

**ITL INDUSTRIES LIMITED**

**Policy for Procedure of Inquiry in case of Leak or Suspected Leak  
of Unpublished Price Sensitive Information (“UPSI”)**

**[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as  
amended from time to time]**

## **1. Background**

The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended by the **SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018** (“SEBI Insider Trading Regulations”) mandates every listed company to formulate a written policy and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information (“UPSI”) and initiate appropriate action on becoming aware of leak or suspected leak of UPSI and inform Securities and Exchange Board of India (“SEBI”) promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of ITL Industries Limited (“**Company**”) has laid down this policy for Procedure of Inquiry in case of leak or suspected leak of UPSI (“**the Policy**”).

## **2. Objective**

- a. To strengthen the internal control system to prevent leak of UPSI.
- b. To restrict and prohibit the practice of sharing of UPSI, with the un-authorized Person, which originates from within the Company and which affects the market price of the Company as well as loss of reputation and loss of investors’ / financiers’ confidence in the Company.
- c. To have a uniform code to curb the un-ethical practices of sharing UPSI by Insider, employee & Designated Person with any person, firm, company or body corporate.
- d. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and promptly inform the same to the SEBI.
- e. To take disciplinary actions, if deemed fit against any Insider, employee & Designated Person who appears to have found guilty of violating this Policy, apart from any action that SEBI may initiate/take against such person.

## **3. Scope**

The Company endeavors to preserve the confidentiality of UPSI and to prevent misuse of such information. The Company shall strive to restrict and prohibit the practice of sharing of UPSI which originates from within the Company by any promoter, director, key managerial personnel, Insider, employee, designated person, support staff or any other known or unknown person(s) with any un- authorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.

## **4. Definitions**

“**Audit Committee**” shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“Chief Investor Relation Officer (“CIRO”)**” shall mean the Company Secretary or such other senior official nominated by the Board of Directors of the Company from time to time who shall be the Chief Investor Relation Officer of the Company. The Company Secretary of the Company is designated as the Chief Investor Relation Officer for the purpose of this Policy.

**“Designated Persons”** shall cover all employees whether contractual or otherwise, persons / entities stated under Regulation 9(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and other connected persons as defined under Regulation 2(d) of the SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018.

**“Immediate relative”** shall include persons defined under Regulation 2(f) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018

**“Leak of UPSI”** shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

**“Unpublished Price Sensitive Information (UPSI)”** shall cover information stated under Regulation 2(n) of SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018.

## **5. Applicability**

This policy shall apply to all designated persons and immediate relative of designated persons and persons in possession of or having access to unpublished price sensitive information.

## **6. Duties Of Chief Investor Relations Officer**

The CIRO shall be responsible to;

- a. Oversee the Compliance of this Policy.
- b. Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India.
- c. Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges.
- d. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Board of Directors/ Audit Committee or Enquiry committee, to be constituted, if required.

## **7. Report of actual or suspected leak of UPSI to the SEBI**

On becoming aware of actual or suspected leak of UPSI of the Company, whether suo moto or by way of receipt of information from any person, the IO shall ensure that:

- (a) the matter is placed for consideration before the Inquiry Committee, and
- (b) a report on such actual or suspected leak of UPSI and results thereof shall be promptly informed to the SEBI upon conclusion of the inquiry.

## **8. Constitution of Inquiry Committee**

In case of actual or suspected leak of UPSI, a Committee shall be constituted by the Board or by the Committee of the Board or of such person(s) as may be authorized by the Board or Committee in this behalf, to be called as “Inquiry Committee” to perform such duties as may be prescribed by this Code or by any other applicable law for the time being in force.

The Inquiry Committee shall consist of minimum 3 (three) Members which shall include Chief Financial Officer and Investigating Officer and / or any other officer(s) of the Company as the Board or the Committee of the Board, may deem fit.

The Board or Committee of the Board may change / alter / re-constitute the Inquiry Committee as may be required from time to time.

## **9. Duties of Inquiry Committee**

The Inquiry Committee shall be responsible;

- a. To conduct a preliminary inquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- b. To authorize any person, if required, to collect necessary support material;
- c. To consider the facts and circumstances and decide / direct on the matter;
- d. To decide disciplinary action thereon.

## **10. Procedure for inquiry in case of leak of UPSI**

The Inquiry Committee shall upon receipt of written complaint or becoming aware or otherwise, of actual or suspected leak of UPSI of the Company shall follow the below mentioned procedure in order to inquire and/or otherwise investigate the matter:

### ***a. To take cognizance of the matter:***

The Inquiry Committee shall meet within a period of 3 (three) working days after receipt of the information or becoming aware of actual or suspected leak of UPSI, take cognizance of the matter and decide as follows:

- i. If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed.
- ii. If it is found that the issue requires further investigation, Preliminary Inquiry may be initiated.

***b. Preliminary Inquiry:***

Preliminary Inquiry is a fact-finding exercise which shall be conducted by the IO. The object of preliminary inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

The Inquiry Committee, if required and in addition to IO may also appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an inquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI, including, seeking oral and written representations from any person(s) alleged to have caused the leak of UPSI.

***c. Report of Preliminary Inquiry to the Inquiry Committee:***

The IO or Person(s) appointed/authorized to inquire the matter of actual or suspected leak of UPSI shall submit his/her report to the Inquiry Committee within 7 days from the date of his appointment on this behalf.

***d. Proceedings before the Inquiry Committee:***

On receipt of recommendation of IO and after due review of evidence(s)/ record(s) and representation(s) made by the person(s) alleged to have cause leak of UPSI, if the Inquiry committee forms an opinion that such person(s) is/are guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary Disciplinary Action, which will be in addition to the penal provisions stated under SEBI Insider Trading Regulations and any other statutory enactments, as applicable.

***e. Disciplinary Action:***

The Disciplinary Action(s) shall include wage freeze, suspension, recovery, claw back, termination etc., as may be decided by the Members of the inquiry Committee, in addition to the action to be initiated by the SEBI, if any.

## **11. Amendment**

The Board shall have the power to amend any of the provisions of the Policy, substitute any of the provisions with a new provision or replace this policy entirely with a new Policy.