



SKY INDUSTRIES LIMITED

**POLICY AND PROCEDURES FOR REPORTING
AND INQUIRY IN CASE OF LEAK OR
SUSPECTED LEAK OF UNPUBLISHED PRICE
SENSITIVE INFORMATION**



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[Pursuant to Regulation 9A (5) and (6) of SEBI (Prohibition of insider Trading) Regulations, 2015]

1. INTRODUCTION

Regulation 9A(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) requires every listed company to formulate written policies and procedures in case of leakage of Unpublished Price Sensitive Information (“UPSI”) or suspected leak of UPSI which shall be approved by the Board of Directors and accordingly initiate appropriate inquiry on becoming aware of leak of UPSI and inform the Board of Directors promptly of such leak, inquires and results of such inquires and Regulation 9A(6) of PIT Regulations has mandated every listed company to frame a whistle blower policy and make aware of such policy to enable Employees to report instances of leak of UPSI.

In this regard, the Board of Directors of Sky Industries Limited (“the Company”) has adopted this Policy for outlining the procedure of inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information (“the Policy”).

2. OBJECTIVES & SCOPE OF THE POLICY

The objective of this Policy is to have a uniform code to curb the unethical practice of sharing UPSI by Insiders, Employees and Designated Persons with any legal or natural individual entity, so as to strengthen the internal control system of the Company to prevent leak of UPSI, thereby restricting & prohibiting the practice of sharing of UPSI with any unauthorized person; and to initiate inquiry in case of leak or suspected leak of UPSI and inform SEBI promptly; and to take disciplinary actions if deemed fit, against any Insider, Employee and Designated Person who is found to be guilty of violating this Policy.

3. DEFINITIONS

- 3.1 “Designated Persons”** means persons as designated by the Company in accordance with its Code of Conduct for Regulating, Monitoring and Reporting of Trading in Securities by Designated persons as formulated in accordance with Regulation 9(1) of SEBI (PIT) Regulations.
- 3.2 “Company” shall** mean Sky Industries Limited.
- 3.3 “Compliance Officer”** shall mean Company Secretary or any officer of the Company designated as Compliance Officer in accordance with its Code of Conduct for Regulating, Monitoring and Reporting of Trading in Securities by Designated persons as formulated in accordance with Regulation 9(1) of SEBI (PIT) Regulations.
- 3.4 “Employee(s)”** shall mean and include all employees of the Company who have been working in India or outside India (including Permanent Employees, Contractual Employees, apprentices, trainees etc.) and Directors of the Company, whether a whole-time director/managing director or not;
- 3.5 “Insider”** shall mean any person as defined in SEBI (PIT) Regulations, as amended from time to time.
- 3.6 “Leak of Unpublished Price Sensitive Information”** shall refer to such act / circumstance(s) by virtue of which UPSI is made available or becomes available, by any means or mode to any person, association, body corporate, agency, society, entity or 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.

- 3.7 “Protected Disclosure”** means any communication made under this Policy w.r.t. leak or suspected leak of UPSI.
- 3.8 “Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund.
- 3.9 “Suspected leak of Unpublished Price Sensitive Information”** shall refer to such act / circumstance(s) which may or may not give rise to leak of UPSI.
- 3.10 “Unpublished Price Sensitive Information”** as defined under Regulation 2(n) of PIT Regulations
- 3.11 “Whistle Blower”** means any person including but not limited to Designated Persons, Employees and Insiders to the Company along with their immediate relatives making a protected disclosure under this Policy.

4. COMMUNICATION OF PROTECTED DISCLOSURE

A Whistle Blower is eligible to make Protected Disclosures under the Policy and accordingly the Protected Disclosures shall be made with the Compliance Officer.

5. ASCERTAINMENT OF PROTECTED DISCLOSURE

- 5.1** On receipt of protected disclosure, the Compliance Officer shall first ascertain whether the information for which protected disclosure is made is of UPSI or not.
- 5.2** If the information for which protected Disclosure is made is not pertaining to UPSI, the same shall be dismissed.
- 5.3** If the information for which protected Disclosure is made is pertaining to UPSI, then the Compliance Officer shall report the matter to the Chairman of Audit Committee of the Company.

6. DISCLOSURE OF ACTUAL OR SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES AND SEBI

On becoming aware of actual or suspected leak of UPSI of the Company, the Compliance Officer shall ensure that the same shall be promptly intimated to SEBI.

7. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The Audit Committee through its Chairman shall be responsible for:

- (a) Receiving and acknowledging complaints of leakage of UPSI;
- (b) Taking *Suo Moto* action, as the Audit Committee may deem fit;
- (c) Sorting / screening / shortlisting such complaint;
- (d) Conducting a preliminary enquiry to ascertain the truth contained in the information or complaint through appropriate delegation / agencies / external parties;
- (e) Collection of necessary support material for the investigation;
- (f) Recommend penalties/action to the Management including Advising the Management about making the information, that has leaked, to be made public in certain circumstances;
- (g) Any other responsibility as decided by the Management of the Company.



8. PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI

8.1. To take cognizance of the matter:

8.1.1. Enquiry under this Policy shall commence based on a written complaint / information received from any Person, Employee, Ministry of Corporate Affairs, Registrar of Companies, Designated Person, Depositories, Stock Exchanges or any regulatory authority(ies) or any other department of Central or State Government.

8.1.2. The Audit Committee shall take cognizance of the matter and decide as follows:

- (a) If the information is found to be untrue, baseless or frivolous, the same may be dismissed;
- (b) If it is found that the matter requires further investigation, Investigation shall be initiated.

8.2. Investigation:

8.2.1. The Audit Committee shall appoint /authorize a person to conduct an initial inquiry, who shall submit a detailed report along with all supporting documents / material facts in respect of the complaint received.

8.2.2. In cases where the Audit Committee is of the opinion that the leakage of UPSI may invite attention of regulatory authorities like the Stock Exchanges, Securities and Exchange Board of India and other regulators, it may appoint legal advisors to be a part of the investigation exercise.

8.2.3. The identity of Whistle Blower would be kept confidential to the extent possible given the legitimate needs of law and the investigation.

8.2.4. The inquiry shall be completed normally within 90 days of the receipt of the Protected Disclosure.

8.3. Disciplinary Action:

Based on the inquiry, the Audit Committee shall take necessary action, including disciplinary action(s) in compliance of applicable provisions of law.

9. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 7 (seven) years.

10. APPLICABILITY

This Policy has been revised to incorporate the amendments in the PIT Regulations and shall be effective from April 1, 2019. In case there are any subsequent modification(s) / amendment(s) / notification(s) / circular(s) to PIT Regulations or the Act and Rules made thereunder, it shall apply to this Policy automatically and this Policy shall stand amended automatically and in the event of any conflict between this Policy and the applicable laws, the applicable laws shall prevail.
