

**CODE OF PRACTICES AND PROCEDURES OF FAIR DISCLOSURE OF  
UNPUBLISHED PRICE SENSITIVE INFORMATION**

**Preliminary**

This Code of practices and procedures of fair disclosure of unpublished price sensitive information (“Code”) is framed pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”), as amended from time to time. This Code has been framed with an aim to ensure fair disclosure of unpublished price sensitive information, that **Jay Bharat Maruti Limited** (“Company”) would follow in order to adhere to each of the principles set out in Schedule A to the Regulations without diluting the provisions of the Regulations in any manner, by the Company to the Stock Exchanges and disseminate on a continuous and prompt basis.

Further, the Code also provides the manner in which the Company may consider ways of supplementing information released to Stock Exchanges by improving Investor access to their public announcements.

**Overseeing and Co-ordinating Disclosure**

The Board has nominated the Company Secretary and Compliance Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

Policy for determination of legitimate purposes (“Policy”) forms part of this Code and is annexed hereto as Annexure-A.

**Code**

Code of practices and procedures for fair disclosure of unpublished price sensitive information (“UPSI”) is set out below:

- a) Prompt public disclosure of unpublished price sensitive information that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available;
- b) Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure;
- c) Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available;
- d) Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities; e. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information
- e) Developing best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made;
- f) Handling of all unpublished price sensitive information on a need-to-know basis.
- g) A Designated Person may communicate, provide or allow access to any UPSI, in furtherance of legitimate purposes, performance of duties and discharge of legal obligations subject to making subsequent entry in the SDD by sending a prior notice of sharing of UPSI and compliance of Institutional Mechanism and JBML Code of conduct on Prevention of Insider Trading.

### **Responding to Market Rumours**

All queries or requests for verification of market rumours by exchanges shall be directed to the Company Secretary and Compliance Officer and be sent at the following address:

**Mr. Ravi Arora**  
**Jay Bharat Maruti Ltd.**  
**Plot No. 9, Institutional Area, Sector -44,**  
**Gurugram, Haryana – 122003**

The Company Secretary and Compliance Officer on receipt of such requests shall respond appropriately and fairly to the queries on news reports and requests for verification of market rumours by regulatory authorities within a reasonable time.

### **Disclosures**

The Company shall ensure that this Code is published on the official website of the Company;

### **Review and Amendments**

The Board of Directors will review the Code and amend the same as and when required or at least once in three years. Any amendment to any applicable law, rules and regulations will become applicable on the Code and/ or the Policy and shall supersede anything mentioned in the Code and/or the Policy.

**POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES**

**A. INTRODUCTION**

The Policy for determination of legitimate purposes forms part of the “Code of Practices and Procedures of Fair Disclosure of Unpublished Price Sensitive Information” (“Code”) and has been formulated pursuant to Regulation 3(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Regulations”) and will be termed as the “Policy for determination of Legitimate Purposes” (“Policy”).

The objective of the Policy is to identify the legitimate purposes for sharing Unpublished Price Sensitive Information of the Company, if any, during the course of performance of duties or discharging legally bona-fide obligations.

**B. DEFINITIONS**

“Legitimate Purpose” shall include sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

“Insider” for the purpose of this Policy will mean any person who is in receipt of Unpublished Price Sensitive Information pursuant to a legitimate purpose.

“Ordinary Course of Business” means the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association. The Board including its Committees thereof may lay down principles for determining ordinary course of business in accordance with statutory requirements and other industry practices and guidelines.

“Unpublished Price Sensitive Information” will have the same meaning as defined in the Regulations and the Code of Conduct formulated by the Company under regulation 9(1) of the Regulations.

**C. UNDERSTANDING “LEGITIMATE PURPOSE”**

The dictionary meaning of the word legitimate is:

- a thing in accordance with law or established legal forms and requirements;
- conforming to recognized principles or accepted rules and standards

A legitimate act is one which is acceptable or recognized as genuine, valid or confirming to established codes, customs, rules or standards of conduct.

To determine an act as legitimate, the following test may be taken into consideration:

- i. **Purpose** – The purpose of sharing the information should be within the ambit of law or in furtherance of discharge of official duties.

- ii. **Necessity** – The purpose of sharing an information should be necessitated by law or should be as per the official duties. Legitimacy of an activity can be tested in relation to another activity. It should be essential to achieve the desired results/ complete the activities assigned.
- iii. **Balance** – There should not be any conflict of interest in the personal goals of an individual and organizational goals. An activity overridden by individual's interest or benefit cannot be termed as legitimate. For instance, where an information is shared for personal interest or benefit, the sharing of information cannot be termed as legitimate purpose.

Whilst these tests may help qualify an act for a legitimate purpose, it will vary from case to case basis that the information shared was for a legitimate purpose.

#### **D. INSTITUTIONAL MECHANISM**

The Company has devised an Institutional Mechanism as per the provisions of the Regulations to include the following:

1. Internal controls to ensure compliance.
2. Obligations of Insiders.
3. Identification of UPSI and maintenance of its confidentiality.
4. Maintenance of structured digital database.
5. Chinese wall & other procedures.

This mechanism will facilitate all concerned persons to adhere to their obligations and other compliance requirements under the Code. To ensure better control and maintain the confidentiality of UPSI the Board of Directors of the Company has formulated written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive annexed as Annexure 1 to this policy documents.

**POLICY ON PROCEDURE OF INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

**1. PREAMBLE**

**Jay Bharat Maruti Limited** (hereinafter referred to as “Company”) always adheres to highest corporate governance standards and follows ethical practice in all its transactions.

The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, mandates every listed company to formulate a written policy and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information (“UPSI”) and initiate appropriate action on becoming aware of leak or suspected leak of UPSI and inform Securities and Exchange Board of India (“SEBI”) promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of the Company has laid down this policy for Procedure of Inquiry in case of leak or suspected leak of UPSI (“the Policy”).

**2. OBJECTIVES**

- To strengthen the internal control system to prevent leak of UPSI.
- 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.
- To have a uniform code to curb the un-ethical practices of sharing UPSI by Insider, employee & Designated Person or any other persons as may be determined on a case to case basis by the Board with any person, firm, company or body corporate
- To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and promptly inform the same to the SEBI.
- To take disciplinary actions, if deemed fit against any Insider, employee & Designated Person who appears to have found guilty of violating this Policy, apart from any action that SEBI may initiate/take against such person.

**3. SCOPE**

To lay down the procedures for inquiry in case of leak of UPSI or suspected leak of UPSI and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

**4. DEFINITIONS**

“Board” means the Board of Directors of the Company.

“Compliance Officer” shall mean the Company Secretary and Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI Insider Trading Regulation.

“Inquiry Committee” means the committee set up in terms hereof to conduct inquiry against any case of leak or suspected leak of UPSI.

“Leak of UPSI” shall refer to such communication of information by any Insider, employee & Designated Person of the Company, by virtue of which UPSI is made available or becomes available, by any means or mode to any person before its official publication or announcement or formal circulation in public domain.

“Structured Digital Database” shall mean the database maintained by the Company in accordance with Regulation 3(5) of the SEBI Insider Trading Regulation

“Un-published Price Sensitive Information (UPSI)” shall mean any information, relating to the 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) financial results;
- b) dividends;
- c) change in capital structure;
- d) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
- e) changes in key managerial personnel
- f) Such other information as may be specified by the Compliance Officer for this purpose.

Words and expressions used and not defined in this Policy shall have the same meanings ascribed to them in the SEBI Insider Trading Regulations.

## **5. SHARING OF UPSI**

A person who is covered under the Code and who is in possession of or having access to the UPSI, shall share the UPSI only for legitimate purposes, performance of duties or discharge of legal or statutory obligations, in adherence to the Code.

When any UPSI is shared, it must be recorded in the Structured Digital Database of the Company in the manner as prescribed in the Code.

Any non-compliance with sub clauses above will be construed as leakage of UPSI.

## **6. DUTIES OF COMPLIANCE OFFICER**

The Compliance Officer shall be responsible to:

- a) oversee the compliance of this Policy.
- b) to co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Inquiry committee.
- c) report the incident of actual or suspected leak of UPSI to the SEBI

## **7. REPORT OF ACTUAL OR SUSPECTED LEAK OF UPSI TO THE SEBI**

On becoming aware of actual or suspected leak of UPSI of the Company, whether suo-moto or by way of receipt of information from any person, the Compliance Officer shall ensure that:

- a) the matter is placed for consideration before the Inquiry Committee, and

b) a report on such actual or suspect leak of UPSI and results thereof shall be promptly informed to the SEBI upon conclusion of the inquiry.

## **8. CONSTITUTION OF INQUIRY COMMITTEE**

In case of actual or suspected leak of UPSI, a Committee shall be constituted by the Board or by the Committee of the Board or of such person(s) as may be authorized by the Board or the Compliance Officer or Committee in this behalf, to be called as "Inquiry Committee" to perform such duties as may be prescribed by this Code or by any other applicable law for the time being in force.

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

The Board or Committee of the Board may change / alter / re-constitute the Inquiry Committee as may be required from time to time.

## **9. DUTIES OF INQUIRY COMMITTEE**

The Inquiry Committee shall be responsible to:

- a) 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) authorize any person, if required, to collect necessary support material;
- c) consider the facts and circumstances and decide / direct on the matter;
- d) decide disciplinary action thereon.

## **10. PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UPSI**

The Inquiry Committee shall upon receipt of written complaint or becoming aware or otherwise, of actual or suspected leak of UPSI of the Company shall follow the below mentioned procedure in order to inquire and / or otherwise investigate the matter:

➤ **To take cognizance of the matter:**

The Inquiry Committee shall meet within a period of 2 (two) working days after receipt of the information or becoming aware of actual or suspected leak of UPSI, take cognizance of the matter and decide as follows:

- a) If it is found that the allegation is frivolous, not maintainable or outside the scope, the same may be dismissed.
- b) If it is found that the issue requires further investigation, Preliminary Inquiry may be initiated.

➤ **Preliminary Inquiry:**

Preliminary Inquiry is a fact-finding exercise which shall be conducted by the Compliance Officer. 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 and in addition to Compliance Officer may also appoint and / or authorize any person(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, including, seeking oral and written representations from any person(s) alleged to have caused the leak of UPSI.

➤ **Report of Preliminary Inquiry to the Inquiry Committee:**

The Compliance Officer or Person(s) appointed / authorized to inquire the matter of actual or suspected leak of UPSI shall submit his / her report to the Inquiry Committee within 7 days from the date of his appointment on this behalf.

➤ **Proceedings before the Inquiry Committee:**

On receipt of recommendation of Compliance Officer and after due review of evidence(s) / record(s) and representation(s) made by the person(s) alleged to have cause leak of UPSI, if the Inquiry committee forms an opinion that such person(s) is / are guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary Disciplinary Action, which will be in addition to the penal provisions stated under SEBI Insider Trading Regulations and any other statutory enactments, as applicable.

➤ **Disciplinary Action:**

The Disciplinary Action(s) shall include wage freeze, suspension, recovery, claw back, termination, etc., as may be decided by the Members of the inquiry Committee, in addition to the action to be initiated by the SEBI, if any.

**REVIEW AND AMENDMENT**

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

This complete policy document was reviewed by the Board of Directors in its meeting held on August 08, 2023.

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