



POLICY AND PROCEDURE FOR INQUIRY IN THE EVENT OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

I. APPLICABILITY:

This policy shall apply to all Designated Persons and immediate relative of such Designated Persons and persons in possession of or having access to unpublished price sensitive information.

II. DEFINITIONS:

For the purpose of this Policy

- i. '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
- ii. 'Board' shall mean the Board of Directors of GMM Pfaudler Limited
- iii. 'Company' means GMM Pfaudler Limited.
- iv. "Designated Persons" means
 - a) every employee of the Company including the Directors in the employment of the Company, their immediate relatives;
 - b) such persons who is required to handle unpublished price sensitive information in the course of business operations including but not limited to professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising listed companies;
 - c) such entities that normally operate outside the capital market may handle unpublished price sensitive information;
 - d) such employees of the Company and its Material Subsidiaries as may be designated/ notified by the Compliance Officer in consultation with the Board from time to time, who may be considered to be in possession of Unpublished Price Sensitive Information
 - e) connected persons;
 - f) persons with whom such designated person(s) shares a material financial relationship



The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

- v. Immediate Relative’ means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.
- vi. ‘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.
- vii. ‘Unpublished Price Sensitive Information’ (UPSI) shall cover information’s stated under Regulation 2(n) of SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018.

III. PROCESS OF INQUIRY IN CASE OF LEAK OF UPSI OR SUSPECTED LEAK OF UPSI

- 1. Inquiry under this policy shall commence based on a written complaint received from any employee, , Registrar and Share Transfer Agent, designated employee, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory / statutory authority or any other department of Central or State Government.
- 2. The complaint shall interalia state particulars of the complaine and details of the complaint. The Complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
- 3. The Complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director (MD) or Chief Executive Office, by whatever name called.

4. Within 5 (five) working days of receipt of the complaint MD or Compliance Officer shall write to the complainee intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter. If MD feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company then he will discard the complaint with reasons recorded in writing.
5. Within 7 (seven) working days of receipt of representation, MD shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, MD may call for such additional documents, representations, etc. as he may deem fit.
6. If no representation is received within the aforesaid stipulated time, MD shall issue notice to the complainee asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against him.
7. On completion of the preliminary investigation under point 5, receipt of reply to the show cause notice issued under point 6 or on non-receipt thereof, MD shall refer the matter to the Chairman of the Audit Committee, alongwith his opinion, for his consideration.
8. Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall actually convene the concerned meeting within a period of 45 days of receipt of opinion of MD.
9. The Audit Committee shall consider the matter and put forward its recommendation to the Board. The Board, on receipt of such recommendation and after due review, if forms an opinion that the complainee is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary proceedings of the company, which will be in addition to the penal provisions stated under SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and any other statutory enactments, as applicable.
10. The Company suo moto reserves the right of initiating an inquiry under this policy against any designated employee if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.

11. This policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted or which are available under the existing Vigil Mechanism Policy of the Company.
12. The word MD or CEO wherever referred in this policy shall mean and include head of the Company, whether occupying board position or not, by whatever name called.
13. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.
14. 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.

Document Control

All changes to the process document can be made only by the Document Owner.

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