

3i Infotech Limited
Policy and Procedure for Inquiry in the Event of Leak or Suspected Leak of Unpublished Price Sensitive Information

This “Policy on conducting an inquiry in the event of leak or suspected leak of unpublished price sensitive information”, as may be amended from time to time (the “**Policy**”) has been formulated under Regulation 9A(5) of the Securities and Exchange Board of India Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (the “**PIT Regulations**”), with an objective to put in place a framework for inquiry in the event of leak or suspected leak of unpublished price sensitive information.

The Policy was approved by the board of directors of 3i Infotech Limited (the “**Company**”) on April 10, 2019 and is effective from April 1, 2019. The amendments to the Policy, if any, approved by Board of the Company from time to time will be effective from the date of the Board meeting in which the amendments have been approved.

DEFINITIONS

For the purpose of this Policy, unless the context otherwise requires, the following words, expressions and derivations therefrom shall have the meanings assigned to them as under:

“**Board**” shall mean the Board of directors of the Company;

“**Client**” means any Indian company, which has Securities listed or traded on a recognized stock exchange in India and for whom the Company is acting or may act in future as an intermediary within the meaning of Section 12 of SEBI Act, 1992.

“**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund and includes Securities of the Clients and the Company.

“**PIT Regulations**” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;

“**Policy**” shall mean this “Policy for conducting an inquiry in case of leak or suspected leak of unpublished price sensitive information”, as amended from time to time, formulated under Regulation 9A(5) of the PIT Regulations;

“**Unpublished Price Sensitive Information**” or “**UPSI**” shall mean any information, relating to the Company or the Client or their respective Securities, directly or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:

- financial results;
- dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- changes in key managerial personnel; and
- Subject to the above, the Board or any person authorized by the Board may identify and categorize such types of information as the may deem fit as non UPSI having regard to the business of the Company.

Words and expressions used and not defined herein shall have the meanings assigned to them in 3i Infotech Code of Conduct for Prevention of Insider Trading by Designated Persons.

INQUIRY COMMITTEE

The Board shall constitute an Inquiry Committee which shall comprise of [Chairman of the Audit Committee], and such other members as the Board may deem fit (the “**Inquiry Committee**”), who shall:

- deal with any leak of UPSI or suspected leak of UPSI, upon becoming aware of such leak;
- conduct inquiries as laid out in this Policy in case of such leaks or suspected leaks and inform the Board promptly of such leaks, inquiries and result of such inquiries.

QUORUM OF THE INQUIRY COMMITTEE PROCEEDINGS

While conducting an inquiry, a minimum of 2 (two) members of the Inquiry Committee shall be present either in person or through electronic mode at any meeting of the Inquiry Committee. The Inquiry Committee may designate such additional persons to attend and participate in an inquiry conducted by the Inquiry Committee as it deems fit. If during any meeting of the Inquiry Committee, the minimum quorum requirement is not satisfied, or in the case where any member of the Inquiry Committee is under investigation, then any of the members of the Board shall have the power to nominate an alternate member(s) in place of such member who is not available or cannot be present to conduct the inquiry.

PRELIMINARY INQUIRY

- The Inquiry Committee shall promptly, upon becoming aware or otherwise on receipt of information regarding a leak or suspected leak of UPSI by any person, hold a meeting and take cognizance of the matter.
- In the event the Inquiry Committee finds the allegations regarding leak or suspected leak of UPSI to be frivolous, not maintainable or outside the scope of this Policy, the Inquiry Committee may dismiss such allegation, or refer such matter to the relevant department or individual within the Company as it deems fit.
- In the event the Inquiry Committee finds that the allegation regarding leak or suspected leak of UPSI requires further investigation, it may initiate the inquiry process described below.

INQUIRY PROCESS

- The Inquiry Committee shall investigate further into the allegation regarding leak or suspected leak of UPSI by collecting relevant information required to ascertain such allegations.
- The Inquiry Committee may appoint external advisers as consultants to assist them in the inquiry process;
- The Inquiry Committee may require the head of the relevant departments of the Company viz., finance, compliance department etc., which had access to the relevant UPSI or to which the UPSI is related (“**Relevant Person**”) to provide all necessary information required to determine the details of such leak or suspected leak of UPSI.
- The Inquiry Committee may obtain emails and records of the Relevant Persons in the department where the leak could have originated from the IT department. The Inquiry may also seek any other information as it deems fit from other departments of the Company;
- The Relevant Person is required to file its reply to the information sought by the Inquiry Committee, along with the list of documents, names and addresses of persons with whom the information may have been shared etc., within the period stipulated by the Inquiry Committee;

- The Relevant Person may be required by the Inquiry Committee to produce any document in relation to UPSI of the Company/Client, including but not limited to the Company / Client account statements, demat account statements or transaction statements for the Relevant Person as well as for his/her Immediate Relatives, if applicable;
- Every Relevant Person shall be provided with an opportunity to be heard;
- The Inquiry Committee shall record the proceedings of every meeting with the Relevant Persons and ensure that requisite information and documentation is made available for the perusal of the Board in this regard.
- Upon perusal of information provided by the Relevant Person and pursuant to the inquiry proceedings, the Inquiry Committee shall submit its report and recommendations to the Board. Such inquiry shall be completed by the Inquiry Committee in a timely manner.
- The Board shall take such action as prescribed under the 3i Infotech Code of Conduct for Prevention of Insider Trading by Designated Persons as well as the PIT Trading Regulations.
- In the event an inquiry has been initiated in relation to leak of UPSI or suspected leak of UPSI of the Client, the Inquiry Committee shall co-operate with the Client in connection with such inquiry and assist the Client to carry out such inquiry in accordance with the Client's internal policy and procedures for inquiry of leak or suspected leak of UPSI and the PIT Trading Regulations.
- During the pendency of the inquiry proceedings, the Inquiry Committee may restrain the Relevant Person from accessing any such document/email, from which, in the opinion of the Inquiry Committee, the leak or suspected leak may have originated.

POWERS OF THE INQUIRY COMMITTEE

- The Inquiry Committee shall have the powers to summon and enforce the attendance of any person and conduct an examination, request the production of documents and / or any other matter which is deemed necessary for the inquiry process.
- Any refusal by the Relevant Person or an employee of the Company to attend the inquiry proceedings when summoned or to provide to the Inquiry Committee any documents and / or information within his / her power or possession shall constitute as misconduct, rendering such Relevant Person or employee, as the case may be, liable to disciplinary action as the Inquiry Committee or Board may deem fit.
- The Inquiry Committee shall have the power to investigate or deal with such matter per this Policy. Further, the Inquiry Committee shall have the power to seek any information from the departments of the Company, as the Inquiry Committee may deem fit.
- The Inquiry Committee shall have the right to terminate the inquiry proceedings or to give an ex-parte decision on the Relevant Person, if the Relevant Person fails, without sufficient cause, to present themselves, for any meeting convened by the Inquiry Committee.
- The Inquiry Committee shall have the right to direct the Relevant Person to refrain from deleting/erasing records from mobile devices in use by such Relevant Person and also submit such mobile device(s) to the Inquiry Committee for inspection.

AUTHORITY TO MAKE ALTERATIONS

The Board is authorised to make such alterations to this Policy from time to time as considered appropriate.

The provisions of the Policy have to be read along with the PIT Regulations and if there is any inconsistency/contradiction between the two, the provisions of the PIT Regulations shall prevail.