



SQS India BFSI Limited

POLICY AND PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION [Under Regulation 9(A) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended]

PREAMBLE:

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (SEBI PIT Amendment Regulations) mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (**UPSI**) and initiate appropriate action on becoming aware of leak of UPSI and inform the Board promptly of such leaks, inquiries and results of such inquiries. In this regard, the Board of Directors of the Company has laid down this policy for procedure of inquiry in case of leak of UPSI, for adoption. This document embodies the said Code of Fair Disclosure and shall be deemed to have come in to force from April 1, 2019.

1. 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' / banks and financial institutions confidence in the Company.
- (iii) 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.
- (iv) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Audit Committee and Board promptly.
- (v) To take disciplinary actions, if deemed fit, against any Insider, Employee and 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 and Designated Persons.

2. SCOPE:

To lay procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

3. 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, as amended.

'Board' shall mean the Board of Directors of SQS India BFSI Limited.



'Company' means SQS India BFSI Limited.

'Designated Persons' shall cover all employees whether contractual or otherwise, persons / entities stated under Regulation 9(4) of SEBI PIT Amendment Regulations and other connected persons as defined under Regulation 2(d) of the SEBI PIT Amendment Regulations.

'Immediate Relative' shall include persons defined under Regulation 2(f) of SEBI PIT Amendment Regulations.

'Leak or Suspected 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.

'Unpublished Price Sensitive Information' shall cover information stated under Regulation 2(n) of SEBI PIT Amendment Regulations.

4. APPLICABILITY:

This Policy shall apply to all designated persons and immediate relative of designated persons and persons in possession of or having access to UPSI.

Process of inquiry in case of leak of UPSI or suspected leak of UPSI:

- 4.1 Inquiry under this Policy shall commence based on a written complaint received from any employee, department of the Company, Registrar and Share Transfer Agent, designated person, 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.
- 4.2 The complaint shall inter-alia state particulars of the Complainee and details of the complaint. The Complainant has the option of providing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
- 4.3 The complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director and Chief Executive Officer (MD & CEO), by whatever name called.
- 4.4 Within 5 (five) working days of receipt of the complaint, MD & CEO shall ask the Company Secretary & Compliance Officer (CS & CO) to write to the Complainee intimating the details of the complaint received and requesting him / her to give a written representation to MD & CEO within 7 (seven) working days of receipt of letter for the alleged procurement or communication of UPSI thereby contravening Regulation 3(1) and (2) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, read with Section 12(A)(e) of SEBI Act, 1992.



- 4.5 If MD & CEO 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.
- 4.6 Within 7 (seven) working days of receipt of representation, MD & CEO shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or obtain such external assistance or opinion, as MD & CEO may deem expedient in this regard. During the course of such investigation, MD & CEO / CS & CO may call for such additional documents, representations, etc. as they may deem fit.
- 4.7 If no representation is received from Complainee within the aforesaid time period, MD & CEO / CS & CO shall issue notice to the Complainee asking to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against the Complainee.
- 4.8 On completion of the preliminary investigation under Clause 4.5, receipt of reply by Complainee to the show cause notice issued under Clause 4.6 and / or non-receipt thereof, MD & CEO shall refer the matter to the Chairman of the Audit Committee, along with his / her comments / opinion, for his / her consideration.
- 4.9 Chairman of the Audit Committee on receipt of such comments / opinion, shall proceed to convene a Meeting of the Audit Committee within a period of 45 days of receipt of comments / opinion of MD & CEO.
- 4.10 The Audit Committee shall consider and review the matter and put forth 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 shall order for necessary disciplinary proceedings of the Company, which will be in addition to the penal provisions stated under SEBI Act, 1992, SEBI PIT Amendment Regulations and any other statutory enactments, as applicable.
- 4.11 The Company suo moto reserves the right of initiating an inquiry under this Policy against any designated person, if it has reasons to believe that such person has leaked UPSI or suspected to have been leaked UPSI.
- 4.12 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.
- 4.13 The word MD and CEO wherever referred to in this Policy shall mean and include a person who has ultimate control over the affairs of the Company and by whatever name called.
- 4.14 The Board shall have the power to amend any of the provisions of this Policy, substitute with any of the provisions with a new provision and also replace this Policy entirely with a new Policy.



4.15 Any words used in this Policy but not defined herein shall have the same meaning as ascribed to it in the Companies Act, 2013 and its Rules made thereunder, SEBI Act, 1992, 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.