

**POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK OF OR SUSPECTED LEAK OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)**

*[Under Regulation 9A of SEBI (Prohibition of Insider Trading) (Amendment)  
Regulations, 2018]*

**1. BACKGROUND**

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 has mandated every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Dhanada Corporation Limited have laid down this policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information or suspected leak of unpublished price sensitive information (‘the policy’), for adoption.

The effective date of policy shall be 1<sup>st</sup> April 2019.

**2. OBJECTIVES**

- (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.
- (iii) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (“SEBI”) promptly.
- (iv) To penalize any Insider, Employee and Designated Persons who appears to have found guilty of violating this policy.

**3. SCOPE**

The Company endeavors to preserve the confidentiality of un-published price sensitive information (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 person, Insider, employee, designated person, support staff or any other known or unknown person(s) with any unauthorized person which affects the market price of the Company.

**4. DEFINITIONS**

- (i) Chief Investor Relation Officer (“CIO”) shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) 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.

(iii) Support Staff shall include IT staff or secretarial staff who have access to unpublished price sensitive information.

(iv) Unpublished Price Sensitive Information' (UPSI) shall cover information stated under Regulation 2(n) of SEBI (prohibition of Insider Trading) (Amendment) Regulations,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

## **5. DUTIES OF CHIEF INVESTOR RELATIONS OFFICER (CIO)**

The CIO shall be responsible to:

- (i) Oversee the compliance of this policy.
- (ii) Report / Intimate the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India and stock exchanges.

## **6. DISCLOSURE OF ACTUAL OF SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES:**

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIO shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed.

## **7. REPORT OF ACTUAL OF SUSPECTED LEAK OF UPSI TO SEBI**

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIO shall ensure that a report on such actual or suspect leak of UPSI, preliminary enquiry thereon and results thereof shall be promptly made to the SEBI.

## **8. PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI**

On becoming aware of suo moto or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or unknown person, the CIO after informing the same to the Managing Director of the Company, shall follow the below mentioned procedure in order to enquire and/or investigate the matter to ensure:

### **(a) Preliminary Enquiry:**

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry 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 on any disciplinary action. During the course of enquiry, the CIO may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as may deem expedient in this regard. CIO may call for such additional documents, representations, etc. as may deem fit. CIO may appoint and/or

authorize any person(s), as may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

**(b) Report of Preliminary Enquiry:**

On completion of Preliminary Enquiry, the CIO shall submit the report to the Board.

**(c) Disciplinary Action:**

The Board on receipt of such report and after due review, if forms an opinion that the complaine is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary action(s).

**9. AMENDMENT**

The Board of Directors of the Company, subject to applicable laws, rules and 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.

**10. DISCLOSURE**

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges and disclosed on the website of the Company i.e. [www.dhanadacorp.com](http://www.dhanadacorp.com)