

Kross Limited

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Under Regulations 8 and 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Introduction

Regulations 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 requires the Company to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“**Fair Disclosure Code**”).

2. Scope

Kross Limited (“**Company**”) endeavors to preserve the confidentiality of unpublished price sensitive information (“**UPSI**”) and to prevent its misuse. To achieve these objectives and in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted this fair disclosure code. This code ensures timely and adequate disclosure of UPSI which would impact the price of its securities and to maintain uniformity, transparency and fairness in dealing with all its stakeholders. Our Company is committed to timely and accurate disclosures based on applicable legal and regulatory requirements.

3. Definitions

- a) "**Unpublished Price Sensitive Information**" means any information, relating to the Company or its securities, directly or indirectly, that is not generally available which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:
- a) Financial results;
 - b) dividends;
 - c) change in capital structure;
 - d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
 - e) changes in key managerial personnel (KMP)
 - f) change in rating(s), other than ESG rating(s);
 - g) fund raising proposed to be undertaken;
 - h) agreements, by whatever name called, which may impact the management or control of the company;
 - i) 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;
 - j) resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
 - k) 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;
- l) 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;
 - m) 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;
 - n) outcome of any litigation(s) or dispute(s) which may have an impact on the company;
 - o) 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;
 - p) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1-

For the purpose of sub-clause (ix):

- a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2-

For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable."

Words and expressions used and not defined in this Policy but defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Act, 1992 (15 of 1992), Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and rules and regulations made there under (including any statutory modifications or re-enactment thereof) shall have the meanings respectively assigned to them in those legislation.

In this Policy unless there is anything repugnant in the subject or context words importing the masculine gender shall be taken to include females and vice versa. In addition, words in the singular shall include the plural and vice versa.

- a) "**Generally Available Information**" means information that is accessible to the public on a non-discriminatory basis. Information relating to the Company published on the website of stock exchanges or the Company's website shall ordinarily be considered as generally available information and shall not include unverified event or information reported in print or electronic media

- b) **"Compliance Officer"** means any senior officer designated by Board of Directors for ensuring compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015. Unless the Board designates any personnel as compliance officer, the chief financial officer shall be deemed to be the Compliance Officer.

4. Fair disclosure of Unpublished Price Sensitive Information

- a) The Company shall promptly disclose to public, UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- b) The Company shall follow uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- c) The Company Secretary and Compliance Officer of the Company have been designated as the Chief Investor Relations Officer of the Company to deal with dissemination of information and disclosure of UPSI.
- d) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
- e) The Company shall ensure appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities, in accordance with applicable regulations.
- f) The Company shall ensure that information shared with analysts and research personnel is not UPSI.
- g) Meetings / calls with analysts or investor relations conferences shall be transcribed or recorded on the official website of the Company to ensure official confirmation and documentation of disclosures made.
- h) The UPSI can be shared as an exception by an insider for legitimate purposes, in the ordinary course of business of the Company. Policy for determination of Legitimate Purposes for which UPSI can be shared, has been formulated and mentioned below.
- i) The Board of Directors of the Company, in sync with applicable laws, rules and regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Code with a new code. Any amendment to the Code, upon approval of the Board of the Company shall be intimated to the Stock Exchanges and shall also be updated on the Company's website.

5. The UPSI can be shared as an exception by an insider for legitimate purposes, in the ordinary course of business of the Company. Policy for determination of Legitimate Purposes for which UPSI can be shared, has been formulated and attached with this Code and marked as "Annexure A".

6. The Board of Directors of the Company, in accordance with applicable laws, rules and regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Code with a new code. Any amendment to the Code, upon approval of the Board of the Company shall be intimated to the Stock Exchanges and shall also be updated on the Company's website.

Annexure A
POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015

1. PREFACE

This Policy, which is part of "Codes of Fair Disclosure and Conduct" formulated under Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations 2015, is known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy". This Policy is prepared in accordance with Regulation 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

2. PURPOSE

The policy is formulated with an objective to identify 'Legitimate Purposes' for which an insider is entitled to communicate, provide, or allow access to any unpublished price sensitive information (UPSI), relating to the Company, its listed securities or securities which are proposed to be listed, to any person including other insiders, in the ordinary course of business.

3. DEFINITIONS

- a) **"Insider"** means any person in receipt of UPSI pursuant to a "legitimate purpose" and due notice shall be given to such persons (Insiders) to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- b) **"Legitimate Purposes"** shall mean sharing of UPSI 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, any other person with whom UPSI is shared provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

4. SHARING OF UPSI FOR LEGITIMATE PURPOSE

- a) The UPSI shall be shared by any person(s) authorized by the Board of Directors or Chief Investor Relations Officer (CIRO) of the Company, in this behalf, only in furtherance of legitimate purpose(s) which shall include the following:
 - (i) Sharing of UPSI in the ordinary course of business by any Insider, Designated Person, or by any Authorized person with existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.
 - (ii) Sharing of UPSI where such communication is in furtherance of performance of duty (ies).
 - (iii) Sharing of UPSI for discharge of legal obligation(s).
 - (iv) Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CIRO of the Company.
 - (v) Sharing of UPSI for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

- b) Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for purposes of this Code and due notice shall be given to such persons;
 - (i) To make aware such person that the information shared is or would be UPSI.
 - (ii) To make aware to such person the duties and responsibilities attached to the receipt of such UPSI, and the liability attached to misuse of UPSI.
 - (iii) To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

5. DIGITAL DATABASE

- a) The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.
- b) The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

6. RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS

The Board of Directors shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

7. LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

➤ Inquiry for leakage of UPSI

All UPSI shall be handled on a need-to-know basis only. In case of any UPSI is proposed to be provided, the person proposing to provide the information shall consult Chief Financial Officer /Company Secretary/Chairman and Managing Director in advance.

In case any UPSI is leaked or is suspected to be leaked by any insider, the Ethics & Compliance Task Team consisting of Company Secretary, Chief Financial Officer and Whole-time Director of the Company will investigate the matter and collect / gather the evidences and will report to the Chairman of Audit Committee. Chairman of the Audit Committee will thereafter convene the Meeting of the Audit Committee depending on severity of the matter.

➤ **Process for inquiry**

All the matters concerning leak of UPSI or suspected leak of UPSI, will be thoroughly investigated by the Company Officer and may at his discretion, consider involving external investigators for the purpose of the investigation.

The Company Officer may ask the concerned insider to remain present for investigation, discussion etc. and for such investigation, he may ask for personal Bank Account Statement or such other details or documents as it deems fit.

➤ **Powers of the Compliance Officer**

The powers of Compliance Officer for inquiry under this clause are as under.

- To investigate the matter
- To ask concerned insider for personal presence, examination, cross examination etc.
- To call for personal information/documents from insider.
- To file complaint, if required, before police authority / Designated cell under Information Technology Act, 2000.
- To retain the documents gathered during investigation.
- To report to the Audit Committee

➤ **Report to the Audit Committee for appropriate action**

The Compliance Officer will report to the Chairman of the Audit Committee and upon receipt of report by Chairman, he will convene Meeting of the Audit Committee, depending on severity of the matter. The Audit Committee based on such report decides the suitable action including but not limited to withholding of salary /termination of employment / monetary penalty.

8. AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

9. EFFECTIVE DATE

The policy will be effective from 09th November 2023.
Latest Amended on January 29, 2026