



SOM Distilleries & Breweries Limited

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)





Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information (“UPSI”)

[Under Regulation 9(A) of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended]

PREAMBLE

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (‘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Regulations’) mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Som Distilleries and Breweries Limited (‘Company’) has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (‘the policy’), for adoption.

This policy has been reviewed and adopted by the Board on 26th April, 2022. This Policy shall be deemed to have come in to force from April 1, 2019.

I. OBJECTIVE

- (i) To strengthen the internal control system to prevent leak of UPSI.
- (ii) 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.
- (iii) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to the Securities and Exchange Board of India (‘SEBI’) promptly.
- (iv) 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 & Designated Persons.

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To lay procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

III. DEFINITIONS:

- a. Compliance Officer** shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- b. Leak of UPSI** shall mean communication of UPSI by any Insider, Employee and Designated Persons to any person other than a person(s) authorized by the Company after following the due process prescribed in this behalf in the Code of Practices for 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.

c. Un-published Price Sensitive Information (“UPSI”) shall mean 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 include but not restricted to, information relating to the following;

- i. Financial Results of the Company;
- ii. Dividends (Interim and Final);
- iii. Change in capital structure
- iv. Mergers, De-mergers, Acquisitions, Delisting of Securities, Disposals and Expansion of Business and such other transactions;
- v. Changes in Key Managerial Personnel;
- vi. Such other information, in the opinion of the Board, if disclosed is likely to materially affect the prices of the securities

Note: Words and expressions used and not defined in this Code 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 legislations.

IV. DUTIES OF COMPLIANCE OFFICER:

The Compliance Officer shall be responsible to;

- a. Oversee the compliance of this policy.
- b. On becoming aware about the incident of actual or suspected leak of UPSI, promptly intimate the Enquiry Committee as appointed by the Board of Directors from time to time along with the relevant facts for initiating appropriate inquiries.
- c. Intimate to the Board of Directors of such leaks, inquiries and results of such inquiries.
- d. Intimate to the SEBI and Stock Exchanges of such actual or suspected leaks, inquiries and results of such inquiries.

V. DISCLOSURE OF ACTUAL OR SUSPECTED LEAK OF UPSI TO STOCK EXCHANGES & SEBI:

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the Compliance Officer shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed and to the SEBI.

VI. CONSTITUTION OF ENQUIRY COMMITTEE:

The Managing Director or any officer authorized by the Board in this behalf, shall constitute a Committee to be called as “Enquiry Committee”. The Enquiry Committee shall consist of minimum 2 (two) Members which shall include Managing Director. The Managing Director may change/ alter/ re-constitute the Enquiry Committee as may be required from time to time.

VII. DUTIES OF ENQUIRY COMMITTEE:

The Enquiry Committee shall be responsible;

- (a) To conduct a preliminary enquiry 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.

VIII. PROCEDURE FOR ENQUIRY 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 Insider, Employee or Designated Person, the below mentioned procedure be followed in order to enquire and/or otherwise investigate the matter.

- a. To take Cognizance of the matter:** The Enquiry Committee shall meet immediately as soon as possible 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, preliminary enquiry shall be initiated.
- b. Preliminary Enquiry:** The Enquiry Committee, if required may appoint and / or authorize any person(s), as it may deem fit, to initiate/conduct preliminary enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.
- c. Report of Preliminary Enquiry to the Enquiry Committee:** The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI shall submit his/her report to the Enquiry Committee within 7 days from the date of the appointment.
- d. Disciplinary Action:** The Disciplinary Action(s) may be decided by the Members of the Committee based on the facts.

IX. AMENDMENT:

The Board of Directors of the Company, in sync with applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy. 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. This Code shall be published on the official website of the Company. Subsequent modification(s)/ amendment(s) to SEBI (Prevention of Insider Trading) Regulations, 2015 and any amendment thereto shall automatically apply to this Code.

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