



PSP PROJECTS LIMITED

Policy for Procedure of Inquiry In Case Of Leak of Unpublished Price Sensitive Information (“UPSI”)

[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015]
[Effective from April 1, 2019]

I. Introduction:

In the wake of the recent cases of leak of UPSI related to listed entities on Instant Messaging apps, Securities and Exchange Board of India (SEBI) through the SEBI (Prohibition Of Insider Trading) (Amendment) Regulations, 2018 has inserted a new Regulation 9A in the SEBI (Prohibition of insider Trading) Regulation, 2015 (“the Regulations”).

Regulation 9A (5) mandates every listed company to formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the company and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In compliance with the above requirements, Board of Directors of PSP Projects Limited (“PSP/Company”) has formulated this **Policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information** (‘the policy’).

II. Objective:

PSP Projects Limited endeavour to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information.

Leakage of UPSI from a company is a matter of serious concern not only for the regulator but for the company as well, and being a listed company it is our responsibility to find out sources responsible for the leakage and plug loopholes in the internal control systems to prohibit reoccurrence of such leakage of UPSI in the company.

The Objectives of this policy is:

- a. To strength the Internal Controls to prevent leakage of UPSI;
- b. To place adequate restrictions and prohibition on the sharing, communication or procurement of UPSI with the un-authorized person;

- c. 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;
- d. To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform about the same to the Securities and Exchange Board of India ("SEBI") promptly;
- e. 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.
- f. To penalize any Insider, Employee & Designated Persons who appears to have found guilty of violating this policy.

III. Definitions:

- a) **Act**" means the Securities and Exchange Board of India Act, 1992 as amended from time to time.
- b) **Board**" means Board of Directors of the Company, PSP Projects Limited.
- c) **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.
- d) **Leak of UPSI**" shall mean communication of information which is/shall be UPSI by any Insider, employee and designated persons or any other known or unknown person to any person other than a person(s) authorized by the Board or Chief Investor Relation Officer (CIO) of the Company 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.
- e) **Support Staff**" shall include Secretarial Staff, Legal Staff, Finance Staff, Tender Staff and Contract Staff who have access to unpublished price sensitive information.
- f) **unpublished price sensitive information**" 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. dividend;
 - iii. change in capital structure;

- iv. mergers, de-mergers, acquisitions, delistings, disposals and such other transactions;
- v. Any major expansion plans or execution of new projects;
- vi. changes in key managerial personnel; and
- vii. Any other matter as may be prescribed under the Listing Regulations and/or Company Law to be price sensitive, from time to time.

Words and expressions used and not defined in this Policy but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India Act, 1992 (15 of 1992), the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Depositories Act, 1996 (22 of 1996) or the Companies Act, 2013 (18 of 2013) and the Rules and Regulations made there under shall have the meanings respectively assigned to them in those legislation.

IV. Applicability

This Code shall be applicable with effect from 1st April, 2019.

V. Duties of Chief Investor Relations Officer

The CIO shall be responsible to:

- i. Oversee the Compliance of this policy;
- ii. Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India;
- iii. Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges where securities of company are listed;
- iv. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the inquiry committee.

VI. Disclosure of actual or 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 in the format as set out in “**Annexure A**” to this policy.

VII. Report of actual or 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 inquiry thereon and results thereof shall be promptly informed to SEBI in the format as set out in “**Annexure B**” to this policy.

VIII. Constitution of Inquiry Committee

The Board of Directors or the Audit Committee as authorised by Board, shall constitute a Committee to be called as “Inquiry Committee”.

The Inquiry Committee shall consist of minimum 3 (three) Members which shall include Managing Director, Chief Financial Officer and Chief Investor Relation Officer and any other officer of the Company as may be appointed in this behalf. The Managing Director may change/alter/re-constitute the Inquiry Committee as may be required from time to time.

IX. 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.

X. Procedure for inquiry in case of leak of UPSI

On suo-motu becoming aware 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 below mentioned procedure be followed 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 five (5) days after receipt of the information of actual or suspected leak of Unpublished Price Sensitive Information and 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, Inquiry may be initiated.

b) Preliminary Inquiry:

Preliminary inquiry is a fact-finding exercise which shall be conducted by the Chief Investor Relation Officer. 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 Chief Investor Relation Officer 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.

c) Report of Preliminary inquiry to the Inquiry Committee:

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

d) Opportunity of being heard in interest of Natural Justice:

The inquiry committee may give an opportunity to the person who is alleged of leaking the UPSI to present the facts and circumstances of the case including any documents or evidence, as he may consider relevant to the inquiry.

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 Committee.

XI. Amendment

The Board of Directors of the company are authorized to make such alteration to this policy as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the SEBI (Prohibition of Insider Trading) Regulations 2015 and its amendments, if any.

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.
