



BANG OVERSEAS LTD.

UNIT NO. : 405-406, KEWAL IND. ESTATE, S.B MARG, LOWER PAREL (W), MUMBAI-400 013 INDIA CIN: L51900MH1992PLC067013

Tel : +91 22 6660 7965/67, Fax: +91 22 66607970, Email: bol@banggroup.com Web: www.banggroup.com

POLICY FOR PROCEDURE OF INQUIRY INCASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

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

This Policy shall come into effect from 30th March, 2019

Background

The Committee constituted by SEBI to review the Insider Trading Regulation noted the recent cases of leak of UPSI related to listed entities on Instant Messaging apps. Such information originates from within the company and affects the listed company in terms of its market price as well as loss of reputation and investors' / financiers' confidence in the company.

Leakage of UPSI from a company is a matter of serious concern not only for the regulator but for the company as well, and listed companies should take responsibility to find out sources responsible for the leakage and plug loopholes in the internal control systems to prohibit reoccurrence of such leakage of UPSI.

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mandates every listed company to formulate a written **policy and procedures for inquiry in case of leak of unpublished price sensitive information** and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.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of **Bang Overseas Limited ("the Company")** has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information ('the policy'), for adoption.

I. Objective

- To strengthen the internal control system to prevent leak of UPSI.
- 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' / financiers' confidence in the company.
- 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.
- 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.
- To take disciplinary actions, if deemed fit against any Insider, Employee & 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. Applicability

This policy shall be applicable with effect from 30th March, 2019.

IV. Definitions:

(i) Code

Shall mean Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Fair Disclosure of Unpublished Price Sensitive Information' of the Company.

(ii) Chief Investor Relation Officer (“CIRO”)

Shall mean the Compliance Officer of the Company appointed by the Board of Directors under SEBI (Prohibition of Insider Trading) Regulations, 2015.

(iii) Insider

Shall mean Insider as defined under the Code.

(iv) Inquiry Committee

Shall means the committee set up in terms hereof to conduct inquiry against any case of leak or suspected leak of UPSI.

(v) Leak of UPSI

Shall mean communication of information which is/shall be UPSI by any Insider, Employee & Designated Persons or any other known or unknown person to any person other than a person(s) authorized by the Board or CIRO of the Company after following the due process prescribed in this behalf in the Code 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.

(vi) LODR Regulations

Shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

(vii) PIT Regulations

Shall mean SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

(viii) Suspect

Shall means the person(s) against or in relation to whom an inquiry is initiated in case of a leak or suspected leak of UPSI.

(ix) Support Staff

Shall include IT Staff, Secretarial Staff, Legal Staff, Finance Staff, Strategy Staff who have access to unpublished price sensitive information.

(x) 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;

- Periodical Financial Results of the Company;
- Intended declaration of dividends (Interim and Final);
- Change in capital structure i.e. Issue of securities, buy-back of securities or any forfeiture of shares or change in market lot of the Company’s shares;
- Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, Disposals, Spin Off or Selling Division of Whole or Substantially Whole of the Undertaking and Expansion of Business and such other transactions;
- Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
- Changes in Key Managerial Personnel;
- Material events in accordance with LODR Regulations and
- Any other matter as may be prescribed under the Listing Regulations and/or Corporate Law to be price sensitive, from time to time.

(xi) Working Days

Shall means working days of the Company.

Words and expressions used and not defined in this Policy but defined in the PIT Regulations, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations made there under shall have the meanings respectively assigned to them in those legislation.

V. Sharing of UPSI

- A person who is covered under the Code and who is in possession of or having access to the UPSI, shall share the UPSI only for legitimate purposes, performance of duties or discharge of legal or statutory obligations, in adherence to the Code.
- When any UPSI is shared, it must be recorded in the Structured Digital Database of the Company in the manner as prescribed in the Code.
- Any non-compliance with sub clauses above will be construed as leakage of UPSI.

VI. Constitution of Inquiry Committee:

The Board of Directors or any Committee authorized by them in this behalf, shall be an Inquiry Committee. It shall consist of minimum 3 (three) Members which shall include:

1. Managing Director;
2. Chief Financial Officer;
3. Chief Investor Relation Officer and
4. Any other officer of the Company

Inquiry Committee may seek advice of any other person as it may deem fit for completion of any inquiry. If any member of the Inquiry Committee has a conflict of interest in any given case, then he/she should recuse himself/herself, and other members of the Inquiry Committee shall deal with the matter. The Managing Director may change/alter/re-constitute the Inquiry Committee as may be required from time to time.

VII. Duties of Chief Investor Relations Officer:

The CIRO shall be responsible to;

- Oversee the Compliance of this policy.
- To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Inquiry committee.
- Report the incident of actual or suspected leak of UPSI to the SEBI
- Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges.

VIII. Duties of Inquiry Committee:

The Inquiry Committee shall be responsible;

- 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;
- To authorize any person, if required, to collect necessary support material;
- To keep the identity of the Suspect confidential till the completion of inquiry unless it is essentially required for the purpose of investigation;
- To notify the Suspect of the allegations at the outset of an internal investigation and provide him with the opportunity to represent his case himself and submit evidence.
- To provide opportunity of being heard to the Suspect, during the inquiry proceedings; and
- To consider the facts and circumstances and decide / direct on the matter and disciplinary action thereon.

IX. Powers of the Inquiry Committee

For the purpose of conducting an inquiry, the Inquiry Committee may

- Call upon:
 - Persons to seek clarification or information pertaining to the leak;
 - Person(s) involved in originating, processing and dissemination of relevant information;
 - Person(s) who had access to the information;
 - Any market intermediaries, fiduciaries and other person(s)/ entity (ies) who have access to UPSI.
- At its discretion, invite external investigators / experts.
- Take interim actions including sending the Suspect on leave, restrict physical access to any records or premises, freeze access to computer systems, electronic devices or emails, etc. during the pendency of the Inquiry.
- To take disciplinary action thereon including the wage freeze, suspension, recovery, claw back, termination etc.
- Do all such acts, deeds, matters and things as are necessary for the purpose of the conduct of the Inquiry.

X. Rights and Obligations of the Suspect

- The Suspect shall Co-operate with the Inquiry Committee during the inquiry process.
- Provide necessary clarification and material in his defense.
- The Suspect has the responsibility to keep the inquiry proceedings confidential and not to interfere with the inquiry. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Suspect.
- No allegation of wrongdoing against a Suspect shall be considered as maintainable unless there is evidence in support of the allegation as may be determined by the Inquiry Committee.
- Be informed of the outcome of the Inquiry.

XI. Procedure for Inquiry in case of leak of UPSI:

Any member of the Inquiry Committee shall on suo-motu becoming aware or on receipt of an intimation of a leak or suspected leak of UPSI from any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un-known person, the below mentioned procedure shall be followed 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 7 working days 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.

- If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed.
- 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 CIRO. 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 CIRO 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.

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

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

(d) 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 Committee.

XII. Disclosure of actual or suspected leak of UPSI to Stock Exchanges:

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIRO shall ensure that the same shall be promptly intimated to the Stock Exchanges on which the securities of the Company are listed in the format as set out in “**Annexure A**” to this policy.

XIII. Report of actual or suspected leak of UPSI to SEBI:

On becoming aware of actual or suspected leak of Unpublished Price Sensitive Information of the Company, the CIRO shall ensure that a report on such actual or suspect leak of UPSI, preliminary inquiry thereon and results thereof shall be promptly informed to SEBI in the format as set out in “**Annexure B**” to this policy.

XIV. 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 Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under LODR Regulations and/or PIT Regulations and any amendment, re-amendment or re-enactment thereto and shall be updated on website of the Company.

Annexure A

FORMAT FOR INTIMATION OF ACTUAL OR SUSPECTED LEAK OF UPSI TO THE STOCK EXCHANGE PURSUANT TO REGULATION – 9 READ WITH SCHEDULE-B OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATION, 2015

**To,
Department of Corporate Services
BSE Limited
P J Towers, Dalal Street
Mumbai - 400001**

Ref.: BSE Scrip Code No. “532946”

Dear Sir / Madam,

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation – 9 Read with Schedule-B of SEBI (Prohibition of Insider Trading) Regulation, 2015

Pursuant to Regulation – 9 Read with Schedule-B of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known.	
Name of Organization.	
Designation (Employee, Insider, Designated Person or any other)	
Nature of UPSI	
Whether any action initiated by the Company, If yes, narration of the same.	
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,

For Bang Overseas Limited

Annexure B

**FORMAT FOR REPORTING ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI
PURSUANT TO REGULATION 9A (5) OF SEBI (PROHIBITION OF INSIDER TRADING)
REGULATION, 2015**

To,
Securities and Exchange Board of India
Plot No. C 4-A, G Block, Near Bank of India,
Bandra Kurla Complex, Bandra East,
Mumbai – 400 051, Maharashtra

Ref.: BSE Scrip Code No. “532946”

Dear Sir / Madam,

**Sub: Report of actual or suspected leak of UPSI pursuant to regulation 9A (5) of SEBI
(Prohibition of Insider Trading) Regulation, 2015.**

Pursuant to Regulation - 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we are reporting actual or suspected leak of Unpublished Price Sensitive Information (UPSI) of the Company, as follows;

Name of Offender, if known.	
Name of Organization.	
Designation (Employee, Insider, Designated Person or any other)	
Nature of UPSI	
Whether any action initiated by the Company, If yes, narration of the same.	
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,

For Bang Overseas Limited