

# SINTEX INDUSTRIES LIMITED

## POLICIES FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

### INTRODUCTION

This Policy is formulated as per requirement of Regulation 9A(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as inserted by SEBI (Prohibition of Insider Trading)(Amendment) Regulations, 2018. As per the said regulation, unpublished price sensitive information (UPSI) relating to the Company or shares listed with the stock exchanges, shall not be communicated to any person, including insiders, except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The new regulation mandates every listed company shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

### APPLICABILITY

This Policy is effective from 1<sup>st</sup> April, 2019. The Policy shall also be uploaded on the website of the Company at [www.sintex.in](http://www.sintex.in)

### 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.

**Board** shall mean the Board of Directors of Sintex Industries Limited (Company).

**Designated Persons** shall cover employees and persons as defined under the code of conduct to regulate, monitor and report framed by the Company under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**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. Leak of UPSI shall further mean communication of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Board after following the due process prescribed in this behalf in the Code of Practices Fair Disclosure of the Company and /or 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.

**Unpublished Price Sensitive Information (UPSI)** shall cover information stated under Regulation 2(n) of SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018. Un-published Price Sensitive Information ("UPSI") shall also mean 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 include but not restricted to, information relating to the following:

- Periodical financial results of the Company;
- Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- Material events in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

### **PROCEDURE OF INVESTIGATION**

The Compliance Officer on becoming aware suo moto or on receipt of a written intimation of leak or suspected leak of UPSI from any person, including employees of the Company or the regulators, shall initiate a preliminary inquiry/ investigation.

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 said inquiry shall be completed within 5 working days from the date of receipt of such intimation and report thereof shall be circulated to the members of Audit Committee.

If in the opinion of members of Audit Committee and Compliance Officer, the preliminary inquiry report warrants further investigation, the same shall be submitted to Inquiry Committee for detailed investigation.

### **CONSTITUTION OF INQUIRY COMMITTEE**

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

- Compliance Officer
- Managing Directors
- Any other person nominated by the Chairman & Managing Director of the Company.

### **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) do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.

**OBLIGATIONS OF THE SUSPECT**

The Suspect shall co-operate with the Inquiry Committee during the investigation process. 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. He should be informed of the outcome of the investigation.

**CONSEQUENCES OF NON-COMPLIANCE**

- The Inquiry Committee’s investigation report shall be submitted to the Audit Committee and summary report shall be submitted to the Board of Directors immediately.
- 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 and necessary information shall be filed with SEBI promptly.

**DISCIPLINARY ACTION**

The Disciplinary action(s) shall include wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Inquiry Committee.

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