

REAL GROWTH CORPORATION LIMITED
(Formerly known as Real Growth Commercial Enterprises Limited)

**Institutional Mechanism for Prevention of Insider Trading
as per the Securities and Exchange Board of India
(Prohibition of Insider Trading) Regulations, 2015**

PREAMBLE:

In terms of Regulation 9A of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 the Chief Executive Officer or the Managing Director of the Company shall put in place adequate and effective system of internal control to ensure compliance with the requirements given in the above said regulations.

The Securities and Exchange Board of India (SEBI) had on January 15, 2015 notified SEBI (Prohibition of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015.

A. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING:

The Company shall have the following internal control to prevent insider trading:

- a) all employees who have access to Unpublished Price Sensitive Information (UPSI) shall be identified as Designated Persons;
- b) all UPSI shall be identified and its confidentiality shall be maintained as per the requirements of the Code and Regulations;
- c) adequate restrictions shall be placed on communication or procurement of UPSI as required by the Code;
- d) lists of all employees and other persons with whom UPSI is shared shall be maintained in the digital database and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
- e) all other relevant requirements specified under the Code shall be complied with;
- f) periodic process review, on an annual basis shall be conducted by the Internal Audit Team of the Company to evaluate the effectiveness of internal controls in place.

The Board of Directors of the Company shall ensure that the Chief Executive Officer or the Managing Director ensures compliance with Regulation 9 and Regulation 9A (1) and (2).

The Audit Committee of the Company shall review compliance with the provisions of the Code, at least once in a financial year, on the basis of the Internal Audit Report presented and shall verify that the systems for internal control are adequate and are operating effectively.

A written policy and procedures for inquiry in case of leak of UPSI or suspected leak of UPSI has been formulated by the Company and duly approved by Board. This policy has been annexed as **Annexure- I**.

The Chairman of Audit Committee of the Company shall initiate appropriate inquiries on becoming aware of leak of UPSI or suspected leak of UPSI and promptly inform SEBI. If enquiry has been initiated by the Company, the relevant intermediaries and fiduciaries shall co-operate with the Company with such conduction inquiry.

B. WHISLER BLOWER POLICY FOR REPORTING OF LEAKAGE OF UPSI

The Compliance officer shall make aware the employee about the whistle blower policy to report instances of leak of unpublished price sensitive information (UPSI). The employee can report any suspected leak of UPSI as per whistle blower policy of the Company uploaded on the website of the Company.

The whistle blower shall be protected from unnecessary victimization. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. The policy ensures complete confidentiality in this regard.

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures.

The provisions or expressions not defined in this whistle blower policy but defined under vigil mechanism/ whistle blower policy framed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 shall apply *mutatis mutandis* to this policy also.

Annexure-I

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

[Under Regulation 9A of Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015]

1. Background

Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended (“**SEBI PIT 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 inquiries on becoming aware of leak of unpublished price sensitive information and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

2. Applicability

This Policy shall be applicable with effect from April 1, 2019.

3. Scope

This Policy deals with-

- a) Formulating procedures for inquiry such as initiating inquiry, reporting, etc. in case of leak or suspected leak of UPSI.
- b) Strengthening the internal control system to prevent leak of UPSI.
- c) Penalizing any insider who appears to have found guilty of violating this policy.

4. Definitions

The definitions of some of the key terms used in the Policy are given below. Capitalized terms are not defined herein shall have the meaning assigned to them under the Code/SEBI Prohibition of Insider Trading Regulations, 2015 as amended from time to time.

“**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Companies in accordance with Section 177 of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”).

“Code” or “Code of Conduct” shall mean the Code of Conduct to Regulate, Monitor and Report Trading by designated persons and immediate relatives of designated persons of the Company, as amended from time to time.

‘Company’ means Real Growth Corporation Limited (*Formerly known as Real Growth Commercial Enterprises Limited*).

“Compliance Officer” means the person as defined in Code.

“Director” means the Director of Real Growth Corporation Limited (*Formerly known as Real Growth Commercial Enterprises Limited*).

“Leak of UPSI” means communication of information which is/deemed to be UPSI by any person, who is in possession of UPSI, to any other person, directly or indirectly, overtly or covertly, or in any manner whatsoever, except for legitimate purposes, performance of duties or discharge of legal obligations.

“Suspect” means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.

"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, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.

“Whistle Blower” means an employee making a report of leakage of UPSI.

“Working days” means working days of the Company.

Words and expressions used and not defined in this mechanism but defined in the Code of Conduct to Regulate, Monitor and Report Trading by designated persons and immediate

relatives of designated persons of the Company, as amended from time to time shall have the meanings respectively assigned to them in that Code.

5. PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UPSI:

a) Source of information relating to leak of UPSI

The Chairman of Audit Committee may on becoming aware suo moto or on receipt of a written intimation of leak or suspected leak of UPSI from:

- the Suspect;
- any other person, including employees of the Company; and
- regulators.

follow the below mentioned procedure in order to inquire and/or investigate the matter.

b) Preliminary Inquiry:

The object of preliminary inquiry is fact-finding, 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 initiate further investigation/inquiry.

The Chairman of Audit Committee shall forthwith forward such intimation to CEO and/or CFO to conduct a preliminary inquiry headed by Compliance Officer. The said inquiry shall be completed within 2 working days from the date of receipt of such intimation and report thereof shall be circulated to the Chairman of Audit Committee/CEO/CFO and Compliance Officer.

c) Intimation of Leak or suspected Leak of UPSI

If in the opinion of Chairman of Audit Committee/CEO/CFO and Compliance Officer, the preliminary inquiry report warrants further investigation, the same shall be submitted to:

- The Board of Directors; and
- Inquiry Committee for detailed investigation.

The Compliance Officer shall simultaneously intimate SEBI about such Leak or suspected Leak of UPSI.

d) Inquiry Committee

Inquiry Committee shall consist of the following persons or any person nominated by such officers from their department-

- Chief Financial Officer;
- Head of Legal;
- Head of Information Security;
- Head of Human Resources; and
- Any other person nominated by Chief Executive Officer/Managing Director.

If any member of Inquiry Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and other members of Inquiry Committee should deal with the matter on hand.

e) Investigation by Inquiry Committee

Upon receipt of the report of the preliminary inquiry and all other supporting documents, the Inquiry Committee is required to initiate the investigation. The said investigation shall be completed within 15 working days from the date of receipt of report of the preliminary inquiry. The Inquiry Committee's investigation report shall be submitted to the Audit Committee/ Board of Directors immediately, and such report shall also be submitted to SEBI simultaneously.

6. POWERS OF THE INQUIRY COMMITTEE

For purpose of conducting inquiry, the Inquiry Committee may:

- a) call upon
- such employees/individuals to seek clarification or information pertaining to the leak;
 - persons / members of committees involved in generation of the original data for purpose of determination of key figures pertaining to financial figures;
 - persons involved in the consolidation of the figures for the financial results;
 - persons involved in the preparation of board notes and presentations;
 - persons involved in dissemination of information relating to financial results in; and
 - any market intermediaries, fiduciaries and other person/ entities who have access to UPSI for inquiry conducted for leak of such UPSI.

- b) at its discretion, invite external investigators/experts.
- c) take necessary actions including sending the Suspect on leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings.
- d) keep the identity of the Suspect confidential till the completion of inquiry unless it is essentially required for the purpose of investigation.
- e) notify the Suspect of the allegations at the outset of internal investigation and provide him opportunity to represent his case and submit evidence.
- f) do all such acts, deeds, matters and things as are necessary for the purpose of conduct of internal investigation.

7. RIGHTS AND OBLIGATIONS OF THE SUSPECT:

- a) The Suspect shall-
 - co-operate with the Inquiry Committee during the investigation process.
 - have a right to consult with a person or persons of their choice, other than members of Inquiry Committee.
 - right to be informed of the outcome of the investigation
- b) The Suspect(s) has the responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Suspects.
- c) Unless there are compelling reasons not to do so, Suspects will be given the opportunity to respond to material findings contained in investigation report. No allegation of wrongdoing against a Suspect shall be considered as maintainable unless there is good evidence in support of the allegation.

8. CONSEQUENCES OF NON-COMPLIANCE

- a) On receipt of report of inquiry committee, the Compliance Officer shall forthwith forward such report to Audit Committee.

- b) The disciplinary action against Suspect may be taken within 15 working days from receipt of investigation report by Audit Committee in consultation with Board of Directors or any other person authorized by the Board.
- c) The disciplinary action may include wage freeze, suspension, recovery, clawback, ineligibility for future participation in the Company's stock option plans or termination, as may be decided by the Audit Committee or the Board of Directors or any other person authorized by the Board.
- d) SEBI or any other appropriate regulatory authority would also be informed of such violation who may take appropriate action against the Suspect.