



***M/s Navkar Corporation Ltd***  
*Container Freight Stations & Rail Terminals*

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AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE  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

**NAVKAR CORPORATION LIMITED**

## **Principles of Fair Disclosure for Purposes of Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information**

### **PREAMBLE**

Securities and Exchange Board of India (“SEBI”) vide its Notification dated January 15, 2015, had issued the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) and further amended the same vide its notification dated December 31, 2018 issued the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, to put in place a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive information

Regulation 8 of the PIT Regulations requires the Board of Directors of every listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure or unpublished price sensitive information that it would follow to adhere to each of the principles set out in Schedule A of regulations.

### **CODE OF FAIR DISCLOSURE**

A code of practices and procedures for fair disclosure of unpublished price sensitive information for adhering each of the principles is set out below:

1. Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available.
2. Uniform and universal dissemination of unpublished price sensitive unpublished price sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information.
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information.
7. Developing best practices to make 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.
8. Handling of all unpublished price sensitive information on a need-to-know basis.
9. Sharing of information with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, other advisors or consultants, shall be considered as “legitimate purpose” for sharing of unpublished price sensitive information in the ordinary course

of business by an insider, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

10. A structured digital database shall be maintained containing the nature of Unpublished Price Sensitive Information (“UPSI”) and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

#### **SHARING OF UPSI FOR LEGITIMATE PURPOSE**

- a) UPSI is in the nature of information relating to the Company or its securities, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.
- b) UPSI shall be handled on a “need to know” basis. UPSI shall be disclosed only to those persons where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.

For the purposes of this Code, “**need to know**” basis will mean Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their role and perform their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information which shall include legitimate purposes, performance of duties or discharge of legal obligations.

All Insiders shall adhere to the conditions of strict confidentiality and shall not share any UPSI except for the aforesaid purposes.

- c) Notwithstanding anything contained in this Code, UPSI may be shared by any person(s) authorized by the Board of Directors or any appropriate authority of the Company in this behalf, only for legitimate purpose(s), performance of duties or discharge of legal obligations which shall include the following:
  - i) Sharing of UPSI in the ordinary course of business by an Insider, Designated Person, Nodal Officer or by any Authorized Person with existing or proposed partners, collaborators, lenders, customers, suppliers, consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
  - ii) Sharing of relevant UPSI with intermediaries/ fiduciaries viz. legal advisors, auditors, insolvency professionals or other advisors or consultants, investment bankers, accountants etc. in order to avail professional services from them in relation to the subject matter of the UPSI;
  - iii) Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations;
  - iv) Sharing of UPSI for any other purpose as may be prescribed under the applicable law for the time being in force.

Provided that such sharing should not be carried out to evade or circumvent the prohibition of PIT Regulations.

- d) Before sharing of UPSI, the concerned person sharing such UPSI shall comply with the requirements in relation to circumstances and procedure for bringing people 'inside' as provided in Code of Conduct for Prohibition of Insider Trading and such notice shall be given to the recipient of UPSI by the person making communication of UPSI in order;
- i) To make recipient aware that the information shared is or would be UPSI.
  - ii) To make recipient aware his duties and responsibilities attached to the receipt of such UPSI and the liability attached to misuse or unwarranted.
  - iii) To instruct recipient to maintain confidentiality of such UPSI in compliance with the Code of Conduct for Prevention of Insider Trading and the other applicable laws.
  - iv) To advise recipient to be in compliance with applicable provisions of PIT Regulations.
- e) Responsibilities of the recipient of UPSI:
- i) To maintain and keep secret and confidential the information received.
  - ii) To use the confidential information only for the legitimate purpose.
  - iii) To disclose the confidential information with any other person strictly on a need to know basis; and
  - iv) To safeguard the UPSI with the same degree of care to avoid unauthorized disclosure as the receiving party uses to protect its own confidential information, but in no case less than reasonable care.
  - v) To ensure compliance with applicable provisions of PIT Regulations
- f) The Heads of the departments / functions and / or Designated Persons who share UPSI for legitimate purposes will be responsible for reporting the aforementioned details as per Insider Trading Regulations from time to time, in the Digital Database to the CIRO.
- g) Such Heads of the departments / functions and / or Designated Persons shall ensure that the Company has signed a non – disclosure agreement with, or a due notice of maintaining confidentiality was given to recipient of the UPSI.
- h) Such Heads of the departments / functions and / or Designated Persons shall also by 31<sup>st</sup> December each year give a confirmation to CIRO that they have complied with the requirements laid down in this Code.

#### **PUBLIC DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

- a) Once the UPSI has become credible and concrete, disclosure/dissemination of any UPSI shall be done promptly but not later than 24 hours from:
- receipt of approval of Board of Directors or
  - any designated person became aware of the events/information or ought to have reasonably come into possession of the information in the course of the performance of his duties
- by** intimating to the Stock Exchanges and posting the said information on the website of the Company and/ or otherwise making it generally available.
- Compliance Officer shall be responsible for such dissemination of UPSI on the Stock Exchange and website of the Company.
- b) The CIRO shall ensure uniform dissemination / disclosure of Unpublished Price Sensitive

Information, so as to avoid selective disclosure (except legitimate purpose).

- c) No UPSI shall be shared with any person except for legitimate purpose unless the information is made Generally Available i.e. only public information can be shared.
- a) Subject to Applicable Law methods of public disclosure of information to ensure uniform distribution shall include either of the following-
  - i) Distributing through Press Releases in newspapers or media including electronic media;
  - ii) Filing with the Stock Exchanges;
  - iii) Any other method that ensures wide distribution of the news such as webcasts and webinars;
  - iv) Uploading the information on the website of the company.

#### **FUNCTIONS OF THE CHIEF INVESTOR RELATIONS OFFICER**

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

If any Designated Person 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 in consultation with Executive Director or Compliance Officer of the Company.

#### **PROCEDURE FOR RESPONDING TO ANY QUERIES/REQUESTS FOR VERIFICATION OF MARKET RUMOURS BY STOCK EXCHANGES**

- a) The CIRO shall under the guidance of Executive Director or Compliance Officer shall give an appropriate, fair and prompt response to the queries, rumours or requests by regulatory authorities.
- b) As and when necessary, the CIRO shall under the guidance of Executive Director or Compliance Officer shall make appropriate public announcement with respect to market rumours.
- c) A 'No Comment' policy must be maintained by the Company and the Chief Investor Relations Officer on market rumours except when requested by regulatory authorities to verify such rumours.

## **THIRD PARTY DEALINGS**

- a) 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.
- b) The best practices shall include uploading the following information on the website of the company-
  - i) Any Power Point Presentation or similar material used by the analyst in such meeting on the website of the Company.
  - ii) Any earnings guidance or any other similar material distributed during press conference.
  - iii) 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.
- c) The following guidelines shall be followed while dealing with analysts and institutional investors:
  - i) Only public information to be provided;
  - ii) At least two Company representatives be present at meetings with analysts and institutional investors;
  - iii) Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding;
  - iv) Simultaneous release of information after every such meet.
- d) The following guidelines shall be followed while dealing with media:
  - i) Only public information to be provided;
  - ii) Managing Director of the Company be present at the meetings with media along with such other authorised persons as may be deemed fit in this regard;
  - iii) Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding;
  - iv) Simultaneous release of information after every such meet.

## **AMENDMENTS TO THIS CODE**

Any amendment to this Code shall be done through a resolution passed at the Board meeting of the Company and shall be promptly intimated to the stock exchanges where the securities are listed.

## **HOSTING OF THE CODE**

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

Approved on: August 08, 2023

## POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSE”

[Under Regulation 3(2A) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]

### 1. Purpose:

This Policy is to be formulated in Compliance to the Provisions of Regulations 3(2A) of SEBI (Prohibition of Insider Trading Regulations) 2015 which provides Listed Entity shall formulate a policy for determination of legitimate purpose as a part of “Codes of Fair Disclosure and Conduct” formulated under Regulation 8.

### 2. Definitions:

Words and expressions used and not defined in this Code shall have the same meaning assigned to them in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) including Company’s Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons, Company’s Code of Fair Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, 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, to the extent relevant in connection with this Code, as the case may be or in any amendment thereto.

### 3. Determination of Legitimate 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, auditors, 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.

What shall constitute “legitimate purpose” and what shall not constitute “legitimate purpose” will be based on the business related needs of the Company. In general, legitimate purpose shall, inter-alia, include the following purposes:

- i) Contractual Obligation;
- ii) Business Strategy and Corporate Action;
- iii) Operational efficiency;
- iv) Regulatory Obligation;
- v) Need based specific purposes

### 4. Any person in receipt of unpublished price sensitive information pursuant to a legitimate purpose shall be considered an "insider" for purposes of the PIT Regulations and due notice shall be given to such person to maintain confidentiality of such unpublished price sensitive information in compliance with the said Regulations.

5. All the information shall be handled within the Organisation on a Need to know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purpose performance of duties or discharge of legal obligations.
6. 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 information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
7. The agreements entered into involve sharing of UPSI should have a “confidentiality clause” or else a separate Non-Disclosure Agreement shall be executed with parties to safeguard the disclosure of UPSI.
8. Any person in receipt of unpublished price sensitive information has to ensure compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the Code.

## **PROCESS FOR SHARING UPSI**

The insider may conduct the following steps while sharing UPSI:

- a) Satisfy that information is UPSI and sharing is for legitimate purpose.
- b) Identify the persons with whom the information is to be shared.
- c) Notify the recipient that UPSI is being shared and enter into a confidentiality/non-disclosure agreement and intimation of confidentiality to be given every time UPSI is getting shared.
- d) Mode of sharing UPSI shall be either by an email (addressed directly to the insider without marking copies) or hard copy or any other electronic mode or device or provide access to the information, data, server with acknowledgement or verbal exchange.
- e) Maintain names of the persons along with PAN (or any other identifier where PAN is not available) with whom information is shared. The database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. This database shall be kept confidential.

## **AMENDMENT**

The Board of Directors of the company reserve the right to amend or modify this Code in whole or part, in accordance with any regulatory amendment or notification or otherwise, at any time without assigning any reason whatsoever. Any such amended Code will be accordingly updated on the website of the Company.

**This policy is only internal code of conduct and one of the measures to avoid insider trading. It will be the responsibility of each employee to ensure compliance of SEBI guidelines and other related statutes.**

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.



