



# STAR DELTA TRANSFORMERS LTD.

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ISO 9001:2015 CERTIFIED CO.

## STAR DELTA TRANSFORMERS LIMITED

### POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI")

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

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Regulations") mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of the Company has laid down this policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information ("the policy"), for adoption.

#### 1. DEFINITIONS

- a) "Act" means the Companies Act, 2013 as may be amended from time to time.
- b) "Board of Directors" or "Board" means the Board of Directors of Star Delta Transformers Limited, as constituted from time to time.
- c) "Policy" shall mean the Policy for Inquiry in Leak of Unpublished Price Sensitive Information, as amended from time to time.
- d) "Company" means Star Delta Transformers Limited.
- e) "Compliance Officer" means any senior officer, designated so and reporting to the Board of Directors, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under Insider Trading regulations and shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

Explanation - For the purpose of Insider Trading Regulation, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

f) **"connected person" means,-**

- (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
  - (a) an immediate relative of connected persons specified in clause (i); or
  - (b) a holding company or associate company or subsidiary company; or
  - (c) an intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) an official of a stock exchange or of clearing house or corporation; or
  - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - (i) a banker of the company; or
  - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten per cent. of the holding or interest;"
- g) **"generally available information"** means information that is accessible to the public on a non-discriminatory basis.
- h) **"immediate relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.
- i) **"insider"** means any person who is:
  - i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information.

- j) "**Promoter**" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- k) "**promoter group**" shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- l) "**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 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, delistings, disposals and expansion of business and such other transactions;
  - (v) changes in key managerial personnel.
- m) "**Designated Person**" includes:
  - (i) Board of Directors of the Company;
  - (ii) All promoters of the Company
  - (iii) Company Secretary, CFO;
  - (iv) Employees upto two levels below Chief Executive Officer of the Company irrespective of their functional role in the company or ability to have access to unpublished price sensitive;
  - (v) Employees of other Departments/Divisions on a case-to-case basis, who could be reasonably expected to have access to unpublished price sensitive information(s) relating to the Company, to be decided by the Chairman/Managing Director/Whole-Time Director/ Compliance Officer/Chief Financial Officer, on a case-to-case basis.
- n) Any other term not defined herein shall have the same meaning as defined in the Act, Listing Regulations, Insider Trading Regulations or any other applicable law or regulation, amended from time to time.

## 2. LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Leak of unpublished price sensitive information shall mean:

- a) Communication or procurement of unpublished price sensitive information ("UPSI") by any Insider, Employee & Designated Persons or any other known or unknown person other than a person(s) authorized by the Board Compliance officer of 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.

## 3. PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI")

1. **Informing the actual or suspected leak of UPSI:** The information of the actual or suspected leak of UPSI may be communicated to any of below mentioned officials of the Company:
  - A. Head of the Department.
  - B. Compliance Officer.

If any employee/person has reason to believe that above-mentioned is involved in the suspected violation, the report may be made to the Chairman of the Audit Committee of the Company.

### 2. Inquiry:

The Board of Directors shall authorise Head of the Department, Company Secretary and Compliance Officer ("Enquiry Committee"), to initiate the Inquiry for actual or suspected leak of UPSI and inform the Board promptly of such leaks, inquiries, and result of such inquiries:

- a) On Suo motto;
- b) Or on receipt of an information from any person who is aware or has reasonable apprehension of leak of UPSI by other person.

The Enquiry Committee shall meet in 7 working days after receipt of the information and take cognizance of the matter and decide as follows:

- a) If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed,
- b) If it is found that the issue requires further investigation it shall be carry out as defined herein after.

### 3. Procedure

The inquiry shall be completed within 45 working days of the receipt of the Information. If it is not done, then Enquiry Committee shall provide proper explanation to the Audit Committee for the delay.

Failure to report any reasonable belief that a violation has occurred or is occurring itself is a violation of the Policy and such failure be addressed with appropriate disciplinary action as prescribed in the Policy.

All the reports under this Policy will be promptly and appropriately investigated and all information disclosed during the course of Investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

Everyone working for or with the Company, its subsidiary companies, shall cooperate in the investigation of report of violation and failure to cooperate the same be basis for disciplinary action as prescribed in the Policy.

**4. Report of the Inquiry Committee**

The Enquiry Committee shall submit the report of the inquiry made under this policy to the Audit Committee after its completion.

**5. Disciplinary Action:**

Upon receipt of the Report, if the Committee determines that a violation has occurred, the Committee shall take effective action commensurate with the nature of offence.

The Disciplinary action(s) shall include, wage freeze, suspension, recovery, clawback, termination etc., as may be decided by the Members of the Audit Committee.

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

The Compliance Officer shall ensure promptly disclosure of actual or suspected leak of UPSI to the Stock Exchanges on which the securities of the Company are listed and Securities and Exchange Board of India.

**5. DISCLOSURE OF ACTUAL OF SUSPECTED LEAK OF UPSI TO SEBI:**

The Compliance Officer shall ensure promptly disclosure of report on such actual or suspected leak of UPSI, preliminary enquiry thereon and results thereof to the Securities and Exchange Board of India.

**6. AMENDMENT:**

The Board of Directors of Star Delta Transformers Limited is authorised to change / amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the SEBI (Prohibition of Insider Trading) Regulations, 2015..

**7. DISCLOSURE**

The Policy, as amended from time to time, is disclosed on Company's website i.e. [www.stardeltatransformers.com](http://www.stardeltatransformers.com)

**8. EFFECTIVE DATE**

This Policy is effective from 1st, April, 2019.

**For and on behalf of  
Star Delta Transformers Limited**

**Sd/-**

**Kishore Gupta  
Managing Director  
Star Delta Transformers Limited**