



Since 1907

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POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

I INTRODUCTION

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (hereinafter referred to as "the said regulations") dated 31st December, 2018, mandates every listed company to formulate a written policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information (UPSI) and initiate appropriate inquiries on becoming aware of leak or suspected leak of UPSI and inform the Board, promptly, of such leaks, inquiries and results of such inquiries.

Accordingly, the Board of Directors of Jost's Engineering Company Limited ("Company") has approved this policy and procedure for inquiry, in case of leak or suspected leak of UPSI, at its meeting held on 18th May, 2019 and the said Policy and Procedure to be effective from the said date.

II OBJECTIVE

The objective of the policy is to establish a process to initiate appropriate inquiries on becoming aware of leak or suspected leak of UPSI and inform the Board, promptly of such leaks, inquiries and results of such inquiries.

III DEFINITIONS

"Board" means the Securities and Exchange Board of India.

"Compliance Officer" means the compliance officer appointed by the Board of Directors of the Company

"Chief Investor Relations Officer" or **"CIRO"** means as defined in the Company's Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

"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 the person(s) to whom the UPSI may be disclosed for legitimate purposes as provided in Company's Code of Practices & Procedures for Fair Disclosure of UPSI and/or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/ or SEBI (Prohibition of Insider Trading) Regulations, 2015, or any other law as may be applicable for the time being in force and any amendment, re-amendment or re-enactment thereof.

"Unpublished Price Sensitive Information" or **"UPSI"** means any information, relating to the Company or its Securities, directly or indirectly, that is not generally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.

The terms used but not defined herein shall have the meanings as ascribed to such terms in the Regulations.

IV Constitution of Inquiry Committee of the Company

For the purpose of conducting inquiry, in case of leak or suspected leak of UPSI, there shall be constituted Inquiry Committee of the Company ("Committee"). This Committee will be consisting of three members, which include Vice- Chairman & Managing Director, Chief Investors Relation Officer and Company Secretary. The Vice-Chairman and Managing Director of the Company will be the chairman of the Committee.

V Procedure for Inquiry in case of Leak or suspected leak of UPSI

The Chief Investors Relation Officer or any other person, immediately on becoming aware of the leak or suspected leak of UPSI, shall report such leak of UPSI, to Inquiry Committee. The Inquiry Committee shall meet within a period of 2/ 3 working days, after reporting of the aforesaid leak of UPSI, to discuss and investigate the matter. If it is found that the allegation is frivolous, the same may be dismissed. If it is found that the allegation requires further investigation, the Inquiry Committee may initiate the preliminary enquiry.

a. Preliminary Inquiry

Preliminary Inquiry is a fact-finding exercise and for this purpose, the Inquiry Committee will nominate a competent person within the Company, to ascertain the truth or otherwise of the allegations regarding leak or suspected leak of UPSI and to collect necessary material, in support of the allegations.

The Inquiry Committee, if required, may appoint any other competent person, outside the Company, to initiate/ conduct an inquiry in connection with alleged leak or suspected leak of UPSI and to ascertain the truth in this regard.

b. Report of Preliminary Inquiry

The person nominated within the Company or any other competent person appointed by the Inquiry Committee, to investigate and find the fact of the allegation/complaint regarding actual or suspected leak of UPSI, shall submit a report to the Inquiry Committee, within 7 days of completion of the preliminary inquiry.

c. Disciplinary Action:

On receipt of report of preliminary inquiry, if the Inquiry Committee is of the opinion that any of the employees of the Company found to be guilty of leaking actual/ suspected UPSI, then in that event, the Inquiry Committee shall take disciplinary action against such an employee and the disciplinary action may include wage freeze, suspension, recovery, termination etc., as may be decided by the Inquiry Committee.



In addition, the action, if any, that may be initiated by the Board.

VII Reporting of leak or suspected leak of UPSI to the Board

- i. Immediately on reporting of leak or suspected leak of UPSI by the Chief Investors Relation Officer or any other person to the Inquiry Committee, the Compliance officer of the Company shall report such incidents of leak or suspected UPSI to the Board by giving information in the form, the format of which is annexed to this policy.
- ii. Within two/three working days of receipt of Preliminary Inquiry Report, the Inquiry Committee shall direct the Compliance Officer to inform the Board about the result of preliminary Inquiry. The Compliance Officer shall comply with this direction promptly.

VII Amendment to the Policy

In case any amendment is to be made to the Policy, the same shall be made with the approval of the Board of Directors of the Company.

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