

ADVIK CAPITAL LIMITED

CIN: L65100DL1985PLC022505

**POLICY ON INQUIRY
IN CASE OF LEAK OF
UNPUBLISHED PRICE SENSITIVE
INFORMATION (UPSI)**

POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UPSI OR SUSPECTED LEAK OF UPSI

[Under Regulation 9A of Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015]

I. INTRODUCTION

Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (“SEBI PIT Regulations”) mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

II. SCOPE AND OBJECTIVE

To lay procedures for inquiry in case of leak of UPSI or suspected leak of UPSI and inform the Board promptly of such leaks, inquiries and results of such inquiries.

Following are the objective of this policy:

- To strengthen the internal control system to prevent leak of UPSI.
- To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee & Designated Persons with any person, firm, Company or Body Corporate.
- To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the SEBI promptly.
- To take disciplinary actions, if deemed fit against any Insider, Employee and Designated Persons Who appears to have found guilty of violating this policy, apart from any action that SEBI may initiate/take against the Insider, Employee & Designated Persons.

III. COMPLIANCE OFFICER

The Company shall, from time to time, designate an employee of sufficient seniority, competence and independence as the Compliance Officer to ensure compliance with the provisions of this Policy (“Compliance Officer”) and the same shall be notified to the Designated Persons.

IV. DEFINITIONS

“**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Companies in accordance with Section 177 of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

“Code” means the [Tata] Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

“Compliance Officer” means the person as defined in Code.

“Leak of UPSI” means communication of information which is/deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly or covertly or in any manner whatsoever, except for legitimate purposes, performance of duties or discharge of legal obligations.

“Suspect” means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.

“Unpublished price sensitive information or UPSI” means any 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 the securities and shall, ordinarily including but not restricted to, information relating to the following: –

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iii) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (iv) changes in key managerial personnel;
- (v) such other information as determined by the Board of Directors/Chief Executive Officer/Chief Operating Officer/Chief Financial Officer from time to time. (Regulation 2(1)(n))

“Whistle Blower” means an employee of a Company making a disclosure under the Whistle Blower Policy.

“Working days” means working days of the Company.

V. PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UPSI

a) Source of information relating to leak of UPSI

The Ethics Counsellor/Chairman of Audit Committee may on becoming aware suo moto or on receipt of a written intimation of leak or suspected leak of UPSI from:

- the Suspect
- any other person, including employees of the Company
- regulators

follow the below mentioned procedure in order to inquire and/or investigate the matter.

b) Preliminary Inquiry:

The object of preliminary inquiry is fact-finding, 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 initiate further investigation/inquiry.

The Ethics Counsellor /Chairman of Audit Committee shall forthwith forward such intimation to CEO and/or CFO to conduct a preliminary inquiry headed by Compliance Officer. The said inquiry shall be completed within 2 working days from the date of receipt of such intimation and report thereof shall be circulated to the Chairman of Audit Committee/CEO/CFO and Compliance Officer.

c) Intimation of Leak or suspected Leak of UPSI

If in the opinion of Chairman of Audit Committee/CEO/CFO and Compliance Officer, the preliminary inquiry report warrants further investigation, the same shall be submitted to:

- The Board of Directors
- Inquiry Committee for detailed investigation

The Compliance Officer shall simultaneously intimate SEBI about such Leak or suspected Leak of UPSI.

d) Inquiry Committee

Inquiry Committee shall consist of the following persons or any person nominated by such officers from their department-

- Chief Financial Officer
- Head of Legal
- Head of Information Security
- Head of Human Resources
- Any other person nominated by Chief Executive Officer/Managing Director

If any member of Inquiry Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and other members of Inquiry Committee should deal with the matter on hand.

e) Investigation by Inquiry Committee

Upon receipt of the report of the preliminary inquiry and all other supporting documents, the Inquiry Committee is required to initiate the investigation. The said investigation shall be completed within 15 working days from the date of receipt of report of the preliminary inquiry. The Inquiry Committee's investigation report shall be submitted to the Audit Committee and summary report shall be submitted to Board immediately, and such report shall also be submitted to SEBI simultaneously.

VI. DUTIES OF INQUIRY COMMITTEE

The Inquiry Committee shall be responsible;

- complaint pertaining to actual or suspected leak of UPSI, if any;
- To authorize any person, if required, to collect necessary support material;
- To consider the facts and circumstances and decide / direct on the matter;
- To decide disciplinary action thereon.

VII. POWERS OF THE INQUIRY COMMITTEE

For purpose of conducting inquiry, the Inquiry Committee may:

- a) call upon
 - such employees/individuals to seek clarification or information pertaining to the leak.
 - persons / members of committees involved in generation of the original data for purpose of determination of key figures pertaining to financial figures.
 - persons involved in the consolidation of the figures for the financial results.
 - persons involved in the preparation of board notes and presentations.
 - persons involved in dissemination of information relating to financial results in the public domain.
 - any other persons who had access to the information.
 - any market intermediaries, fiduciaries and other person/ entities who have access to UPSI for inquiry conducted for leak of such UPSI.
- b) at its discretion, invite external investigators/experts.
- c) take necessary actions including sending the Suspect on leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings.
- d) keep the identity of the Suspect confidential till the completion of inquiry unless it is essentially required for the purpose of investigation.
- e) notify the Suspect of the allegations at the outset of internal investigation and provide him opportunity to represent his case and submit evidence.
- f) do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.

VIII. RIGHTS AND OBLIGATIONS OF THE SUSPECT

- a) The Suspect shall-
 - co-operate with the Inquiry Committee during the investigation process.
 - have a right to consult with a person or persons of their choice, other than members of Inquiry Committee.
 - right to be informed of the outcome of the investigation

- b) The Suspect(s) has the responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Suspects.
- c) Unless there are compelling reasons not to do so, Suspects will be given the opportunity to respond to material findings contained in investigation report. No allegation of wrongdoing against a Suspect shall be considered as maintainable unless there is good evidence in support of the allegation.

IX. CONSEQUENCES OF NON-COMPLIANCE

- a) On receipt of report of inquiry committee, the Compliance Officer shall forthwith forward such report to Audit Committee.
- b) The disciplinary action against Suspect may be taken within 15 working days from receipt of investigation report by the Audit Committee in consultation with the Board of Directors or any other person authorised by the Board.
- c) The disciplinary action may include wage freeze, suspension, recovery, claw back, ineligibility for future participation in the Company's stock option plans or termination, as may be decided by the Audit Committee or the Board of Directors or any other person authorised by the Board.
- d) SEBI or any other appropriate regulatory authority would also be informed of such violation who may take appropriate action against the Suspect.

X. OTHER POINTS

- 1. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- 2. The Committee may delegate any of its powers to one or more of its members.

XI. MISCELLANEOUS

- 1. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 or any other relevant legislation/law applicable to the Company, as amended from time to time.
- 2. In case of any doubt, ambiguity, dispute or difference arise out of the meaning/interpretation of any word or provision in this Policy, the same shall be referred to the Committee, if formed, otherwise board and the decision of such Committee/ Board in such case shall be final.
- 3. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

4. This Policy shall come into force on the date it is approved by the Board of the Company i.e., with effect from January 17, 2022.

XII. POLICY REVIEW AND AMENDMENTS

1. Committee will monitor the effectiveness and review the implementation of this Policy, considering its suitability, adequacy and effectiveness.
2. Company reserves the right to vary and/or amend the terms of this Policy from time to time.

XIII. DISCLOSURES

The policy shall be disclosed in Annual Report, website and such other places as may be required by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or reenactment thereof) and such other laws for the time being force.

XIV. DISCLAIMER

1. The Policy does not in any way restrict the provisions of the Companies Act, related rules and Regulations or any other statutory laws.
2. Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward-looking statements in the Policy.

Annexure

Document Control Section

Document Name	
Abstract	
Security Classification	
Location	

Authorization

Document Author	Document Owner	Reviewed By	Approved By

Review and Amendment Log

Version	Modification Date	Section	Amendment/ Modification/Deletion	Brief Description of Change / Review