

POLICY AND PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)

[Under Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015]

BACKGROUND

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mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate action on becoming aware of leak of unpublished price sensitive information and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of Gammon Infrastructure Projects Limited (“**GIPL**”) has laid down this “**Policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information**” (the ‘**Policy**’).

OBJECTIVE

- (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 investors’ / financiers’ / other stakeholders’ confidence in the Company;
- (iii) To have a uniform code to curb the un-ethical practices of sharing UPSI by Insiders, Employees & 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 inform the same to the Securities and Exchange Board of India (“**SEBI**”) promptly;
- (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 action that SEBI may initiate/take against the Insider(s), Employee(s) & Designated Person(s).

SCOPE

To lay procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

APPLICABILITY

This policy shall apply to all Insiders, Employees, Designated Persons, immediate relative of Designated Persons and any other persons connected with the Company in possession of or having access to unpublished price sensitive information with effect from April 1, 2019.

DEFINITIONS

“Audit Committee” shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Board” shall mean the Board of Directors of Gammon Infrastructure Projects Limited

“Designated Persons” shall cover all employees whether contractual or otherwise, persons / entities stated under Regulation 9(4) of SEBI (Prohibition of Insider Trading) Regulations, 2015 and other connected persons as defined under Regulation 2(d) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

“Leak of UPSI” shall mean communication or sharing / disclosing of information which is / shall be UPSI by any Insider, Employee & Designated Persons or any other known person other than a person(s) authorized by the Board of Directors of the Company without 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 and any amendment, re-amendment or re-enactment thereto.

“Support Staff” shall include IT Staff, Secretarial Staff, Legal Staff, Finance Staff and Accounts Staff, Secretaries to Key Managerial Personnel (KMPs) who have access to unpublished price sensitive information.

Un-published Price Sensitive Information (“UPSI”) shall mean 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 include but not restricted to, information relating to the following;

- a) Periodical Financial Results of the Company;
- b) Intended declaration of dividends (Interim and Final);
- c) Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company's shares or otherwise;
- d) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, Disposals, Spin Off or Selling Division or Whole or Substantially Whole of any Undertaking and such other transactions;
- e) Any major expansion or diversification plans or new major projects or any significant changes in policies, plans or operations of the Company;
- f) Changes in Key Managerial Personnel;
- g) Material events in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- h) Any other matter as may be prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or Companies Act, 2013 to be price sensitive, from time to time.

PROCESS OF INQUIRY IN CASE OF LEAK OF UPSI OR SUSPECTED LEAK OF UPSI

1. Inquiry under this policy shall commence based on a written complaint received from any employee, support staff, department of the Company, Registrar and Share Transfer Agent, Designated Person, Depository, Stock Exchange, Regional Director or any official thereof, Registrar of Companies or any official thereof, regulatory /statutory authority or any other department of Central or State Government.
2. The complaint shall, *inter alia*, state particulars / details of the complainant. The complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
3. The complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director or Chief Financial Officer or Compliance Officer, by whatever name called unless such KMPs are involved in such leak of UPSI.
4. Within 5 (five) working days of receipt of the complaint, the Compliance Officer shall write to the complainant intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter. If Compliance Officer feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company, then he will discard the complaint with reasons recorded in writing.
5. Within 7 (seven) working days of receipt of representation, the Compliance Officer shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, Compliance Officer may call for such additional documents, representations, etc. as he may deem fit.
6. If no representation is received within the aforesaid stipulated time, the Compliance Officer shall issue notice to the complainant asking him to show cause as to why the Company should not initiate disciplinary proceedings, as may be applicable, against him.
7. On completion of the preliminary investigation under point 5, receipt of reply to the show cause notice issued under point 6 or on non-receipt thereof, Compliance Officer shall refer the matter to the Chairman of the Audit Committee, along with his opinion, for his consideration.
8. Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall actually convene the concerned meeting within a period of 45 days of receipt of opinion of Compliance Officer.
9. The Audit Committee shall consider the matter and put forward its recommendations to the Board. The Board, on receipt of such recommendation and, after due review, if forms an opinion that the person engaged or involved in leak of UPSI is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary proceedings of the Company, which will be in addition to the penal provisions stated under SEBI(Prohibition of Insider Trading) (Amendment) Regulations, 2018 and any other statutory enactments, as may be applicable.

10. The Company, *suo moto*, reserves the right of initiating an inquiry under this Policy against any Designated Person if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
11. This Policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted or which are available under the existing Vigil Mechanism Policy of the Company.
12. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other relevant legislation / law applicable to the Company, as amended from time to time.

The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.

This Policy has been adopted by the Board of Directors of the Company in its meeting held on March 11, 2019.