

Corporate Disclosure Practices

&

Code of Conduct for Prevention of Insider Trading



The KCP Limited

www.kcp.co.in

Introduction:

“Insider trading” refers to the purchase or sale of a security while in possession of unpublished price sensitive information relating to the security. “Securities” include not only stocks (including American/Global Depository Receipts/Shares), bonds, notes and debentures, but also options, warrants and similar instruments. “Purchase” includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. “Sale” includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These terms (Purchase and Sale) extend to a broad range of transactions including conventional cash-for-stock transactions, conversions, the grant and exercise of stock options and acquisitions and exercises of warrants or puts, calls or other options related to a security. It is generally understood that insider trading includes the following:

- Trading by insiders while in possession of unpublished price sensitive information;
- Trading by persons other than insiders while in possession of unpublished price sensitive information where the information either was given in breach of an insider’s fiduciary duty to keep it confidential or was misappropriated; or
- Communicating or tipping material, non-public information to others, including recommending the purchase or sale of a security while in possession of such information.

It should be noted that unpublished price sensitive information need not be directly related to the issuer of a security for trading to be insider trading. For example, trading while in possession of non-public information about a subsidiary company, which is material to the parent corporation, would be insider trading.

A good general rule of thumb: When in doubt, do not trade

The Securities and Exchange Board of India (SEBI) for protection of investors and to regulate the securities market has formulated the SEBI (Insider Trading) Regulations, 1992 under the powers conferred on it under the SEBI Act, 1992. These regulations came into force with effect from 19th November 1992 and the same were made applicable to all companies whose shares were listed on Indian stock exchanges.

On the basis of the recommendations of the Shri Kumar Mangalam Birla committee SEBI has amended the existing regulations and the amended regulations were made effective from February 20, 2002 and are called as -

“Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992” (hereinafter referred to as “the Regulations”).

This Statement consists of four sections:

Section I	Objects of the Code
Section II	Definitions for certain terms used in the Code
Section III	Policy on Disclosures and Internal Procedures for prevention of Insider Trading
Section IV	Standard procedures which have been put in place by the Company to prevent insider trading

Section – I

1.0 Objects of the Code

This code shall be called the **Code of Conduct for Prevention of Insider Trading** and are framed with an object to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as well as to preserve the reputation and integrity of The KCP Limited (hereinafter referred to as “the Company”) and that of all persons affiliated with it. “Insider trading” occurs when any person purchases or sells a security while in possession of non public material information relating to the security. Insider trading is a crime under Indian laws and the penalties for violating the laws include imprisonment, disgorgement of profits, civil and criminal consequences. Insider trading is also prohibited by this Statement and could result in serious sanctions and disciplinary action by the Company.

1.1 Applicability

This Code applies to all employees and directors of the Company and anyone else who has material inside information about the Company and extends to all activities within and outside an individual’s duties at the Company. Every employee and director must review this Code. Questions regarding the Statement should be directed to Mr. Y.Vijaya Kumar, Company Secretary and the Compliance Officer, at vijaycs@kcp.co.in or (+91-044) 66772621 or 66772600or 66772620 (fax).

1.2 The Code will come into force w.e.f 01.02.2009

1.3 The Code and Policies address compliance with SEBI Regulations

Section – II

2.0 Definitions:

2.1 “**Board**” means Board of Directors of the Company

2.2 “**Code**” means this Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices, as applicable, including modifications made thereto from time-to-time.

2.3 “**Company**” means The KCP Limited.

2.4 “**Compliance Officer**” means an Employee appointed for the implementation of and overseeing compliance with the Regulations and the Code across the Company.

2.5 “**Connected Person**” means any person who –

- (i) is a director of the Company or is deemed to be a director of the Company by virtue of sub-clause (10) section 307 of the Companies Act, 1956
- (ii) occupies the position as an officer or an employee of the Company or holds a position involving a professional or business relationship between himself and the Company and who may reasonably be expected to have an access to unpublished price sensitive information in relation to the Company

2.6 "**Dealing in Securities**" means an act of subscribing to, buying, selling or agreeing to subscribe to, buy, sell or deal in the Securities of the Company either as principal or agent.

2.7 "**Designated Employees**" shall include -

- 1). Employees in the Grade of G-4 and above
- 2). All employees in Finance and Secretarial Departments
- 3). Any other employee of the Company that may be notified by the Compliance Officer, from time to time, with the approval of Chairman and Managing Director.

In case any of the designated employees leaves the services of the Company, he shall continue to be considered as such for a further period of six months subsequent to the date of his leaving the Company as envisaged under SEBI (Prohibition of Insider Trading) Regulations, 1992

2.8 "**Dependent**" shall include the spouse, dependent children, dependent parents and such other family members of the Specified Persons as may be notified by him/her.

2.9 "**Director**" means a member of the Board of Directors of the Company.

2.10 "**Employee**" means every employee of the Company (whether working in India or abroad) including the Directors in the employment of the Company.

2.11 "**Insider**" means any person who, is or was connected with the Company or is deemed to have been connected with the Company, and who is reasonably expected to have access to unpublished Price Sensitive Information in respect of Securities of the Company, or who has received or has had access to such unpublished Price Sensitive Information.

2.12 "**Officer of a company**" means any person as defined in clause (30) of section 2 of the Companies Act, 1956 including Auditor of the Company

2.13 "**Price Sensitive Information**" means any information, which relates directly or indirectly to the Company and which if published, is likely to materially affect the price of Securities of the Company.

Explanation: The following shall be deemed to be Price Sensitive Information:

- (i) periodical audited or un-audited financial results of the Company;
- (ii) intended declaration of dividends (both interim and final);
- (iii) issue of Securities or buy-back of Securities;
- (iv) any major expansion plans or execution of new projects;
- (v) amalgamation, mergers or takeovers;
- (vi) disposal of the whole or a substantial part of the undertaking;
- (vii) significant changes in policies, plans or operations of the Company;
- (viii) Any other event as may be notified.

2.14 “**Securities**” includes:

- (i) shares, scrips, bonds, debentures, debenture stock or other marketable securities of a like nature,
- (ii) put, call or any other option on the Company’s Securities even though they are not issued by the Company,
- (iii) futures, derivatives and hybrids, and
- (iv) such other instruments recognized as securities and issued by the Company from time-to-time

2.15 “**Specified Persons**” - the Directors, the Officers and the Designated Employees are collectively referred to as Specified Persons.

2.16 “**Unpublished**” means information which is not published by the company or its agents and is not specific in nature

Explanation – Speculative reports in print or electronic media shall not be considered as published information

All terms used in this Code but not defined hereinabove shall have the meanings Ascribed to them under the SEBI Regulations or the Companies Act, 1956.

Section – III

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

3.0 PROHIBITION ON DEALING, COMMUNICATING OR COUNSELLING

3.1 Directors/Officer/Designated Employees shall maintain the confidentiality of all Price Sensitive Information. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company.

3.2 All the Specified Persons shall maintain the confidentiality of all Price Sensitive Information (“PSI”) coming into their possession or control.

To comply with this confidentiality obligation, the Specified Persons shall not:

- (i) pass on PSI to any person directly or indirectly by way of making a recommendation for the purchase or sale of Securities of the Company; or
- (ii) disclose PSI to their family members, friends, business associates or any other individual, or
- (iii) discuss PSI in public places, or

(iv) disclose PSI to any Employee who does not *need to know* the information for discharging his or her duties, or

(v) recommend to anyone that they may undertake Dealing in Securities of the Company while being in possession, control or knowledge of PSI, or

(vi) be seen or perceived to be Dealing in Securities of the Company on the basis of unpublished PSI.

3.3 Trading by Persons other than Insiders

Insiders may be liable for communicating or tipping material, non-public information to a third party (“tippee”) and insider trading violations are not limited to trading or tipping by insiders.

Persons other than insiders also can be liable for insider trading, including tippees who trade on material, non-public information tipped to them or individuals who trade on material, non-public information which has been misappropriated.

Tippees inherit an insider’s duties and are liable for trading on material, non-public information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee’s liability for insider trading is no different from that of an insider. Tippees can obtain material, non-public information by receiving overt tips from others or through, among other things, conversations at social, business or other gatherings.

3.4 Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc

3.5 All non-public information directly received by any Employee shall be immediately reported to the head of the department.

4.0 DISCLOSURE OF INTEREST OR HOLDING (Pursuant to Regulation 13(1) of SEBI (Prohibition of Insider Trading) Regulations, 1992)

Initial Disclosure

4.1 Any person who holds more than 5% shares or voting rights in any listed company shall disclose to the company in **Form-A** the number of shares or voting rights held by such person on becoming such holder within 4 working days of receipt of intimation of allotment of shares or acquisition of shares or voting rights as the case may be.

4.2 Any person who is a director or designated employee of the Company shall disclose to the company in **Form-B** the number of shares or voting rights held by such person within 4 working days of becoming a director or employee of the company.

Continual Disclosure

4.3 Any person who holds more than 5% shares or voting rights in the company shall disclose within four working days of receipt of intimation of allotment of shares or the acquisition or sale of shares or voting rights to the company in **Form-C** the number of shares or voting rights held

and change in shareholding or voting rights, even if such change results in shareholding falling below 5%, if there has been change in such holdings from the last disclosure made and such change exceeds 2% of total shareholding or voting rights in the company.

4.4 Any person who is a director or designated employee of the company shall disclose within four working days of receipt of intimation of allotment of shares or the acquisition or sale of shares or voting rights to the company in **Form-D**, the total number of shares or voting rights held and change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made under this regulation and the change exceeds Rs.5 lakhs in value or 25000 shares or 1% of total shareholding or voting rights, whichever is lower.

Disclosure by Company to Stock Exchanges

4.5 The Company's Compliance Officer, within five days of receipt, shall disclose to the Stock Exchanges, on which the company's shares are listed, the information received under initial and continual disclosures.

4.6 The Compliance Officer shall maintain a register for recording the initial disclosure, periodical disclosure and annual disclosure received under sub- clause 8.1 above. Proformas of the register to be maintained are given in **FORM- X**.

4.7 The Compliance Officer shall maintain a Register of Designated Employees as per **FORM- XI**

4.8 The compliance officer shall maintain records of all the declarations in the appropriate form given by the directors, officers and designated employees for a minimum period of three years.

Section - IV

5.0 Procedures For Prevention Of Insider Trading

The following procedures have been established, and will be maintained and enforced, by The KCP Limited to prevent insider trading. Every employee or director is required to follow these procedures.

5.1 Compliance Officer

Mr. Y.Vijaya Kumar, Company Secretary is the designated Compliance Officer of the Company.

The compliance officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "Price Sensitive Information", pre-clearing of designated employees' or directors' trades, monitoring of trades and the implementation of the code of conduct under the overall supervision of the Board of the company.

The compliance officer shall maintain a record of the designated employees and any changes made in the list of designated employees.

5.2 Identifying Material, Non-public Information

Prior to directly or indirectly trading any security of the Company or its subsidiaries, every employee or director is required to determine whether they are in possession of material, non-public information relating to such security. In making such assessment, the explanations of “material” and “non-public” information set forth above should be of assistance and the Company’s Compliance Officer should be consulted in the event of any uncertainty. If after consulting with the Company’s Compliance Officer it is determined that such employee or director is in possession of material, non-public information, there shall be no trading in such security by them.

5.3 Access to Information:

Access to material, non-public information about the Company or its subsidiaries, including information with respect to their business, earnings or prospects, should be limited to employees and directors of the Company on a need-to-know basis. In addition, such information should not be communicated to anyone outside the Company under any circumstances or to anyone within the Company on another than need to know basis.

In communicating material, non-public information to employees of the Company, all employees and directors must take care to emphasize the need for confidential treatment of such information and adherence to the Company’s policies with regard to confidential information.

5.4 Inquiries from Third Parties:

Inquiries from third parties, such as industry analysts or members of the media, about the Company should be directed to the Chairman & Managing Director or Chief Financial Officer/Company Secretary or other appropriate person designated by them.

5.5 Limitations on Access to the Company Information

The following procedures are designed to maintain confidentiality with respect to the Company’s business operations and activities.

1. All employees or directors should take all steps and precautions necessary to restrict access to, and secure, material, non-public information by, among other things:
 - i) Maintaining the confidentiality of Company related transactions;
 - ii) Conducting their business and social activities so as not to risk inadvertent disclosure of confidential information. Review of confidential documents in public places should be conducted so as to prevent access by unauthorized persons;
 - iii) Restricting access to documents and files (including computer files) containing material, non-public information to individuals on a need-to-know basis (including maintaining control over the distribution of documents and drafts of documents);
 - iv) Promptly removing and cleaning up all confidential documents and other materials from conference rooms following the conclusion of any meetings;
 - v) Properly disposing of all confidential documents and other papers, after there is no longer any business or other legally required need; Restricting access to areas likely to contain confidential documents or material, non-public information; and Avoiding the discussion of material, non-public information in places where the information could be overheard by others such as in elevators, restrooms, hallways, restaurants, airplanes or taxicabs.

2. Personnel involved with material, non-public information, to the extent feasible, should conduct their business and activities in areas separate from other Company activities.

5.6 No employee or director shall purchase or sell any type of security while in possession of material unpublished price sensitive information relating to the security, whether the issuer of such security is the Company, its subsidiary or any other affiliated company.

5.7 Additionally, no employee or director shall purchase or sell any security of the Company during the closure of the Trading window.

5.8 No employee or director shall directly or indirectly tip material unpublished price sensitive information, to anyone while in possession of such information. In addition, material, unpublished price sensitive information should not be communicated to anyone outside the Company under any circumstances, or to anyone within the Company other than on a need-to-know basis, *i.e.*, Price Sensitive Information should be disclosed only to those within the Company who needs the information to discharge their duty.

5.9 Employees, directors or their respective dependent family members, should not directly or indirectly participate in transactions involving trading activities, which by their aggressive or speculative nature may give rise to an appearance of impropriety. Such activities would include short sales, the purchase of put or call options or the writing of such options. Moreover, these persons shall not purchase then sell, or sell and then repurchase, the Company's securities within a month period. It is clarified that Trading in derivatives does not amount to Speculation.

5.10 Trading Window:

Trading window shall refer to specified period during which the trading in securities of the Company is permitted. During the closure of Trading Window, trading in securities of the Company is prohibited for designated employees and is restricted for other employees.

The "Trading Window" shall be closed for any period beginning with the first day of the following month of any fiscal quarter of the Company (*i.e.* April, July, October and January) and ending with the public release of earnings data for the respective fiscal quarter prepared in accordance with the listing agreement with the Stock Exchanges.

For the purpose of trading in the company's securities by the designated employees, the "Trading Window" shall be opened for a period beginning with the following day of the public release of earnings data for the respective fiscal quarter and ending with the last day of the fiscal quarter (*i.e.* March, June, September and December).

Generally, one should allow approximately 48 hours following publication as a reasonable waiting period before such information is deemed to be public.

The Compliance Officer may also notify the period for any other occasion during which the trading window shall be closed.

All designated employees / directors of the company shall conduct all their dealings in the securities of the Company only in a valid trading window period and shall not deal in any

transaction involving the purchase or sale of the company's securities during the periods when trading window is closed.

Employees other than designated employees may deal in the securities of the Company only by way of selling and not otherwise during the closure of trading window, subject to compliance with pre-dealing procedure.

6.0 Pre-Clearance Of Deals In Securities:

6.1.(a) All Directors and designated employees who intend to deal in the securities of the company during the valid trading window period, above the threshold limit of Rs.5,00,000 in value or 5,000 shares, whichever is lower, should get pre clearance of the transactions as per the pre-dealing procedure described hereunder.

(b) Every employee, other than designated employee, who intend to deal in the securities of the company during the closure of trading window, may be allowed to sell and not otherwise up to Rs.5,00,000 in value or 5,000 shares whichever is lower in aggregate, with pre clearance of the transactions as per the pre-dealing procedure described hereunder.

6.2 An application as per **Annexure C** shall be made to the Compliance officer indicating the estimated number of securities that the designated employee/director intends to deal in, for pre clearance of the deals.

6.3 An undertaking as per **Annexure D** shall be executed in favour of the company by such designated employee / director.

6.4 All directors/ employees shall execute their order in respect of securities of the company within one week after the approval is given. If the order is not executed within one week, after the approval is given, the directors/employees must get pre clearance of the transaction again.

6.5 Approval:

(a) The Compliance Officer shall consider the application made as above and shall approve it forthwith preferably on the same working day but not later than the next working day unless he is of the opinion that grant of such an approval would result in a breach of the provisions of this Code, or the Regulations. Such approval/rejection would be conveyed through electronic mail ,followed by a hard copy if required and if no such approval /intimation of rejection is received within a period of 2 (two) working days, the applicant can presume that the approval is deemed to be given.

(b) Every approval letter shall be issued in such format (**Form-III**) or as may be prescribed by the Company from time-to- time. Every approval shall be dated and shall be valid for a period of 1 (one) week from the date of approval, however such approval is automatically deemed to be withdrawn if such period is super ceded by closure of trading window. .

(c) In the absence of the Compliance Officer due to leave etc., the Officer designated by him/her from time-to-time shall discharge the function referred to in (a) above.

6.6 Completion of Pre-cleared Dealing:

(a) All the Specified Persons/Designated Employees shall ensure that they complete execution of every pre-cleared deal in the Company's Securities as prescribed above and no later than 1(one) week from the date of the approval. The Specified Person/Designated Employee shall file within 4 (four) days of the execution of the deal, the details of such deal, with the Compliance Officer in the prescribed form. In the event of executing the transaction or not executing the transaction, a report to that effect shall be filed with the Compliance Officer (**Form-V**).

(b) If a deal is not executed by the concerned Specified Person pursuant to the approval granted by the Compliance Officer within 1(one) week, the Specified Person shall apply once again to the Compliance Officer for *pre clearance* of the transaction covered under the said approval.

6.7 All the Specified Persons shall hold their investments in Securities of the Company for a minimum period of 30 days in order to be considered as being held for investment purposes.

6.8 In case the sale of Securities of the Company is necessitated due to personal reasons or emergency situations by the employee, the same shall be recorded in the writing in the application for pre-clearance itself, the holding period referred to above may be waived by the Compliance Officer after recording the reasons in this regard. It may however, be noted that in terms of the Regulations, no such sale will be permitted when the Trading Window is closed.

6.9 The Compliance Officer maintain a Register of Pre-clearance of trading of Securities in **FORM- IV** and record therein the name and designation of the employee submitting the application, date of the application, date & time of receipt of the application, nature of the transaction, number of securities, consideration value, name of the dependent family member if the transaction is in the name of the dependent family member and date & details of the actual transaction.

6.10 The Compliance Officer shall also maintain a register of "waiver of restriction on holding investment in the securities in **FORM VI** for minimum period of 30 days" and shall record thereon the name of the employee, details of securities for which waiver is granted, date of waiver and the ground of the waiver.

6.11 The prohibition or restrictions in trading of securities, and pre clearance procedure applicable to the Directors, employees as the case maybe, shall also be applicable to their dependent family members.

6.12 Advice regarding Pre-Clearance:

In case of doubt, the Specified Person shall check with the Compliance Officer or the Officer designated by him/her from time-to-time whether the provisions relating to *pre-clearance* are applicable to any proposed transaction in the Company's Securities.

7.0 Reporting Requirements For Transactions In Securities:

7.1 In addition to complying with the reporting requirements as prescribed under this Code, all the Specified Persons shall file with the Compliance Officer, inter alia, the details of their/their

Dependents' holdings and/or dealings in the Securities of the Company within 15 (fifteen) days of the date of adoption of the

Code or date of joining the Company, whichever is later, and 31st March every year.

7.2. Directors/Officer/Designated Employees of the company shall be required to forward following details of their transactions in securities of the Company including the transaction in the name(s) of dependent family members to the Compliance Officer:

(a) All holdings in securities of the company by directors/ officers/designated employees (including that of his dependent family members) within 15 working days of joining the company or becoming directors/officers/designated employees, as the case may be (proforma disclosure form is given in **FORM-VII**);

(b) If any director/officer/employee (including his dependent family members) does not hold any securities in the Company at the time of joining the company or becoming directors/officers/designated employees, as the case may be and he (including his dependent family members) acquires securities of the Company subsequently, he shall make disclosure of such acquisition within 4 working days of acquisition (proforma is given in **FORM-VII**);

(c) Any change in shareholding (including his dependent family members) exceeding 10,000 shares, including shares acquired after pre clearance under clause 7.0 above, within 4 working days of such change (proforma disclosure form is given in **FORM-VIII**);

(d) Annual statement of all holdings (including his dependent family members) in securities of the Company as at 31st March by the 7th of next month (proforma disclosure form is given in **FORM-IX**);

7.3 The compliance officer shall within five days of receipt of (1) initial disclosure under sub-clause (a) above and (2) periodical disclosure of change in shareholding under sub-clause (b) above, if such change exceeds Rs. 5 lakhs in value or 25,000 shares or 1% of total shareholding or voting rights, whichever is lower, shall disclose to all stock exchanges on which securities of the Company are listed, the information received as above.

7.4 The compliance officer shall maintain records of all the declarations in the appropriate form given by the directors, officers and designated employees for a minimum period of three years.

7.5 The Compliance Officer shall maintain a register for recording the initial disclosure, periodical disclosure and annual disclosure received under sub-clause 8.1 above. Proformas of the register to be maintained are given in **FORM-X**.

7.6 The Compliance Officer shall maintain a Register of Designated Employees as per **FORM-XI**

7.7 The Compliance Officer shall maintain records of all the above declarations in an appropriate form for a minimum period of 3 (three) years from the date of the filing thereof.

8.0 Penalty For Contravention Of Code:

8.1 Every Specified Person shall be individually responsible for complying with the provisions of this Code (including to the extent the provisions hereof are applicable to his/her Dependents).

8.2 The Specified Persons who violate this Code shall, in addition to any other penal action that may be taken by the Company pursuant to law, also be subject To disciplinary action by the Competent Authority as defined in the Employee (Conduct ,Discipline and Appeal) Rules of the Company.

8.3 Officers and employees of the company who violate the code of conduct shall also be subject to disciplinary action by the competent authority of the company as specified in Employees Code of Conduct.

8.4 Action taken by the Company for violation of the Regulations and the Code against any Specified Person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable laws/rules/regulations.

8.5 Under Section 15G of the SEBI Act, any Insider who indulges in insider trading in contravention of Regulation 3 is liable to a penalty of Rs.25 crores or three times the amount of profits made out of insider trading, whichever is higher.

8.6 Under Section 24 of the SEBI Act, any one who contravenes the Regulations is punishable with imprisonment for a maximum period of ten years or with fine which may extend to Rs.25 crores or with both. An extract of Sections 15G and 24 is given in Appendix B.

8.7 Without prejudice to its rights under Section 24 of the SEBI Act, under Regulation 11, SEBI can also pass any or all of the following orders to an Insider found indulging in insider trading –

- directing him / her not to deal in the Company's Securities in any particular manner.
- prohibiting him/her from disposing of any of the Securities acquired in violation of the Regulations.
- restraining him/her from communicating or counselling any other person to deal in Company's Securities.
- declaring the transactions in Securities as null and void.
- directing the person who acquired Securities in violation of the Regulations, to deliver the Securities back to the seller or alternatively pay the Seller the price as provided.
- directing him/her to transfer specified amount to investor protection fund of a recognized Stock Exchange.

INFORMATION TO SEBI IN CASE OF VIOLATION OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 1992

In case it is observed by the Compliance Officer that there has been a violation of the Regulations by any Specified Person/ an Employee, he/she shall forthwith inform the the Board as the case may be about the violation. The penal action will be initiated on obtaining suitable directions from the the Board, as the case may be. The Compliance Officer shall simultaneously inform SEBI about such violation. The Specified Person/the Employee against whom information has been furnished by the Company/Compliance Officer to SEBI for violations of the Regulations/Code, shall provide all information and render necessary co-operation as may be required by the Company/Compliance Officer or SEBI in this connection.

Insider Trading Reminders For Employees And Directors Of The KCP Limited

Before engaging in any transaction in The KCP Limited's (the "Company") securities, please read the following:

The SEBI Regulations and the Company's policy prohibit transactions in the securities of the Company at a time when you may be in possession of material information about the Company which has not been publicly disclosed. This also applies to members of your household as well as all others whose transactions may be attributable to you.

Material information, in short, is any information, which could affect the price of the securities. Either positive or negative information may be material. Once a public announcement has been made, you should wait until the information has been made available to the public for at least 48 hours before engaging in any transaction.

All Employees in the grade of **Group -4** and above, all directors, of the company, its subsidiary and associate companies, shall disclose to the company's Compliance Officer, the number of shares or voting rights held by them, within 4 working days of effective date of this policy or of becoming a designated employee or director of the company.

All Employees in the grade of **Group -4** and above, all directors, of the company, its subsidiary and associate companies, shall disclose to the company's Compliance Officer, the change in shareholding or voting rights, if there has been a change in such holdings from the last disclosure made, and the change exceeds in aggregate Rs.5,00,000 in value or 5,000 shares or 1% of total shareholding or voting rights, whichever is lower.

None of designated employees of the Company can trade in any securities of the Company during the period when the **Trading Window** is closed.

Every designated employee of the company who intend to deal in the securities of the company during the valid trading window, above threshold limit of Rs.5,00,000 in value or 5,000 shares, whichever is lower, should get pre clearance of the transactions as per the pre-dealing procedure described in the Code.

Designated employee shall mean; Every employee, who is in the grade of **Group -4** and above, all the Directors, Secretaries / Personal Assistants to such Directors and other Functional Heads, all employees of the Finance and Secretarial Departments of the Company, its Subsidiary and Associate Companies.

Employees other than designated employees of the Company who intend to deal in the securities of the company during the closure of trading window, may be allowed to sell and not otherwise up to Rs.5,00,000 in value or 5,000 shares, whichever is lower, in aggregate, with pre clearance of the transactions as per the pre-dealing procedure described in the Code.

The statements pertaining to disclosures, prohibition or restrictions in trading of securities, and pre clearance procedures applicable to the employees as the case may be; shall also be applicable to their dependent family members.

For further information, guidance and for **Forms**, please refer to our Statement Governing the Prevention of Insider Trading in our Company website; www.kcp.co.in and do not hesitate to contact the Company's Compliance Officer, Mr. Y.Vijaya Kumar, Company Secretary and the Compliance Officer, at vijaycs@kcp.co.in or (+91-044) 66772621 or 66772600 or 66772620 (fax).

Application

To,

Company Secretary and Compliance Officer,
The KCP Limited,
“Ramakrishna Buildings”
2,Dr.P.V.Cherian Crescent,
Egmore, Chennai-600008

Dear Sir,

Sub: Request for pre-clearance for trading in securities of the Company

In pursuance of the procedure laid down for the dealing in securities of the Company, I hereby submit the following for your clearance.

1	Name of the Employee	
2	Designation and Department	
3	Company / Subsidiary / Associate	
4	Week during which proposed sale/purchase is contemplated	
5	No. of Shares proposed to be sold	
6	DP ID	
7	Client ID/Folio No	
8	Reason for sale	
9	Sale by Self or Dependent Family Members	

Further, I enclose the Undertaking cum Indemnity Bond as envisaged in the Insider Trading Policy for your records. I confirm that I have read the Company's Insider Trading Policy and am not in possession of Unpublished Price Sensitive Information consciously or otherwise. The above is full and true disclosure in the matter. In the light of the above, please communicate your clearance to enable me to sell the securities.

Place	Signature
Date	Name

Note: To be executed on Rs.10/- Non Judicial Stamp paper

Undertaking – Cum – Indemnity Bond

This UNDERTAKING cum INDEMNITY BOND is executed for trading in securities of The KCP Limited.

By _____ S/o / W/o / D/o _____ residing at _____ (hereinafter referred to as employee / director)

In favour of

The KCP Limited, a company incorporated under the Indian Companies Act, 1913 and having its Registered office at "Ramakrishna Buildings"2, Dr.P.V.Cherian Crescent, Egmore, Chennai-600008 "(hereinafter referred to as the "Company").

WHEREAS THE Company has, in terms of Regulatory requirements, set in place an INSIDER TRADING POLICY of the Company (hereinafter referred to as the "Policy"),

AND WHEREAS, the Policy provides that an employee / director of the company must comply with the pre-dealing procedure before dealing in any securities of the Company beyond threshold limit / during the closure of trading window,

AND WHEREAS, for complying with the pre-clearance procedure, an undertaking cum Indemnity Bond needs to be executed in favour of the Company by the concerned employee / director,

NOW THIS UNDERTAKING cum INDEMNITY BOND WITNESSTH AS UNDER

1. I, _____ (Employee / Director) of The KCP Limited, do hereby undertake to adhere to the terms, conditions and restrictions contained in the Policy, as are currently in force.
2. I understand that any misrepresentation and/or false undertaking given herein may attract penalties as laid down under the Policy.
3. That, I do not have access to, or have not had access to UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSİ) by virtue of my position or connection in the Company or illegally or inadvertently or otherwise, up to the time of signing this Undertaking cum Indemnity Bond.
4. That, I shall obtain the pre-clearance of the Compliance Officer, before dealing in the Securities of the Company.
5. That, in case I have access to or receive UPSİ after the signing of this Undertaking cum Indemnity Bond but before the execution of the transaction, I shall inform the Compliance Officer and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
6. That, I have not contravened the rules and other provisions contained in the Policy of the Company currently in force.

7. That, I have made full and true disclosure in the matter.
8. That, I shall indemnify the Company as given below.
 - i) To hold the Company faultless in the event of any investigation against me for insider trading by any regulatory authority.
 - ii) To make good to the Company for all economic losses, fines or penalty if any imposed on the Company as a result of any investigation by any regulatory authority/ authorities into any of the transactions entered by me in dealing with the securities of the Company.
 - iii) To compensate the Company for and towards all legal expenses incurred in defending itself in such investigations, including advocates' fees.
9. That, I shall bind by the Laws of India, in respect of this Undertaking cum Indemnity Bond and the jurisdiction of the Courts at Chennai.

IN WITNESS WHEREOF this undertaking cum Indemnity Bond has been executed on this date _____ of _____ and at _____

Witness:

1)

2)

Securities and Exchange Board of India (Prohibition of Insider -Trading) Regulations, 1992

(Regulation 13(1) and (6))

To,
Company Secretary and Compliance Officer,
The KCP Limited,
"Ramakrishna Buildings"
2, Dr.P.V.Cherian Crescent,
Egmore, Chennai-600008

Regulation 13(1) – Details of acquisition of 5% or more of shares in a listed company

1	Name & Address of shareholder with telephone number	
2	Shareholding prior to acquisition	
3	Number & percentage of shares / voting rights acquired	
4	Date of receipt of allotment/advice. Date of acquisition (specify)	
5	Date of intimation to company	
6	Mode of acquisition – market purchase / public / rights / preferential offer etc.	
7	Shareholding subsequent to acquisition	
8	Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member	
9	Exchange on which the trade was executed	
10	Buy quantity	
11	Buy value	

DECLARATION

I _____ hereby declare that my holdings in The KCP Ltd as declared above is correct. I also hereby undertake to disclose all my future acquisitions and disposal of shares of the company from time to time.

Place:

Date:

Signature.

Securities and Exchange Board of India (Prohibition of Insider- Trading) Regulations, 1992

(Regulation 13 (2) and (6))

To,
Company Secretary and Compliance Officer,
The KCP Limited,
“Ramakrishna Buildings”
2, Dr.P.V.Cherian Crescent,
Egmore, Chennai-600008

Details of shares held by Director or Officer/ designated employee (DE) of the Company

1	Name & Address of Director / Officer / DE	
2	Date of assuming office of Director / Officer / DE	
3	Number & percentage of shares / voting rights held at the time of becoming director / Officer / DE	
4	Date of intimation to company	
5	Mode of acquisition – market purchase / public / rights / preferential offer etc.	
6	Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member	
7	Exchange on which the trade was executed	
8	Buy quantity	
9	Buy value	

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information.

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly,

Signature:

Name of the Director / Officer / DE :

Securities and Exchange Board of India (Prohibition of Insider- Trading) Regulations, 1992

(Regulation 13 (3) and (6))

To,
Company Secretary and Compliance Officer,
The KCP Limited,
"Ramakrishna Buildings"
2,Dr.P.V.Cherian Crescent,
Egmore, Chennai-600008

Details of change in shareholding in respect of person holding more than 5% shares in the company

1	Name and Address of shareholders	
2	Shareholding prior to acquisition / sale	
3	Number & percentage of shares / voting rights acquired / sold	
4	Receipt of allotment advice / acquisition of shares / sale of shares / specify	
5	Date of intimation to company	
6	Mode of acquisition – market purchase / public / rights / preferential offer etc.	
7	Number & percentage of shares / voting rights post acquisition / sale	
8	Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member	
9	Exchange on which the trade was executed	
10	Buy quantity	
11	Buy value	
12	Sell quantity	
13	Sell value	

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly,

Signature

Name of shareholder:

Securities and Exchange Board of India (Prohibition of Insider- Trading) Regulations, 1992

(Regulation 13 (4) and (6))

To,
Company Secretary and Compliance Officer,
The KCP Limited,
"Ramakrishna Buildings"
2,Dr.P.V.Cherian Crescent,
Egmore, Chennai-600008

Details of change in shareholding of Director or Officer Designated Employee (DE) of the company

1	Name & Address of Director / Officer / DE	
2	Number & percentage of shares / voting rights held by the Director / Officer / DE	
3	Date of receipt of allotment advice / acquisition / sale of shares / voting rights	
4	Date of intimation to company	
5	Mode of acquisition – market purchase / public rights / preferential offer etc.	
6	Number & percentage of shares / post acquisition voting rights sale	
7	Trading Member through whom the trade was executed along with SEBI Registration number of the Trading Member	
8	Exchange on which the trade was executed	
9	Buy quantity	
10	Buy value	
11	Sell quantity	
12	Sell value	

I hereby confirm that none of the above dealings by me / my dependant family members were done while in possession of unpublished price sensitive information.

I do hereby declare that the information stated above is true to the best of my knowledge and belief.

Yours truly,

Signature:

Name of Director / Officer / DE :