

Jullundur Motor Agency (Delhi) Limited ("JMADL" / "COMPANY")



**Policy
for
Leak of Unpublished Price Sensitive Information (UPSI)**
[Pursuant to Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015]
Effective from 01st April, 2019

BACKGROUND:

The Committee constituted by Securities and Exchange Board of India (“SEBI”) to review the Insider Trading Regulation noted the recent cases of leak of Unpublished Price Sensitive Information (“UPSI”) related to listed entities on Instant Messaging apps. Such information originates from within the company and affects the listed company in terms of its market price as well as loss of reputation and loss of investors’ / financiers’ confidence in the company.

Leakage of UPSI from a company is a matter of serious concern not only for the regulator but for the company as well, and listed companies should take responsibility to find out sources responsible for the leakage and plug loopholes in the internal control systems to prohibit reoccurrence of such leakage of UPSI.

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mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the SEBI / Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Jullundur Motor Agency (Delhi) Limited (“**Company**”) has laid down this policy for Procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information (“**the Policy**”).

APPLICABILITY:

This Policy shall come into effect from April 1, 2019.

Objective:

Objectives of this Policy are:

- i) To strengthen the internal control system to prevent leak of UPSI;
- ii) To restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company and which affects the market price of the Company as well as loss of reputation and loss of investors’ / financiers’ confidence in the company;
- iii) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employee & Designated Persons with any person, firm, Company or Body Corporate;
- iv) To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and promptly inform the same to SEBI;
- v) To take disciplinary actions, if deemed fit against any Insider, Employee & Designated Persons who appears to have found guilty of violating this Policy, apart from any other action that SEBI may initiate/take against the Insider, Employee & Designated Persons, as the case may be.

SCOPE:

To lay down the procedure(s) for inquiry in case of leak or suspected leak of UPSI and inform the SEBI / Board promptly of such leaks, inquiries and results of such inquiries.

DEFINITIONS:

- i) **“Chief Investor Relation Officer” (“CIO”)** shall mean the Compliance Officer of the Company appointed by the Board of Directors under Securities and Exchange Board India (Prohibition of Insider Trading) Regulations, 2015;
- ii) **“Support Staff”** shall include IT Staff, Secretarial & Legal Staff, Finance Staff, who have access to UPSI;
- iii) **“Unpublished Price Sensitive Information” (“UPSI”)** shall mean any information, relating to a company or its securities, directly or indirectly, that is not generally available in the public domain, which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:
 - a) Periodical Financial Results of the Company;
 - b) Intended declaration of dividends (Interim, Special and Final);
 - c) Change in capital structure i.e. Issue of securities, Buy - Back of securities, Split, Consolidation of Shares or any forfeiture of shares and such other transactions of similar nature or change in market lot of the Company’s shares;
 - d) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, Disposals, Spin Off or Selling Division of Whole or Substantially Whole of the Undertaking and Expansion of Business and such other transactions;
 - e) Changes in Key Managerial Personnel.

Note:

Words and expressions used and not defined in this Policy but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and the Rules and Regulations framed there under shall have the meanings respectively assigned to them in those legislation.

- iv) **“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 a person(s) authorized by the Board or Chief Investor Relation Officer (CIO) 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, or any other law may be applicable for time being in force and any amendment, re-amendment or re-enactment thereof.

DUTIES OF CHIEF INVESTOR RELATIONS OFFICER (“CIO”):

The CIO shall be responsible:

- i) To oversee the compliance of this policy;
- ii) To co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Inquiry committee;
- iii) To intimate the incident of actual or suspected leak of UPSI to the Stock Exchanges and / or SEBI, as may be required;
- iv) To oversee the compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

On becoming aware of actual or suspected leak of UPSI 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 and SEBI, in the formats as set out in “Annexure-A” & “Annexure-B” respectively to this Policy.

CONSTITUTION OF INQUIRY COMMITTEE:

In case of actual or suspected leak of UPSI, a Committee shall be constituted by the Board of Directors to be called as “**Inquiry Committee**” to perform such duties as may be prescribed by this Policy or by any other applicable law, rules or regulations, dealing with leak or suspected lead of UPSI and/or insider trading, for the time being in force.

The Inquiry Committee shall consist of minimum 3 (three) Members which shall include Managing Director, Chief Financial Officer and Chief Investor Relation Officer and / or any other officer(s) of the Company as the Board of Directors, may deem fit.

Board of Directors reserves the right to change/alter/re-constitute the Inquiry Committee as may be required from time to time.

DUTIES OF INQUIRY COMMITTEE:

The Inquiry Committee shall be responsible;

- a) To conduct a preliminary inquiry 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 on the actions including disciplinary action thereon.

PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UPSI:

The Inquiry Committee shall *suo-moto* becoming aware or otherwise, of actual or suspected leak of UPSI of the Company by any of Promoter(s), Director(s), Key Managerial Person(s), Insider(s), Employee(s), Designated Person(s), Support Staff(s) or any other known or un-known person(s), shall follow the below mentioned procedure in order to inquire and/or otherwise investigate the matter.

(a) To take Cognizance of the matter:

The Inquiry Committee shall meet within a period of 2 (two) working days after receipt of the information of actual or suspected leak of UPSI 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 Inquiry may be initiated.

(b) Preliminary Inquiry:

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

(c) Report of Preliminary Inquiry to the Board of Directors of the Company:

Inquiry Committee or person(s) appointed/authorized to inquire the matter of actual or suspected leak of UPSI shall submit report to the Board of Directors of the Company within 7 working days from the date finalization of report.

(d) Disciplinary Action:

The Disciplinary Action(s) shall including but not limited to wage freeze, suspension, recovery, termination etc., as may be decided by the Members of the Inquiry Committee, in addition to the action to be initiated by SEBI, if any, and / or the Board of Directors of the Company.

AMENDMENT:

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 applicable law, rule, regulation etc. shall take precedence over this Policy.

Any change in this Policy shall be approved by the Board of Directors of the Company. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and/or any other laws in this regard shall automatically apply to this Policy.

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]

Date:

The Manager
 National Stock Exchange of India Limited
 Exchange Plaza, Plot No C/1, G Block,
 Bandra- Kurla Complex,
 Bandra (East), Mumbai – 400 051
 Fax No. : +91-22-26598237/38
 Telephone No: +91-22-26598235/36, 8346

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

Dear Sir / Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby report the details of 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	
Date on which information came into the knowledge of CIO / Inquiry Committee	
Any other information	

Request you to take the aforementioned on your records.

Thanking you,

Yours truly,

For Jullundur Motor Agency (Delhi) Limited

Chief Information Relation Officer

Format for Reporting Actual or Suspected leak of UPSI to the SEBI
[Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015]

Date:

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

**Sub: Report of actual or suspected leak of UPSI pursuant to Regulation 9A (5) of SEBI
 (Prohibition of Insider Trading) Regulation, 2015**

Dear Sir/Madam,

Pursuant to Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulation, 2015, we hereby report the details of 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	
Date on which information came into the knowledge of CIO / Inquiry Committee	
Date of intimation to Stock Exchange whereon securities of the Company are listed	
Any other information	

Request you to take the aforementioned on your records.

Thanking you,

Yours truly,

For Jullundur Motor Agency (Delhi) Limited

Chief Information Relation Officer