



# **PASUPATI ACRYLON LIMITED**

## **POLICY & PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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

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## **Background**

SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended (“the Regulations”) mandates every listed company to formulate a written policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information (“**UPS**I”) and initiate appropriate inquiries on becoming aware of leak or suspected leak of UPSI and inform the SEBI and the Stock Exchanges promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Pasupati Acrylon Limited (“the Company”) has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the policy’).

Any inquiry into any actual or suspected leak of UPSI needs to be tailored to the facts and circumstances of each such instance. This policy sets out the broad principles that the Board will follow while inquiring into cases of actual or suspected leak of UPSI.

## **Objective**

- i. To strengthen the internal control system to prevent leak of UPSI;
- ii. 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 investors’ confidence in the company;
- iii. To curb the un-ethical practices of sharing UPSI by Insiders, Employee & Designated Persons with any person, firm, Company or Body Corporate;
- iv. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the SEBI promptly;
- v. To take disciplinary actions, if deemed fit against any Insider, Employee & 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.

## **Audit Committee**

The Audit Committee shall be authorized to:-

- i. To conduct an enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- ii. To authorize any person, if required, to collect necessary support material;
- iii. To consider the facts and circumstances and decide / direct on the matter;
- iv. To decide disciplinary action thereon.

### **Procedure for inquiry in case of actual /suspected Leak of UPSI:**

- i. An employee of the Company, having aware of any instance of leak or suspected leak of unpublished price sensitive information, shall submit the information in writing to the Chairperson of the Audit Committee, through the Compliance Officer.
- ii. The Audit Committee, on receipt of written complaint or *suo-moto* becoming aware or through internal monitoring, of actual or suspected leak of UPSI, take cognizance of the matter and decide (a) If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed or (b) If it is found that the issue requires further investigation, enquiry shall be initiated.
- iii. The Audit Committee shall authorise the Compliance Officer or CFO or any director, (hereinafter referred to as the “authorized person”), as it may deem fit, to initiate/conduct an inquiry, without disclosing the name of the complainant, to collect the relevant facts, material substances on actual or suspected leak of UPSI.
- iv. The authorised person, in case of any findings, shall issue a show cause notice to the concerned person (hereinafter referred to as the “Suspect”), against whom the complaint is received for such leak of unpublished price sensitive information, to submit his/her written explanation along with necessary evidence, within 5 working days from the date of the Notice.
- v. The authorised person, after receiving the explanation from the Suspect, shall forward a copy of the explanation to the Chairperson of the Audit Committee.
- vi. The Suspect shall be given an opportunity of being heard before the Compliance Officer and/or the Chairperson of the Audit Committee, as the case may be. Further, the Suspect shall be entitled to make submissions and to lead evidence and depose witnesses etc. in his/her defence before the Committee. The Committee shall regard to the principles of natural justice before concluding on the matter.
- vii. After the hearing and on the basis of the outcome of the enquiry, if the Suspect is found responsible of having leaked the unpublished price sensitive information, or violated the Codes or the Regulations, the Compliance Officer or the Chairperson of the Audit Committee, shall take such disciplinary actions, including wage freeze, suspension, recovery, claw-back, etc. The decision of the Audit Committee shall be final and binding.
- viii. The Compliance Officer shall inform SEBI promptly of such leaks, inquiries and the results of such inquiries as per format provided in **Annexure**.
- ix. The Compliance Officer shall also place a summary report of such instances, if any, before the Board at its Meeting.

### **Amendment**

The Board, in sync with applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy. Any subsequent modification(s)/amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015, Companies Act, 2013 and/or the Listing Regulations and/or other applicable laws in this regard shall automatically apply to this Policy.

**Format for Reporting Actual or Suspected leak of UPSI to the SEBI**

To,

**Securities and Exchange Board of India**

Plot No. C 4-A, G Block

Near Bank of India, Bandra Kurla Complex

Bandra East, Mumbai – 400 051, Maharashtra

**Ref.: Scrip Code BSE – 500456**

Dear Sir / Madam,

**Sub: Report of actual or suspected leak of UPSI pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015.**

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known.	
Name of Organization.	
Designation (Employee, Insider, Designated Person or any other)	
Nature of Information Whether any action initiated by the Company. If yes, narration of the same	Yes/ No
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,

**For Pasupati Acrylon Limited**

**Company Secretary & Compliance Officer**