

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

Preamble

The Securities and Exchange Board of India has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “**Regulations**”) on January 15, 2015 and amended rules thereon 8th January, 2019. As per Regulation 8 read with Schedule “A” of the new Regulations every listed company has to frame a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as the ‘**Code**’). The Regulation intends to require companies to disseminate ‘Unpublished Price Sensitive Information’ (hereinafter referred to as ‘**UPSI**’) universally and not selectively. This Policy is intended to lay down principles and practices to be followed by the Company pertaining to universal disclosure of UPSI.

The Company intends to follow best practices, duly compliant with Applicable Law, in the matter of disclosure of UPSI. Accordingly, this Code, effective from 12th August, 2019 has been adopted by the Board of Directors of ARCL Organics Limited (hereinafter referred to as ‘**Company**’), at its meeting held on 4th September 2023.

I. Applicability

This Code shall apply in relation to disclosure by the Company of UPSI. The scope-exceptions as given in Applicable Law shall be applicable for the purpose of this Code as well.

II. Definitions

“**Applicable Law**” shall mean The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, or any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications, circulars or other governmental instruction and/or mandatory standards and or guidance notes as may be applicable in the matter of trading by an Insider.

“**Connected Person**” shall mean such persons as defined under the Regulations.

“**Chief Investor Relations Officer**” the Company Secretary of ARCL Organics Limited shall be the Chief Investor Relations Officer for the purpose of this Code.

“**Generally available information**” means information that is accessible to the public on a non-discriminatory basis.

“**Insider**” means any person who is a connected person or in possession of or having access to UPSI;

“Selected Group of Persons” means securities analysts or selected institutional investors, brokers and dealers or their associated persons, investment advisers and institutional managers, investment companies, hedge funds or any other person.

“Trading” means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

“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, delisting, disposals and expansion of business and such other transactions;
- v) changes in key managerial personnel
- vi) material events in accordance with the listing agreement

Words or phrases not defined here will have their respective meanings as per the SEBI Act, 1992 and these Regulations.

III. Functions of the Chief Investor Relations Officer

- Dealing with universal dissemination and disclosure of UPSI
- Determination of questions as to whether any particular information amounts to UPSI.
- Determination of response, if any, of the Company to any market rumor in accordance with this Code.
- Dealing with any query received by any Insider about any UPSI.
- Providing advice to any Insider as to whether any particular information may be treated as UPSI.

If an Insider receives a query about any UPSI related to the Company, he shall not comment on the same and shall forward such query to the Chief Investor Relations Officer. The Chief Investor Relation Officer shall deal with such query in accordance with Applicable Law and this Code

IV. Disclosure Policy

The Company shall ensure that:

- Prompt public disclosure of UPSI that may impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
- Uniform and universal dissemination of UPSI to avoid selective disclosure.
- If an Insider ‘selectively’ discloses any UPSI to any person including the Selected Group, then prompt disclosure of such information shall be made to the public. Such

disclosure must be made by Chief Investor Relations Officer not later than 48 hours after he/she learns that communication of such UPSI has taken place.

- The information shared with analysts and research personnel is not UPSI. UPSI about the Company may be disclosed to:-
- Persons for legitimate business purposes (e.g., attorneys, investment bankers or accountants).
- persons who have expressly agreed in writing to keep the information confidential, such as potential customers, other developers, joint venture
- partners and vendors, and not to transact in the Company's securities on the basis of such information
- Broad-based electronic, print, television and other media.

Subject to Applicable Law, methods of public disclosure of information to ensure uniform distribution shall include either of the following:-

- Distributing through Press Releases in newspapers or media including electronic media.
- Filing with the Stock Exchanges.
- Any other method that ensures wide distribution of the news such as webcasts and webinars.
- Uploading the information on the website of the Company.

V. Third Party Dealings

The Chief Investor Relations Officer shall ensure that best practices of making transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made are developed by the Company.

The best practices shall include uploading the following information on the website of the Company-

- Any Power Point Presentation or similar material used by the analyst in such meeting on the website of the Company.
- Any earnings guidance or any other similar material distributed during press conference.
- Any material information about business plans of the Company provided in response to analyst queries or during discussions in a meeting or any other information which may lead to price discovery has been shared.

VI. Structured Digital Database

A structured digital database shall be maintained containing the names of such persons or entities as the case may be with whom information is shared for legitimate purposes along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Adequate and effective system of internal controls will also be laid out to ensure the compliance of maintenance of a digital database for sharing the information for the said legitimate purposes.

VII. Rumors: Verification of Market Rumors and response to queries

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports. A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer shall not comment on market rumors except when requested by regulatory authorities to verify such rumors.

VIII. Need to know handling of UPSI

Company shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for legitimate purposes, performance of duties or discharge of legal obligations. All insiders shall adhere to conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

IX. Amendments to this Code

Amendment to this Code may be made by the Board of Directors of the Company, as may be required from time to time.

X. Posting of the Code

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