysts, consultants etc.,

assisting or advising the Company.

**iii. The trading window restriction shall not apply for below cases;**

- a. off-market, *inter-se* transfer between insiders who were in possession of the same UPSI without violating the policy and both parties had made a conscious and informed trade decision.
- b. transaction carried out through the block deal window mechanism between persons who were in possession of the UPSI without violating the policy and both parties had made a conscious and informed trade decision
- c. transaction carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- d. Transaction undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- e. Trades executed as per the trading plan setup in accordance with the policy.
- f. Pledge of shares for a bona fide purpose such as raising of funds, subject to pre-clearance by the compliance officer.
- g. Transactions undertaken in accordance to respective regulations made by SEBI, such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer
- h. in the case of non-individual insiders: -
  - (i) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - (ii) appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the

individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;

- iv. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above such thresholds as mentioned in clause 7 of this code.

## **7. DEALING IN COMPANY'S SECURITIES**

### **a. Permitted Transactions**

Designated Persons and their Immediate Relatives are permitted to trade in securities, through either of the following ways, after complying with the other conditions of this Code and the SEBI Regulations.

### **b. Trading where Pre-clearance is not mandatory**

Designated Persons can enter into one transaction or a series of transactions in the securities of the Company for an aggregated traded value of up to Rs. 10 (ten) lakhs in a calendar quarter, without obtaining any pre-clearance for the transactions, subject to the satisfaction of the following conditions:

- i. The trading window is open and
- ii. the Designated Persons are not in possession of any UPSI.

It is clarified that Clause 7 a & b of this Code, shall apply mutatis mutandis to trades of Immediate Relatives of Designated Persons.

### **c. Trading through Pre-clearance Route i.e. prior approval route, when not in possession of UPSI:**

- i. If a Designated Person intends to trade in the securities of the Company, whether in one transaction or a series of transactions, for an aggregated traded value of above Rs. 10 (ten) lakhs, in a calendar quarter, the Designated Person shall obtain pre-clearance for undertaking the proposed trades in the securities of the Company from the Compliance Officer. Such trading in securities by the Compliance Officer shall require pre-clearance from Managing Director.
- ii. An application for pre-clearance along with an undertaking, shall be made by the Designated

Person in the prescribed format (See Annexure-1 and Annexure 2), to the Compliance Officer. While submitting the application for pre-clearance, the Designated Person should not be in possession of any UPSI.

- iii. The Compliance Officer in consultation with Managing Director & Chief Financial Officer shall process the pre-clearance request within 2 trading days from the date of receipt of request in the prescribed format (See Annexure -3).
- iv. The Board of directors of the Company shall be the approving authority for approving the pre-clearance application of Compliance Officer and Executive Directors.
- v. The approved pre-clearance of trades will be valid for 7 (seven) trading days or such lesser period as may be approved by the Compliance Officer. If trade(s) are not executed within the approval period after the receipt of pre-clearance, the Designated Person must obtain the fresh pre-clearance for the transaction(s) again.
- vi. In case the Designated Person procures or comes in possession of UPSI before execution of the trade during the subsistence of the pre-clearance sought, he / she shall refrain from executing the trades.
- vii. The Designated Person shall submit the details of the transaction(s) undertaken by him/ her and/or his/her Immediate Relative in the prescribed format (See Annexure 4), within 2 trading days, from the date of trading.
- viii. In case the Designated Person and/or his/ her Immediate Relative does not trade after securing pre-clearance, the Designated Person is required to inform the Compliance Officer in the prescribed format (See Annexure -4) regarding non-execution of trade, within two trading days of the expiry of validity of the pre-clearance.
- ix. It is clarified that the procedure laid down for pre-clearance of trades in securities of the Company shall apply mutatis mutandis to trades proposed to be carried out by Immediate Relatives of Designated Persons; provided that the obligations requiring communication with the Compliance Officer shall continue to be upon the Designated Person.
- x. A Designated Person who Trades in securities of the Company without complying with the pre-clearance procedure as envisaged in these Rules or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the pre-clearance procedure shall be subjected to the penalties as envisaged in these Rules.
- xi. The designated person cannot trade when the trading window is closed by the compliance officer. Any earlier pre-clearance obtained when the trading window was open, would be invalid once the trading window is closed.

#### **d. Restrictions on Contra Trade/ Minimum Period of Holding of Securities**

- i. Restrictions on Contra Trade/Minimum holding means that securities shall not be sold within 6 (six) months of their last purchase and securities shall not be purchased within 6 (six) months of their last sale.
- ii. All Designated Persons who Trade in the securities of the company shall not enter into a contra trade during the next six months following the prior transaction unless permission in this regard has been obtained from Compliance Officer in the prescribed format (See Annexure 5).
- iii. The Compliance Officer may grant relaxation to a contra trade for reasons recorded in writing provided that such relaxation does not violate the Code or Regulations, on receipt of application from Designated Person. The said relaxation order shall be issued in the prescribed format (See Annexure 6).
- iv. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Education and Protection Fund administered by SEBI.

The aforesaid restrictions on entering into opposite transaction shall not apply to acquisition of securities in the primary market or pursuant to exercise of options vested under any ESOP Scheme(s) of the Company.

- v. All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time
- vi. Contra trade restrictions are applicable on each and every trade irrespective of whether the below or above the threshold limit of Pre- clearance.

#### **8. TRADING PLAN**

- i. An insider/a Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a "Trading Plan") and present it to the Compliance Officer for approval and public disclosure. The trading plan may be executed only after the plan is approved by the Compliance officer and disclosed to the stock exchanges on which the

securities of the Company are listed.

- ii.** Insider/Designated person shall not exercise any influence over the amount of Securities to be traded, the price at which they are to be traded, or the date of the trade. Insider/Designated person may delegate discretionary authority to his/her broker, but in no event Designated person may consult with the broker regarding executing transactions, or otherwise disclose information to the broker concerning the Company that might influence the execution of transactions, under the Trading Plan after it commences.
  
  - iii.** Trading Plan shall:
    - 1. not entail commencement of trading on behalf of the Insider/Designated Person or Insider earlier than 120 (One hundred and twenty days) calendar days or such other period as may be prescribed under the Insider Trading Regulations, from the public disclosure of the plan.
    - 2. not entail overlap of any period for which another trading plan is already in existence.
    - 3. set out the following parameters for each trade to be executed:
      - a. either the value of trade to be effected or the number of securities to be traded;
      - b. nature of the trade;
      - c. either specific date or time period not exceeding five consecutive trading days;
      - d. price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
        - d.1 for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent higher than such closing price;
        - d.2 for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent lower than such closing price;
- Explanation:
- a. While the parameters in sub-clauses (a), (b) and (c) shall be mandatorily mentioned for each trade, the parameter in sub-clause (d) shall be optional.

- b. The price limit in sub-clause (iii) shall be rounded off to the nearest numeral.
- c. Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.

4. not entail trading in Securities for market abuse

- iv. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan.

- v. The Trading Plan once approved shall be irrevocable and the Insider/Designated Person shall mandatorily have to implement the plan, without being entitled to either execute any trade in the securities outside the scope of the Trading Plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.

However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Insider/Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation.

Provided further that if the insider has set a price limit for a trade under sub-clause (d) of clause (3) of sub-clause 8.iii, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

- vi. The compliance officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

- vii.** In case of non-implementation (full/partial) of trading plan due to either reasons enumerated in sub-clause 5.3 or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:
- (i) The insider shall intimate non-implementation (full/partial) of trading plan to the compliance officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.
  - (ii) Upon receipt of information from the insider, the compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not.
  - (iii) The decision of the Audit Committee shall be notified by the compliance officer on the same day to the stock exchanges on which the securities are listed.
  - (iv) In case the Audit Committee does not accept the submissions made by the insider, then the compliance officer shall take action as per the Code of Conduct.

## **9. DISCLOSURE REQUIREMENTS**

### **i. Initial Disclosure:**

- a. Every person, on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a member of the promoter group, shall disclose his/her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming member of the promoter group, to the Company within seven days of such appointment or becoming a member of promoter group, in the prescribed format (See Form A set out in Annexure 7).

### **ii. Continual Disclosure:**

- a. Every promoter, designated person, member of the promoter group and director of every company shall disclose to the company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of ten lakh rupees or such other value as may be specified, in the prescribed format (See Form B set out in Annexure 8).

- b. Every company shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

### **iii. Disclosures by other Connected Persons.**

The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company at such frequency as he may determine in the prescribed format (See Form C set out in Annexure 9).

### **iv. Annual Disclosure**

All Designated Persons must make an annual disclosure of the number of Securities of the company held as on 31st March each year by them including details of purchase/sale of Securities of the Company during the financial year to the Compliance Officer. This disclosure must be made within 30 (thirty) days from the close of each financial year in the prescribed format (See Annexure 10).

The disclosures made under this Code shall be maintained by the company, for a minimum period of five years, whether physical copies or electronic.

## **10. PENALTY FOR INSIDER TRADING**

- i. An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be, terminated.
- ii. Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, claw back etc. and ineligibility for future participation in the Company's stock option plans or termination.
- iii. The SEBI or any other appropriate regulatory authority may also be informed of the violation of these Rules so that appropriate action may be taken.

## **11. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING**

The Managing Director in consultation with the Compliance Officer shall put in place an adequate

and effective system of internal controls to ensure compliance with the MIL Code and the Insider Trading Regulation, including ensuring inter-alia the following:

- i. Identification of employees having access to Unpublished Price Sensitive Information as Designated Persons and updating of necessary information pertaining to these Designated Persons in the Digital Database of the Company;
- ii. Identification, preservation, and maintenance of confidentiality of Unpublished Price Sensitive Information until it becomes Generally Available Information in accordance with the Insider Trading Regulations;
- iii. Restriction on communication and procurement of Unpublished Price Sensitive Information as per this Code and the Insider Trading Regulations;
- iv. Maintenance of Digital Database containing names of all Designated Persons and other persons with whom Unpublished Price Sensitive Information is shared and confidentiality agreements signed, or notices sent / served on Designated Persons or other persons with whom Unpublished Price Sensitive Information is shared for the purpose of maintaining confidentiality and abiding by their non-disclosure obligation;
- v. Compliance of this Code and Insider Trading Regulations;
- vi. Periodic reporting to Audit Committee and the Board; and
- vii. Any other matter required for compliance with the Insider Trading Regulations.

## **12. AMENDMENTS AND MODIFICATION**

This Code shall be reviewed from time to time and any amendments or modifications thereto shall be subject to review and approval of the Board of Directors of the Company. In the events of inconsistency of this Policy with SEBI Act or Insider Trading Regulations or any rules, regulations or circular prescribed thereunder, the relevant provisions of the applicable law shall override this Policy.

## **13. DISCLOSURE**

The Code will be placed on the Website of the Company.

**THIS POLICY IS ONLY INTERNAL CODE OF CONDUCT AND ONE OF THE MEASURES TO AVOID INSIDER TRADING. IT WILL BE THE RESPONSIBILITY OF EACH DESIGNATED PERSON TO ENSURE COMPLIANCE OF SEBI GUIDELINES AND OTHER RELATED STATUTES FULLY.**

## Annexure 1

### Specimen of Application for Pre- clearance Approval

To,  
The Compliance Officer,  
Kalind Limited.

Dear Sir / Madam,

Subject: Application for Pre- clearance approval in securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Insider Trading Policy, I seek approval to purchase/sell/subscribe Equity Shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
2A	Relationship with the Applicant (Self/ Immediate Relatives)	
3.	Number of securities held as on date	
4.	Folio No. / DPID/ Client ID No.	
5.	The proposal is for	(a) Purchase of securities (b) Subscription to securities (c) Sale of securities (d) Pledge
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be purchased/ subscribed/ sold/pledge	
8.	Current market price (as on date of application)	
9.	Price at which the transaction is proposed	
10.	Whether the proposed transaction will be through stock exchange or off-market trade	
11.	Folio No./ DPID/ Client ID No. where the securities will be credited/ debited	

I, enclose herewith the Declaration in Annexure-2 duly signed by me. I request you to kindly pre-clear the above transaction.

Thanking You,

Name of Employee:

Signature:

Name:

Date:

## Annexure 2

### UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE- CLEARANCE

To,  
The Compliance Officer,  
Kalind Limited

Dear Sir/Madam,

I, \_\_\_\_\_ being a Designated Person as per the Kalind Limited- Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, am desirous of trading in shares of the Company held in my name/ in the name of my Immediate Relative in my application dated \_\_\_\_\_ for pre-clearance of the Trade. I hereby confirm/undertake:

I further declare that I am not in possession of any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public. I declare that I have not contravened the provisions of the Rules as notified by the Company from time to time.

In the event of this transaction being in violation of the Rules or the applicable laws,(a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons,(b)I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Education and Protection Fund administered by the SEBI.

I undertake to submit the necessary report within two days of execution of the transaction/ a 'Nil' report if the transaction is not undertaken. If approval is granted, I shall execute the trade within seven days of the receipt of approval failing which I shall seek pre-clearance afresh.

I declare that I have made full and true disclosure in the matter.

Thanking You,

Name of Employee:

Signature:

Name:

Date:

**Annexure 3**  
**(Format of letter of approval/rejection from Compliance Officer)**

To,

Dear (\_\_\_\_\_) Applicant,

**Sub : Pre-clearance of transaction in Company's Securities**

**Ref : Your application dated \_\_\_\_\_ for pre-clearance of transaction for shares of the Company in your name / in the name of \_\_\_\_\_.**

With reference to your above application, seeking pre-clearance of your Trade in shares of the Company, we here inform you that your request for dealing in \_\_\_\_\_ quantity Equity shares of the Company is **approved/ rejected**.

\*You may kindly note that the aforesaid transaction will be executed **within seven (7) trading days** from the date of receipt of this approval letter, failing which, an application seeking pre-clearance to the proposed transaction together with undertaking in the prescribed format, will be made afresh.

Further the details of the Trade, as per the aforesaid application, needs to be intimated within two working days of the execution of the Trade.

Pursuant to the Insider Trading Regulations and the Code, post this Trade, you should not enter into any contra transaction, in any Securities of the Company from / in the open market for a period of next 6 (six) months. In the case of issues, the holding period would commence when the Securities are actually allotted. It is presumed that the proposed transaction is in compliance with the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; Code of Conduct and SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other applicable law.

**Thanking You**  
**Yours faithfully**  
**For Kalind Limited**

**Compliance Officer**

\* Delete if application is rejected

**Annexure 4**

**FORMAT FOR DISCLOSURE OF TRANSACTION EXECUTED/NOT EXECUTED  
AFTER OBTAINING PRE CLEARANCE**

To,  
The Compliance Officer,  
Kalind Limited.

Dear Sir/Madam,

With reference to the trading approval granted by the Company to me on \_\_\_\_\_, I hereby inform that I have bought/sold \_\_\_\_\_ equity shares/ securities of the Company for Rs. \_\_\_\_\_ on \_\_\_\_\_. I do not intend to trade in the balance \_\_\_\_\_ equity shares/securities of the Company under this pre-clearance due to \_\_\_\_\_ (specify reason).

Name of holder	No. of securities traded	Bought /sold / subscribed	DP ID/Client ID/Folio No.	Price(Rs.)

Or

With reference to the trading approval granted by the Company to me on \_\_\_\_\_, I hereby inform that I have not traded in the securities of the Company due to \_\_\_\_\_ (specify reason).

Thanking You,

Name of Employee:

Signature:

Name:

Date:

Encl: Contract note of transaction

**Annexure - 5**

**APPLICATION FOR SEEKING PERMISSION FOR CONTRA TRADE WITHIN 6 MONTHS**

**From:**

<b>Name of Director/Designated Employee</b>	
<b>PAN No.</b>	
<b>Department</b>	

To,  
The Compliance Officer,  
Kalind Limited

Dear Sir/Madam,

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prohibition of Trading by Designated Persons of the MIL, approval to trade in \_\_\_\_\_ (Nature of company Securities) was given to me/my immediate relative \_\_\_\_\_ (Name of Relative) vide your order no. \_\_\_\_\_ dated \_\_\_\_\_.

I desire to deal in the said shares on account of \_\_\_\_\_ (give reasons) and request you to allow me to execute a contra trade of \_\_\_\_\_ (Nature & Number of securities).

**Thanking you,**

**(Name of the Applicant)**

**Annexure - 6**  
**APPROVAL FOR EXECUTING CONTRA TRADE WITHIN 6 MONTHS**

**Ref No.:**

**Date:** .....

**To,** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Dear Sir/Madam,**

**Ref: Your application dated \_\_\_\_\_ for seeking permission for contra trade**

With reference to your application seeking approval for execution of contra trade within 6 months of transaction for which pre-clearance was given, we hereby accord our approval to the contra trade considering the reason mentioned by you as a special case.

You may kindly note that the aforesaid transaction shall be executed within one week from the date of receipt of this approval letter, failing which, an application seeking approval for contra trade shall be made afresh.

**Thanking You**  
**Yours faithfully**  
**For Kalind Limited**

**Compliance Officer**

**Annexure 7**  
**FORM A**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7(1)(a) read with Regulation 6(2)- Initial disclosure to the Company]**

Name of the Company: Kalind Limited

ISIN of the Company: INE377D01018

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN / DIN & Address with contact nos.	Category of Person (Promoters/ Promoters Group/ KMP/Directors / immediate relative to/ others etc)	Date of appointment of KMP/ Director/ OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No.	

*Note: "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.*

**Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts* lot size)	Notional value in Rupee terms

*Note: In case of Options, notional value shall be calculated based on premium plus strike price of options*

Name & Signature:

Designation:

Date:

Place:

**Annexure 8**

**FORM B**

SEBI(Prohibition of Insider Trading)Regulations,2015  
[Regulation7(2) read with Regulation6(2)-Continual disclosure]

Disclosure to be submitted with two trading days from the date of transaction or the date when aggregate transaction (purchase and sales) exceeds Rs. 10.00 lakhs in a quarter

Name of the Company: Kalind Limited

ISIN of the Company: INE377D01018

**Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/ DIN, & Address with contact nos.	Category of Person (Promoter /member of the promoter group/designated person/Directors/immediate relative to/others etc.)	Securities held prior to acquisition/ disposal	Securities acquired/ Disposed	Securities held post acquisition/ disposal	Date of allotment advice/ acquisition of shares/ sale of Shares specify	Date of intimation to company	Mode of acquisition/ disposal (on market/ public/ rights/ preferential offer/ off-market/ Inter- se transfer, ESOPs etc.)

	Type of security (For eg.- Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Buy/Sale/ Pledge/ Revoke/ Invoke)	Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	From	To		

**Note:** (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts* lot size)	Notional Value	Number of units (contracts* lot size)	

**Note:** In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:



**Note:** (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.  
(ii) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives by other connected persons as identified by the Company**

Trading in derivatives (Specify type of contract, Futures or Options etc)					Exchange on which the trade was executed	
Type of Contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts*lot size)	Notional Value	Number of units (contracts * lot size)	

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name:

Signature:

Place:

**Annexure 10**

**ANNUAL DISCLOSURE OF SHARES HELD IN THE COMPANY BY DESIGNATED PERSONS**

Details of shares or voting rights held by Designated Persons and their respective Relatives/  
Immediate Relatives, as the case may be, including positions taken in derivatives

To,  
The Compliance Officer,  
Kalind Limited.

**Dear Sir/Madam,**

I, \_\_\_\_\_, hereby declare that securities held by me and my immediate relatives in the Company as on 31st March, 20\_\_ and the transactions during the period 1st April, 20\_\_ to 31st March, 20\_\_ are as per details furnished below:

<b>Name &amp; PAN</b>	<b>Relation</b>	<b>Type of Security</b>	<b>No. of Securities held as on 1st April, 20__</b>	<b>No. of Securities acquired during the year</b>	<b>No. of Securities Sold during the yea</b>	<b>No. of Securities held as on 31st March, 20__</b>	<b>Folio No./ DP ID/ Client ID No.</b>

I declare that the information furnished herein is complete and correct.

**Yours Sincerely,**

Signature :

Name :

Designation :

Place :

Date :