



AMI ORGANICS LIMITED

POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF
UNPUBLISHED PRICE SENSITIVE INFORMATION

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POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

BACKGROUND

The Securities & Exchange Board of India (SEBI) has amended “Prohibition of Insider Trading Regulations, 2015” (PIT Regulations) vide its Notification dated December 31, 2018 and made it effective from April 1, 2019. The Amended Regulations require every listed company to formulate a written policy and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information which shall be approved by the board of directors of the company and initiate appropriate inquiries on becoming aware of leak of such unpublished price sensitive information and inform the SEBI promptly of such leaks, inquiries and results of such inquiries. This Policy was adopted by the Board on April 28, 2021.

OBJECTIVE

The objective of this policy is to strengthen the internal controls and lay down procedures to be followed while inquiring into the instances of leak or suspected leak of Unpublished Price Sensitive Information.

- (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 loss of investors' / financers' confidence in the Company.
- (iii) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insider, employee & Designated Person with any person, firm, company or body corporate.
- (iv) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and promptly inform the same to the SEBI.
- (v) To take disciplinary actions, if deemed fit against any Insider, employee & Designated Person who appears to have found guilty of violating this Policy, apart from any action that SEBI may initiate/take against such person

DEFINITION

Words and expressions used but not defined in this Policy shall have the same meaning assigned to them in the SEBI PIT Regulations or the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 2018 or the Companies Act, 2013 and the rules and regulations made thereunder, as the case may be including amendments(s)/ modification(s) thereto.

- (i) “Board” shall mean the board of directors of the Company.
- (ii) “Company” shall mean Ami Organics Limited.
- (iii) “Compliance Officer” means any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and

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regulatory compliance under the Insider Trading Regulations, and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules of preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified under the Insider Trading Regulations under the overall supervision of the Board.

- (iv) "Insider Trading Regulations" means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- (v) "Internal Inquiry Committee" means Committee consisting of Chief Financial Officer, Company Secretary and any other officer(s) / Director of the Company formed for the purpose of inquiry into leak of UPSI.
- (vi) "Leak of Unpublished Price Sensitive Information" means leak by an measure of price sensitive information prior to the official announcement made by the Company to Stock exchanges.
- (vii) "Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification.
- (viii) "Stock Exchange" shall mean a recognized stock exchange on which the securities of the Company are listed.
- (ix) "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 as mandated under the SEBI PIT Regulation from time to time and shall, ordinarily including but not restricted to, information relating to the following:
 - a. financial results
 - b. dividends
 - c. change in capital structure
 - d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions
 - e. changes in key managerial personnel
 - f. Any such other information which may materially affect the price of securities

LEAK OF UPSI :

Leak of UPSI shall refer to such communication of information by any Insider, employee & Designated Person of the Company, by virtue of which UPSI is made available or becomes available, by any means or mode to any person before its official publication or announcement or formal circulation in public domain. Words not defined in this Policy shall have the meaning ascribed to them in the PIT Regulations.

The employees of the Company can report the issue of leak or suspected leak of UPSI to any member of the Internal Inquiry Committee either by email, in person or by letter. Such employees can remain anonymous or disclose their identity if he or she so desire.

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PROTECTION OF THE COMPLAINANT :

The employees who report leak of UPSI and assist in any inquiry or investigation will be protected against retaliation, harassment or discrimination. The identity of the complainant shall be kept confidential and hence such issues of leak of UPSI shall be reported without any fear of retaliation.

INTERNAL INQUIRY COMMITTEE :

In case of actual or suspected leak of UPSI, a Committee shall be constituted by the Board or by the Committee of the Board or of such person(s) as may be of the authorized by the Board or Committee in this behalf, to be called as "Inquiry Committee" to perform such duties as may be prescribed by this Code or by any other applicable law for the time being in force. The Inquiry Committee shall consist of minimum 3 (three) Members which shall include Chief Financial Officer and Company Secretary and / or any other officer(s) / Director of the Company as the Board or the Committee of the Board, may deem fit. The Board or Committee of the Board may change / alter / re-constitute the Inquiry Committee as may be required from time to time.

PROCESS AND PROCEDURE FOR INQUIRY INTO LEAK OF UPSI :

The Committee shall promptly meet on becoming aware of instances of leak or suspected leak of UPSI. All complaints will be investigated professionally and in a fair manner. The specific action to be initiated will be decided based on the nature and gravity of the reported issue or circumstances or the quality of information provided. More particularly, the Committee shall follow below process in inquiring the instances of leak of UPSI :

- (i) Review the contents of the complaint/instances of leak of UPSI.
- (ii) The Committee shall then conduct a preliminary inquiry which will enable the Committee to decide appropriate course of action.
- (iii) Based on the findings in the preliminary inquiry, the Committee shall decide whether to proceed to investigate the issue or close it.
- (iv) If the Committee decides to investigate the issue further, it shall conduct such further inquiry as it may deem fit and collect all evidences in the matter.
- (v) The Committee may take such internal or external assistance as it may think proper in order to gather all facts and arrive at a conclusion as to the leak of UPSI.
- (vi) The investigation shall be conducted within a period of 30 days from the date of becoming aware of such leak or suspected leak of UPSI.

DISCIPLINARY ACTION

After due review of evidence(s)/ record(s) and representation(s) made by the person alleged to have caused leak of UPSI, if the Inquiry committee forms an opinion that such person is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary Disciplinary Action, which will be in

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addition to the penal provisions stated under SEBI PIT Regulations and any other statutory enactments, as applicable. The Committee shall take disciplinary action against the person responsible for leak of UPSI which may include suspension, termination for repetitive offenders, wage freeze, claw back of benefits etc. as may be decided on case to case basis.

INTIMATION TO SEBI

The Committee shall promptly inform SEBI the instances of leak or suspected leak of information. The result of inquiry conducted shall also be communicated to SEBI immediately on conclusion of such inquiry along with action initiated to prevent leak of such UPSI.

POLICY REVIEW AND AMENDMENTS

The Board reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

