



## **KESAR TERMINALS & INFRASTRUCTURE LIMITED**

Regd. Off: Oriental House, 7 Jamshedji Tata Road, Churchgate, Mumbai - 400 020, India. Website : <http://www.kesarinfra.com>  
Phone : (+91-22) 22042396 / 22851737 Fax : (+91-22) 22876162 Email : [headoffice@kesarinfra.com](mailto:headoffice@kesarinfra.com)  
CIN : L45203MH2008PLC178061 GSTN : 24AADCK2945C1ZR

### **CODE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “Regulations”) requires the Board of Directors of a listed company to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information in the manner prescribed therein.

Accordingly, in compliance of the abovementioned requirement of the Regulations, the Board of Directors framed the ‘Code of Fair Disclosure of Unpublished Price Sensitive Information’ as a part of Code of Conduct for Prohibition of Insider Trading (the ‘Code’) which was revised at the Board meeting held on 10<sup>th</sup> September, 2020.

#### **Disclosure and Handling of Unpublished Price Sensitive Information**

1. The Company shall ensure prompt public disclosure of Unpublished Price Sensitive Information (UPSI) that would impact price discovery, as soon as it has credible and concrete information, in order to make such information generally available.
2. The Company shall ensure a uniform and universal dissemination of UPSI to avoid selective disclosure.
3. The Company shall ensure prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
4. The Company shall ensure an appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.
5. The Company shall ensure that information shared with analysts and research personnel is not UPSI.
6. The Company shall develop 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.
7. The Company shall ensure the handling of all UPSI on a need-to-know basis.
8. The Company Secretary shall act as the Chief Investor Relations Officer (CIRO) for the purpose of dealing with dissemination of information and disclosure of UPSI as contained herein.



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### **Policy for determination of 'legitimate purpose'**

#### **1. Preface**

The Company shares data or information with various stakeholders like organizations, agencies, institutions, intermediaries, establishments, persons, etc., during the course of its business operations. Such unpublished data or information, if made publicly available may materially impact the market price of the listed securities of the Company. If such persons trade on the basis of unpublished price sensitive information ('UPSI'), it could result in an undue advantage to such persons. Therefore, it becomes necessary for the Company to regulate and monitor the sharing of UPSI.

Regulation 3 (1) of the Regulations prohibits any insider from communicating, providing, or allowing access to any UPSI, relating to the Company or its listed securities, to any person including other insiders except such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. Further, Sub-regulation 2A of the said Regulation 3 [inserted by SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018] makes it obligatory on the Board of Directors of every listed company to make a policy for determination of legitimate purposes as a part of "Code of Fair Disclosure and Conduct"

#### **2. Objective of the Policy**

This Policy is framed by the Board of Directors of the Company pursuant to Sub-regulation 2A of Regulation 3 and is a part of the Company's Code of Code of Conduct for Prevention of Insider Trading (herein after referred to as "the Code"). The Policy sets out the broad guidelines for determination of legitimate purpose for which UPSI can be shared by any Insider.

#### **3. Applicability**

This policy is applicable to all Insiders.

#### **4. Definitions**

(a) "Connected Person" means Connected Person as defined under Regulations and shall also include promoters and directors and key managerial personnel.

(b) "Insider" means any person who is:

- (i) a Connected Person or
- (ii) in possession of or having access to Unpublished Price Sensitive Information.



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(c) "Unpublished Price Sensitive Information (UPSI)" means any information, relating to the company or the Company's material subsidiary, if any, or the securities of the Company, 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 include but not restricted to, information relating to the following: –

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.
- (vi) such other information as determined by the Compliance Officer in consultation with the Board of Directors or Managing Director.

### **5. Legitimate Purpose and Principles for Determination of Legitimate Purpose**

"Legitimate Purpose" shall mean sharing of UPSI in the ordinary course of business or on a need-to-know basis. The Company may share the UPSI if required in the interest of the Company.

Legitimate Purpose shall inter alia include sharing of UPSI on need to know basis by an insider with partners, collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors (Statutory Auditors/Secretarial Auditors/Internal Auditors or any other Auditors appointed under any law for time being in force), credit rating agencies, potential investors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

In following cases, which are illustrative in nature and are for guidance on determination of legitimate purpose, sharing of UPSI would be considered as legitimate purpose:

- (i). For investigation, inquiry or request for information by statutory or governmental authorities or any other administrative body recognized by law;

Example: Any call for information or query received from Ministry of Corporate Affairs, Income Tax Authority, Securities and Exchange Board of India ("SEBI"), Stock Exchanges, Reserve Bank of India, any Sectoral Regulatory Body etc.

- (ii). Under any proceedings or pursuant to any order of any court or tribunal including Arbitral Proceedings;

Example: National Company Law Tribunal, National Company Law Appellate Tribunal, Quasi-judicial authority, Other Appellate Tribunals, Arbitration Proceedings, etc.



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(iii). As part of compliance with applicable laws, regulations, rules and requirements;

Example: Company Law, Securities Law, Income Tax Law, Banking Law, etc.

(iv). Arising out of any contractual obligations or arrangement entered by the Company as set forth in any contract, agreement, arrangement, settlement, understanding or undertaking;

Example: Due-diligence for any kind of restructuring, namely mergers & acquisitions, joint venture agreements, share purchase agreements, franchisee agreement etc.

(v). Arising out of business requirement including requirement for the purposes of promoting the business and Strategies of business, which may also require sharing of information with Promoters and by Promoters in turn with their Promoters on need to know basis;

Example: Some of the examples which are illustrative in nature are as mentioned below:

- Sharing the relevant UPSI for advice, consultation, valuation, fund raising or other intermediation and approvals in relation to the subject matter of a proposed deal/assignment/tie-up/venture/fund raising;
- Sharing the relevant UPSI with intermediaries, fiduciaries, merchant bankers, advisors, lawyers, bankers, consultants, valuers, auditors, insolvency professionals, business support agents, transaction processing service providers, in order to avail professional/statutory services from them;
- Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals on projects relating to enterprise transformation, strategy, change management, analytics, re-organization, operation improvement, technology and similar domains;
- Sharing the relevant UPSI with business partners essential to fulfil the terms and conditions of a business contract with a client, vendor or collaborator;
- Sharing the relevant UPSI with the lenders (including Bankers and Financial Institutions) of the Company essential to fulfil the terms and conditions set out in any working capital or loan facility arrangement letter, loan agreement or any other document or arrangement entered into by the Company with such lenders;
- Sharing the relevant UPSI with prospective lenders (including Bankers and Financial Institutions) essentially for the purpose of evaluation by such lenders, of any proposal of providing to the Company, any working capital facility, term loan facility or any other financial assistance;



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- Sharing the relevant UPSI for advice, consultation, transaction support, intermediation and approvals in the process of evaluation of new products, business opportunities and new lines of business;
- Sharing the relevant UPSI for statutory consolidation requirements or related customary disclosure obligations;
- Sharing the relevant UPSI with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Any person in receipt of UPSI pursuant to a “legitimate purpose” shall be considered an “insider” for purposes of the Regulations and shall comply with the Code and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

It is to be clarified that whenever UPSI is referred to in this policy, it shall also include the UPSI with respect to the Company’s Material Subsidiary, if any.

### **6. Process for sharing UPSI**

The insider shall conduct the following steps while sharing UPSI:

- (i) Satisfy that information is UPSI and sharing is for legitimate purpose;
- (ii) Identify the persons with whom the information is to be shared;
- (iii) Notify the recipient that UPSI is being shared and enter into a confidentiality/non-disclosure agreement;
- (iv) Mode of sharing UPSI shall be any of the following:
  - a. by an email (addressed directly to the insider without copying);
  - b. in hard copy;
  - c. by any other electronic mode or device;
  - d. by providing access to the information, data, server with acknowledgement.
- v) 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.



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### **7. System Audit**

There should be internal audit once in a year to ensure the integrity of the system and data maintained.

### **8. Policy Review**

The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes in any regulatory requirements from time to time.

In the events of inconsistency of this Policy with any law, the provisions of the law shall override this Policy.

*Words and expressions used and not defined herein shall have the meaning assigned to them in the Regulations.*