

Kimia Biosciences Limited

Code of Practices and Procedures (Amended) for Fair Disclosure of Unpublished Price Sensitive Information

With the promulgation of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, this 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', has been framed pursuant to Clause 8 of *Chapter IV* of the said Regulations.

The code aims to set out the procedures involved in inter-alia public disclosure of unpublished price sensitive information, dissemination of unpublished price sensitive information, addressing queries on news reports, sharing of information with analysts etc.

The broad principles in relation to the aforesaid are as follows:

1. The Company shall promptly make public disclosure of unpublished price sensitive information that would impact price of its shares. The same shall be made publicly available as soon as credible and concrete information thereof becomes available to the Company.
2. The Company shall take all reasonable steps for uniform and universal dissemination of all unpublished price sensitive information. The Company shall avoid any selective disclosure in this regard.
3. Person authorized/nominated by the Board of Directors for this purpose shall be deemed to be the Chief Investor Relations Officer (CIRO) in relation to dealing in/dissemination of information and disclosure of price sensitive information.
4. If any unpublished price sensitive information gets disclosed selectively/ inadvertently or otherwise, then the Company shall promptly disseminate such information to any public domain wherefrom the concerned information will be generally available.
5. CIRO shall provide appropriate and fair response to the queries on news reports and requests for verification of the market rumors by the regulatory authorities.
6. The Company, while dealing with the analysts and researchers, shall ensure that the information shared are not in the nature of unpublished price sensitive information.
7. The Company shall record the proceedings of meetings with the analysts and also record the proceedings of investor relations conferences. Record of such proceedings shall be placed on the website of the Company.
8. The Company shall handle all price sensitive information on a need to know basis.

Policy for determination of legitimate purpose

This code also aims to set out broad principles in relation to determination of ‘legitimate purpose’ for the purpose of compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. For the said purpose ‘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, auditor, 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.

For determining ‘legitimate purpose’, the following factors shall be taken into consideration:

1. Whether the information has been shared for the purpose of undertaking normal course of activity as required under the assigned scope of work;
2. Whether sharing of such information is customary business practice;
3. Whether the purpose for which the information is shared having well- established precedence in the company's history;
4. Whether such information relate to regular and frequent activities of the company;
5. Whether such information and the purpose of sharing were apparent and predictable.
6. Any other factor, which may be deemed to be appropriate

Any purpose or any information, which is not deemed to be a ‘legitimate purpose’ or ‘in ordinary course of business’ under any judicial pronouncement or issued guidelines by any professional body or otherwise, shall be construed as such.

No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Any person in receipt of unpublished price sensitive information pursuant to a ‘legitimate purpose’ shall be considered an ‘insider’.

Terms used in this Code shall carry the same meaning as stated under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other regulation, act, statute or otherwise framed and promulgated from time to time.