



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UNPUBLISHED PRICE SENSITIVE  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

**OF**

**GALAXY MEDICARE LIMITED**



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## 1. BACKGROUND:

Securities and Exchange Board of India ("SEBI"), vide its notification dated January 15, 2015, had issued SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amended the same vide its notification dated July 17 2020, the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2020 ("collectively known as PIT Regulations"). As per Regulation 9A of the PIT Regulations, the Board of Directors ("Board") is required to formulate a written Policy and Procedure for Inquiry in case of Leak of Unpublished Price Sensitive Information ("UPSI") and initiate appropriate action on becoming aware of Leak of UPSI and inform the Board promptly of such leaks, inquiries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.

## 2. 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 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.

## 3. APPLICABILITY:

This Policy shall apply to all Designated Persons and Immediate relatives of Designated Persons and persons in possession of or having access to UPSI.

## 4. DEFINITIONS:

A. "Competent Authority" means:



- i) The Managing Director, in case of Leak or Suspected Leak of UPSI involving any Person other than the Director(s) of the Company.
- ii) The Chairperson of the Audit Committee of the Company, in case of Leak or Suspected Leak of UPSI involving any Director of the Company other than the Chairperson of the Audit Committee of the Company and
- iii) The Chairperson of the Board of Directors of the Company, in case of Leak or Suspected Leak of UPSI involving Chairperson of the Audit Committee of the Company.

**B. “Chief Investor Relation Officer (CIRO) or Investigating Officer (“IO”)”** shall mean the Compliance Officer of the Company.

**C. “Leak of UPSI”** shall mean communication or sharing / disclosing of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known person without following the due process prescribed in this behalf in the Code of Practices for Fair Disclosure of the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 or act / circumstance (s) by virtue of which an UPSI is made available or becomes available not being for a legitimate purpose 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 for which the said Person enjoys Undue Advantages / Financial Gain or Loss.

**D. “Unpublished Price Sensitive Information” or “UPSI”** means any information, relating to the 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 including but not restricted to information relating to the following:

- i) Financial Results.
- ii) Dividends.
- iii) Change in Capital Structure.
- iv) Mergers, De-Mergers, Acquisitions, De Listing, Disposals and Expansion of Business and Such Other Transactions and
- v) Changes in Key Managerial Personnel.

Words not defined in this Policy shall have the meaning ascribed to them in the Regulations.



#### **5. DUTIES OF CHIEF INVESTOR RELATIONS OFFICER:**

The CIRO shall be responsible for the followings:

- i) Oversee the Compliance of this Policy.
- ii) On becoming aware about the incident of actual or suspected leak of UPSI, promptly intimate the Enquiry Committee/Competent authority as appointed by the Board of Directors from time to time along with the relevant facts for initiating appropriate inquiries.
- iii) Intimate to the Board of Directors of such results of such Inquiries
- iv) Intimate to the SEBI and Stock Exchanges of results of such Inquiries if any.

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

On becoming aware of Actual or Suspected Leak of UPSI in respect of the Company, the CIRO shall ensure that the same is promptly intimated to the Stock Exchanges on which the Securities of the Company are Listed and to the SEBI.

#### **7. REPORT OF ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI:**

On becoming aware of Actual or Suspected Leak of UPSI of the Company, whether Suo Moto or by way of receipt of information from any Person, the IO shall ensure that:

- (a) The matter is placed for consideration before the Inquiry Committee and
- (b) A Report on such Actual or Suspect Leak of UPSI and Results thereof shall be promptly informed to the SEBI upon Conclusion of the Inquiry.

#### **8. CONSTITUTION OF 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 Investigating Officer and / or any other Officer(s) 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.

#### **9. DUTIES OF INQUIRY COMMITTEE :**

The Inquiry Committee shall be responsible

- (a) To Conduct a Preliminary Inquiry 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.

#### **10. PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UPSI:**

The Inquiry Committee shall upon receipt of written complaint or becoming aware or otherwise, of actual or suspected leak of UPSI of the Company shall follow the below mentioned procedure in order to inquire and/or otherwise investigate the matter:

##### **(a) To Take Cognizance of the Matter :**

The Inquiry Committee shall Meet within a Period of 2 (Two) Working Days after receipt of the Information or becoming aware of Actual or Suspected Leak of UPSI, 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 Inquiry may be initiated.

##### **(b) Preliminary Inquiry :**



Preliminary Inquiry is a fact-finding exercise which shall be conducted by the Investigating Officer (IO). The object of Preliminary Inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

The Inquiry Committee, if required and in addition to Investigating Officer (IO) may also appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an inquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI, including, seeking oral and written representations from any Person(s) alleged to have caused the leak of UPSI.

**(c) Report of Preliminary Inquiry to the Inquiry Committee:**

The Investigating Officer (IO) or Person(s) appointed/authorized to inquire the matter of actual or suspected leak of UPSI shall submit his/her report to the Inquiry Committee within 7 Days from the date of his appointment on this behalf.

**(d) Proceedings before the Inquiry Committee:**

On receipt of recommendation of Investigating Officer (IO) and after due review of evidence(s)/ record(s) and representation(s) made by the person(s) alleged to have cause leak of UPSI, if the Inquiry Committee forms an opinion that such Person(s) is/are guilty of Leak of UPSI or Suspected Leak of UPSI, then it will order for necessary Disciplinary Action, which will be in addition to the Penal Provisions stated under SEBI Insider Trading Regulations and any other Statutory Enactments as Applicable.

**(e) Disciplinary Action:**

The Disciplinary Action(s) shall include Wage Freeze, Suspension, Recovery, Claw Back, Termination etc., as may be decided by the Members of the Inquiry Committee, in addition to the action to be initiated by the SEBI, if any.

**11. AMENDMENT:**

The Board shall have the Power to amend any of the Provisions of the Policy, Substitute any of the Provisions with a new Provision or replace this Policy entirely with a new Policy.

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