



GODREJ INDUSTRIES LIMITED

Policy for determining legitimate purpose for disclosure of Unpublished Price Sensitive Information ("UPSI")

Effective Date: November 11, 2020

1. Background

The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulation 2018 notified on December 31, 2018 requires every listed Company, *inter alia*, to formulate a policy for determination of legitimate purpose. Accordingly, the Board of Directors of Godrej Industries Limited ("the Company") adopted this policy for determination of legitimate purpose.

This Policy also includes procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the Securities and Exchange Board of India promptly of such leaks, inquiries and results of such inquiries. The same is attached to this Policy as **Annexure A**.

2. Definition

i. "**Legitimate Purposes**" shall mean sharing of Unpublished Price Sensitive Information (UPSI) in the ordinary course of business with the insider, including instances provided hereunder, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations:

- Sharing the relevant UPSI with consultant, advisors engaged by the Company in relation to the subject matter of the proposed deal/assignment/tie-up/fund raising resulting to UPSI;
- Sharing the relevant UPSI with intermediaries/fiduciaries, merchant bankers, legal advisors, auditors, in order to avail professional services from them in relation to the subject matter of UPSI;
- Sharing the relevant UPSI with persons engaged or involved in the processes leading to disclosure of events set out in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Sharing the relevant UPSI with persons who have expressly agreed in writing to keep the information confidential, such as potential customers, joint ventures partners and vendors and not to transact in the company's securities on the basis of such information;
- Sharing the relevant UPSI in case mandatory for performance of duties or discharge of legal information.

ii. "**Insider**" shall include the following persons, in receipt of UPSI pursuant to a "legitimate purpose":

- a) Partners
- b) Collaborators/ Land owner
- c) Lenders
- d) Customers

- e) Suppliers
- f) Bankers
- g) Legal Advisors
- h) Auditors (Statutory, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
- i) Staff Members of the Audit firm/team conducting the Audit
- j) Insolvency Professionals
- k) Advisors or Consultants
- l) Merchant Bankers
- m) Any other advisor(s)/consultant(s)/partner(s) with whom UPSI is shared

All the other terms used in the Policy shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

3. Restrictions:

Till the UPSI becomes a generally available information, UPSI can be shared with Insider only on a need to-know basis and for legitimate purpose as provided under this Policy and a due notice will be issued to the Insider to maintain confidentiality of UPSI shared for legitimate purpose.

4. Digital Database:

- a) The Board of Directors and Heads of Department(s) of the Company shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom UPSI is shared, as the case may be, under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database will not be outsourced and shall be maintained internally with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.
- b) The Board of Directors and Heads of Department(s) of the Company required to handle unpublished price sensitive information shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

5. Amendment:

The Board of Directors or the Management Committee of the Company, subject to 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.

Annexure A

PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

1) Background:

Regulation 9A (5) of The Securities and Exchange Board of India (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.

2) Scope:

- i. The Company endeavors to preserve the confidentiality of un-published price sensitive information (UPSI) and to prevent misuse of such information.
- ii. The Company shall restrict and prohibit the practice of sharing of UPSI which originates from within the company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un-known person(s) with any unauthorized person which affects the market price of the Company as well as causes loss of reputation and investors’ / financiers’ confidence in the Company.
- iii. This policy is an extension of the GIL - Insider Trading - Code of Conduct.

3) Definitions:

- i. **Chief Investor Relation Officer (“CIO”)** shall mean the Compliance Officer of the Company or any other Officer of the Company appointed by the Board of Directors.
- ii. **Disciplinary Action** means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

4) Duties of Chief Investor Relations Officer:

The CIO shall be responsible to;

- i. Oversee the Compliance of this policy.
- ii. Report the incident of actual or suspected leak of UPSI inquiries thereto and results thereof to the Securities and Exchange Board of India.
- iii. Intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges, if necessary.
- iv. To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Managing Committee or the Board or Chairman or Managing Director.

5) Disclosure of actual of 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 CIO 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 I” to this policy.

6) Report of actual of suspected leak of UPSI to SEBI:

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

7) Role of Managing Committee (Enquiry Committee):

The Managing Committee of the Board of Directors is authorized to conduct enquiries in accordance with this Policy.

8) Duties of Managing Committee (Enquiry Committee):

The Managing 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.

9) Procedure for enquiry in case of leak of UPSI:

- i. On *suo-motu* becoming aware or otherwise on a complaint received in writing or by email at investor@godrejinds.com, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any person in possession of or having access to Unpublished Price Sensitive Information, the below mentioned procedure will be followed in order to enquire and/or otherwise investigate the matter.
- ii. The written/email complaint shall *inter alia*, state particulars of the complaine, details of the complaint and shall be addressed to the Managing Committee or the Board or Chairman or Managing Director.
- iii. The CIO shall immediately on receipt of the complaint, initiate all such proceedings and enquiries as may be required to gather information regarding the alleged leak of UPSI.

a) To take Cognizance of the matter:

The CIO shall within a period of 4 (four) 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:

- 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 may be initiated.

b) Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise which shall be conducted by the Chief Investor Relation Officer. The object of preliminary enquiry 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 Chief Investor Relation Officer if required may appoint and / or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

c) Report of Preliminary Enquiry:

The Chief Investor Relation Officer or Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Managing Committee or the Board or Chairman or Managing Director within 7 (seven) days from the date of his appointment on this behalf.

d) Disciplinary Action:

The Chief Investor Relation Officer or Person(s) appointed/authorized to enquire the matter shall, basis the Report of the Preliminary Enquiry, take disciplinary action against the complaine. The Disciplinary Action(s) shall include, wage freeze, suspension, recovery, claw back, termination etc., as may be decided by the Managing Committee or the Board or Chairman or Managing Director, in addition to the penal provisions under GIL Code of Conduct for prevention of Insider Trading or SEBI Act or any other statutory enactments, as applicable.

10) Amendment:

The Board of Directors / Managing Committee of 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 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.

Annexure I

Format for Intimation of Actual or Suspected leak of UPSI to the Stock Exchanges
(Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

To,
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001.

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.

Ref.: BSE Scrip Code No. "500164"

Ref: "GODREJIND"

Dear Sir / Madam,

Sub: Intimation of actual or suspected leak of UPSI pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 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 Information	
Whether any action initiated by the Company.	Yes/No
If yes, narration of the same	
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,
Yours faithfully,

For Godrej Industries Limited

Compliance Officer

Annexure II

Format for Reporting Actual or Suspected leak of UPSI to 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. "500164"

Ref: "GODREJIND"

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 Information	
Whether any action initiated by the Company. If yes, narration of the same	Yes/No
Any other information.	

Request you to take the aforementioned on your records.

Thanking you,

Yours faithfully,

For Godrej Industries Limited

Compliance Officer