



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UNPUBLISHED PRICE SENSITIVE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



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1. INTRODUCTION:

- 1.1. In terms of Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"), the Board of Directors of Lotus Chocolate Company Limited ("Lotus" or "the Company") has revised and separated this code of practices and procedures for fair disclosure of unpublished price sensitive information ("Fair Disclosure Code" or "Code"), which earlier formed part of code of conduct for prevention of insider trading and fair disclosure of unpublished price sensitive information till July 15, 2025.
- 1.2. Lotus endeavours to preserve the confidentiality of Unpublished Price Sensitive Information (UPSI) and prevent its misuse. To achieve these objectives and in compliance with the Insider Trading Regulations, Lotus has adopted this Fair Disclosure Code.
- 1.3. 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.

2. TERMS AND DEFINITIONS:

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the Insider Trading Regulations, 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 the rules and regulations made thereunder, as the case may be or in any amendment thereto.

3. PRINCIPLES OF FAIR DISCLOSURE OF UPSI

In order to adhere to the principles as mentioned in Schedule A to the Insider Trading Regulations, Lotus shall:

- 3.1. Promptly disclose publicly any UPSI that would impact price discovery no sooner than credible and concrete information comes into being so that such information is generally available.
- 3.2. Uniformly and universally disseminate in a timely manner UPSI to avoid selective disclosure by communicating the same to the stock exchange and disclosing the same on its website.



- 3.3. Disclose press releases issued by it from time to time which are considered to be important for the general public besides putting the same on the Company's website.
 - 3.4. Put on the Company's website quarterly and annual financial results and all investor presentations, if any, pertaining to such financial results for reference of the general public.
 - 3.5. Promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
 - 3.6. Ensure that appropriate and fair response is provided to queries on news reports and requests for verification of market rumours by regulatory authorities such as stock exchange, etc.
- (Note: The Company shall not comment on every market rumour unless it is required to do so in terms of the SEBI Regulations).
- 3.7. Ensure that information shared with analysts and research personnel is not UPSI.
 - 3.8. Develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences, wherever required as per law, available on the Company's website to ensure official confirmation and documentation of disclosures made.
 - 3.9. Handle all price sensitive information on a need-to-know basis by creating suitable safeguards to avoid UPSI becoming available to any person who is not required to have access to such information. UPSI may however be disclosed to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.

The "Policy for determination of legitimate purposes" is as under:

- a) UPSI can be shared only on a need-to-know basis and for legitimate purposes and not to evade or circumvent the prohibitions of the Insider Trading Regulations.



- b) UPSI can be shared in the ordinary course of business only if the same is necessary to be shared in order to complete any task / activity / deal including any other assignment for furtherance of the business interests of the Company.
- c) Subject to conditions prescribed in (a) and (b) above, UPSI can be shared with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants etc. in respect of proposed assignment or in order to avail professional services from them or other business purposes, as the case may be. UPSI can also be shared in case same is mandatory for performance of duties or discharge of legal obligations.

Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "insider" for purposes of the Insider Trading Regulations.

4. CHIEF INVESTOR RELATIONS OFFICER

- 4.1 The Company Secretary of the Company shall act as the Chief Investor Relations Officer ("CIRO") for the purpose of the Insider Trading Regulations and for dealing with dissemination of information and disclosure of UPSI. In the absence of the Company Secretary, Chief Financial Officer or such other officer, as may be authorised by the Board in this regard, shall act as the CIRO.
- 4.2. The CIRO shall be responsible for compliance of this Fair Disclosure Code.
- 4.3. Employees of the Company shall not respond under any circumstances to enquiries from the stock exchange, the media or others unless authorised to do so by the CIRO or Whole-time Director / Managing Director.

5. AMENDMENTS TO THE FAIR DISCLOSURE CODE

The Fair Disclosure Code is subject to review by the Board of Directors as and when deemed necessary.

Any subsequent amendment/ modification in the SEBI Regulations impacting the provisions of this Fair Disclosure Code shall automatically apply and the relevant provision(s) of this Fair Disclosure Code shall stand modified and / or amended to that extent, even if not incorporated herein.