



NORTHERN ARC CAPITAL LIMITED

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

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A. Preamble

Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company is required to formulate a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ("Code") with respect to fair disclosure of events and occurrences that could probably have impact in the listed securities of the Company.

The provision(s) of this "Code" may be made applicable to any person whether an employee of the Company or otherwise, which the Chief Investors Relation Officer in consultation with and/or as per the advice of Managing Director and CEO may determine, inter-alia for the purpose of preservation of UPSI, under overall supervision of the Board of Directors.

This Code and every amendment thereto shall be promptly intimated to the stock exchange on which the Securities of the Company is listed. The Code shall be published on the website of the Company.

B. Definitions

- a. "**Act**" means the Securities and Exchange Board of India Act, 1992.
- b. "**Board**" means the Board of Directors of the Company.
- c. "**Code**" shall mean the Code of Fair Disclosure of Unpublished Price Sensitive Information and Trading in Listed Securities of Northern Arc Capital Limited as amended from time to time.
- d. "**Chief Investor Relations Officer**" or "**CIRO**" means the Company Secretary and Compliance Officer of the Company or such other senior officer of the Company appointed by the Board of Directors to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner to all the stakeholders of the Company.
- e. "**Company**" means Northern Arc Capital Limited.
- f. "**Legitimate Purpose**" shall, for the purpose of this Code, means sharing of UPSI in the ordinary course of business by an Insider. It shall include sharing of UPSI with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants. Provided however, that such sharing is not carried out to evade or circumvent the Insider Trading Regulations.
- g. "**SEBI Listing Regulations**" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. "**Securities**" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any amendments, modifications thereof.
- h. "**Unpublished price sensitive information**" or "**UPSI**" means 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 such securities and shall, ordinarily including but not restricted to, information relating to the following: Examples of unpublished price sensitive information might include (without limitation) information relation to the following:
 - i. financial results;
 - ii. dividends;
 - iii. Change in Capital Structure;
 - iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of Business award or termination of order/contracts not in the normal course of business] and such other transactions;
 - v. Changes in Key Managerial Personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;
 - vi. change in rating(s), other than ESG rating(s);
 - vii. fund raising proposed to be undertaken;
 - viii. agreements, by whatever name called, which may impact the management or control of the company;
 - ix. fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad;

- x. resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions;
- xi. admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016
- xii. initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report;
- xiii. action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company;
- xiv. outcome of any litigation(s) or dispute(s) which may have an impact on the company;
- xv. giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business;
- xvi. granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1:

For the purpose of sub-clause (ix):

- a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2:

For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the SEBI Listing Regulations as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the SEBI Listing Regulations shall be applicable.

Words and expressions used but not defined in this Code shall have the same meaning assigned to them in the PIT Regulations or the Companies Act, 2013 and the rules and regulations made thereunder.

C. Code:

1. Prompt disclosure of UPSI

- 1.1 Disclosure of Unpublished Price Sensitive Information (UPSI), as defined under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“SEBI Insider Trading Regulations”) (“UPSI”) would be done promptly when credible and concrete information is available for making the same generally available;
- 1.2 The Company will endeavor to make uniform and universal dissemination of UPSI and will avoid making selective disclosure once the information is ready to be made generally available. Material events will be disseminated as mandated under Regulation 30 & 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), as amended from time to time.
- 1.3 In case there has been any instance of inadvertently making a selective disclosure of UPSI, then the information will be promptly disseminated either in the form of notification to stock exchanges, press releases or upload of information on the website of the Company save and except disclosures made pursuant to 1.4 below.
- 1.4 UPSI handling will be on a need-to-know basis only for legitimate purposes as determined under this policy in this regard or performance of duties or discharge of legal obligations.
- 1.5 The information released to stock exchanges will also be published on the website of the Company for investor access to the public announcements.

2. Role of Chief Investors Relations Officer.

- 2.1 The Company Secretary of the Company shall be the Chief Investor Relations Officer (“CIRO”). The CIRO shall be responsible for overseeing the timely and adequate public disclosure of Unpublished Price Sensitive Information in accordance with this Disclosure Code and the SEBI (Prohibition of Insider Trading) Regulations, 2015.
- 2.2 The responsibilities of the CIRO shall include overseeing and co-ordinating the disclosure of price sensitive information to stock exchanges, analysts, shareholders and the media. Disclosures to the stock exchanges shall continue to be made by designated officers authorized for this purpose, who are responsible for determining the materiality of an event or information pursuant to Regulation 30(5) and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 In the event of disclosure/dissemination of Unpublished Price Sensitive Information by a designated officer without the approval of the Chief Investor Relations Officer, such designated officer shall inform the CIRO immediately about such disclosure/dissemination for further action.

3. Responding to market rumours:

- 3.1 Any queries or requests for verification of market rumours by stock exchanges should be forwarded immediately to the CIRO who shall decide on the response/clarification. The CIRO shall decide whether a public announcement is necessary for verifying or denying rumours and then make the disclosure.
 - 3.2 Any query or request for verification of market rumours received from stock exchanges, the press, the media or any other source received by any employee or officer of the Company shall be directed to the CIRO.
 - 3.3 If deemed necessary, the CIRO shall make a public announcement for verifying or denying the rumours and thereafter make appropriate disclosures.
 - 3.4 The Company will, subject to non-disclosure obligations, aim to provide appropriate and fair response to the queries on news reports and requests for verification of market rumours by regulatory authorities.
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- 3.5 As a general practice, if the rumour appears in a responsible media channel which has reasonably wide audience and rumour can have material impact on pricing of securities, then the Company shall consider immediately make a proper announcement to present the correct position.
- 3.6 The Company will adhere to the following principles:
1. The Company will make prompt public disclosure of UPSI to stock exchanges and upload the same on to the website of the Company to make the information generally available to public, in order that the same may be accessible to any of the members or any stakeholder.
 2. The Company will make, uniform and universal dissemination of UPSI by way of intimation to stock exchanges and other means to improve investor access to their public announcements.
 3. The Company will ensure that information, if shared, with analysts and research personnel are not UPSI.
 4. The Company will 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.
 5. In respect of unanticipated questions from members or any stakeholder, such questions will be taken note of and a considered response will be given later. If the answer includes UPSI, a public announcement should be made before responding.
 6. The Company will handle all UPSI on a need-to-know basis.
 7. This Code shall be published on the official website of the Company.

4. Information on a need-to-know basis

- 4.1 Designated person(s) and Insiders shall maintain confidentiality of all UPSI. Designated person(s) and Insiders shall not communicate, provide or allow access to any UPSI except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- 4.2 UPSI handling will be on a need-to-know basis only for legitimate purposes as mentioned in Annexure A or performance of duties or discharge of legal obligations.
- 4.3 The Company shall ensure that all files including soft copies containing UPSI are kept secure, such that such information can only be accessed by persons who “need to know” such information or for Legitimate Purpose. Computer files must have adequate security of login and password, etc. Files containing confidential information should be deleted / destroyed after its use. Shredder should be used for the destruction of physical files.
- 4.4 All Designated person(s) and Insiders that get access to Unpublished Price Sensitive Information shall also ensure that the files including soft copies containing Unpublished Price Sensitive Information are kept secure.

Annexure "A"

Determination of 'legitimate purposes' for communicating/ procuring unpublished price sensitive information

The Determination of Legitimate Purposes is being framed in compliance with the requirement stipulated under Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations).

An insider shall not communicate or share any UPSI relating to the Company or securities listed or proposed to be listed, to any person, except in furtherance of legitimate purposes as under:

1. UPSI shall be shared only in the ordinary course of business.
2. UPSI may be shared in connection with the Company's plans relating to operations, diversification, expansion, restructuring, or for the discharge of legal or regulatory obligations.
3. UPSI may be shared with relevant stakeholders such as partners, collaborators, lenders, customers, merchant bankers, legal advisors, auditors, and other advisors or consultants, or any other persons engaged by the Company from time to time for business operations, facilitation of corporate actions (including due diligence for transactions), preparation of financial statements, or similar purposes.
4. UPSI shall not be shared with the intent to evade or circumvent the provisions of applicable regulations.

Any person who is in receipt of UPSI pursuant to a legitimate purpose shall be deemed to be an insider for the purpose of compliance with the Regulations. Such person(s) shall be informed for the purpose of maintaining confidentiality of UPSI in accordance with the provisions of the Regulations.
