

CODE OF FAIR DISCLOSURE

AND

***CODE OF CONDUCT
FOR PREVENTION OF INSIDER TRADING***

***AS PER SEBI (PROHIBITION OF INSIDER
TRADING) REGULATIONS, 2015***

1. INTRODUCTION

This Code of Fair Disclosure and Conduct for Prevention of Insider Trading (hereinafter referred to as “the Code” has been adopted by the Board of Directors of the Company in terms of The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The said code has been formulated to ensure fair disclosure of unpublished price sensitive information and to regulate, monitor and report trading by the employees and other connected persons towards achieving compliance without diluting any provisions of these regulations. This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

2. APPLICABILITY

These regulations shall be applicable to the Designated Employees and their immediate relatives and other connected persons.

3. DEFINITIONS

Board

Board means the Board of Directors of the Company i.e. Jai Balaji Industries Limited

Compliance Officer

The Board of the Company has designated the Company Secretary of the Company as the Compliance Officer reporting to the Board of Directors who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for administering compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of this codes under the overall supervision of the Board of Directors of the Company. The Compliance Officer shall provide reports of trading by insiders, if any, to the Chairman of the Audit Committee and of the Board of Directors as and when considered necessary and expedient.

Insider

Insider means any person who is:

- (a) a Connected person ; or
- (b) in possession of or having access to unpublished price sensitive information.

Designated Employees

Designated employee means:

- (a) All Directors whether Executive, Non-Executive or Independent
- (b) The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the Company Secretary
- (c) Every employee in the top three layers of the management, as may be identified by the Compliance Officer in consultation with the Managing Director of the Company.
- (d) any other employee, as may be designated by the Board from time to time, for the purpose of this Code.

Immediate Relative

Immediate Relative means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.

Designated Person

Designated Person includes Designated Employees and Connected Persons.

Unpublished price sensitive information (UPSI)

Unpublished price sensitive information 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:

- (a) financial results;
- (b) dividends;
- (c) change in capital structure;
- (d) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (e) changes in key managerial personnel; and
- (f) material events in accordance with the listing agreement.

Trading Day

Trading day means a day on which the recognized Stock Exchanges are open for trading.

All the other terms used in this Code shall have the same meaning as assigned to them under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

4. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UPSI

This Code of Fair Disclosure attempts to adhere to the following principles for fair disclosure of unpublished price sensitive information:

1. Any person in possession of any unpublished price sensitive information that would impact price discovery shall disclose the same to the Compliance Officer of the Company who shall promptly disclose such unpublished price sensitive information no sooner than credible and concrete information comes into being in order to make such information generally available;
2. Uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure;
3. The Compliance Officer shall act as the chief investor relations officer to deal with dissemination of information and disclosure of unpublished price sensitive information;
4. Prompt dissemination of unpublished price sensitive information that gets disclosed selectively, inadvertently or otherwise to make such information generally available;
5. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities;

6. Ensuring that information shared with analysts and research personnel is not unpublished price sensitive information;
7. 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;
8. Handling of all unpublished price sensitive information on a need-to-know basis.

5. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

Preservation of UPSI

All insiders who are essentially in possession of unpublished price sensitive information shall maintain confidentiality and handle such information with care. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

In case of the following transactions, unpublished price sensitive information may be communicated, provided, allowed access to or procured:

1. substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control, that entails an obligation to make an open offer under the takeover regulations and where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company;
2. any transaction which do not entail an obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company.

However, the Board of Directors would cause public disclosures of such unpublished price sensitive information available at least two trading days prior to the proposed transaction to rule out any information asymmetry in the market.

For the aforesaid purposes, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of point 1. and 2. above, and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

Need to Know

Price Sensitive Information shall be handled on a “need to know basis”. Such information should be disclosed only to those within the Company who need the information to discharge their duty or legal obligations and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of information.

Chinese Wall

Chinese Wall is designed within the organisation to manage confidential information and prevent the inadvertent spread and misuse of inside information, or the appearance thereof. Management shall understand where Chinese Walls have been set up or where they are needed according to this code or local requirements. It shall separate the areas that have access to Inside Information (“Insider Areas”) from those which do not have such access (“Public

Areas”). As such, Chinese Walls shall be designed to operate as barriers to the passing of Inside Information and Confidential Information and also as a means of managing Conflicts of Interest.

Employees working within an Insider Area should be prohibited from communicating any Confidential or Inside Information to employees in Public Areas without the prior approval of the Compliance Officer. They have a responsibility to ensure that the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately. All documents containing Insider Information which have been or are created and/or stored on a computer system by anyone must be privacy protected, with access available only to relevant persons within insider information as appropriate. Any temporary authorisation for access should be notified and monitored by the compliance officer.

There may be such designated persons who might have access to information from departments that are separated by Chinese Walls and their role may require them to cross the Chinese Wall. The number of such designated persons should be limited and they should be monitored by the Compliance Officer from time to time. They shall have the additional responsibility to ensure that Inside Information from one side of a Chinese Wall is not spread to other areas.

6. TRADING PLANS

An insider, who may be perpetually in possession of unpublished price sensitive information, may formulate a trading plan and present it to the Compliance Officer for approval and public disclosure subject to the following restrictions

- (a) Trading on the basis of such approval can commence not earlier than 6 (six) months from the date of public disclosure of such plan;
- (b) An insider cannot trade in securities for the period between 20th trading day prior to the last day of any financial period for which results (quarterly/annual) are required to be announced by the Company and the second trading day after the disclosure of such financial results to the Stock Exchanges;
- (c) Such trading plan shall entail trading for a period of not less than 12 (Twelve) months;
- (d) Such trading plan shall not entail overlap of any period for which another trading plan is already in existence so as to avoid multiple trading plans operating during the same period;
- (e) Such trading plan shall not entail trading in securities for market abuse;
- (f) the implementation of the trading plan shall not commence if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the securities of the Company are listed.

7. TRADING RESTRICTIONS

Designated persons and their immediate relatives, shall not trade in securities when the trading window is closed.

Trading Window

The Trading Window shall be closed during the following periods:

- i) From 1 (One) week prior to the declaration of financial results (Quarterly/Half-yearly/Annual) till forty-eight hours after the announcement of the financial results for the relevant period to the Stock Exchanges;
- ii) From the date of circulation of the agenda for the meeting of the Board of Directors, in which any material, price sensitive and unpublished event, including but not restricted to the following, are proposed:
 - Declaration of Dividend (interim or final);
 - Issue of securities;
 - Significant expansion plans or new projects;
 - Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, spin off of setting divisions of the Company, etc.;
 - Disposal of whole or substantially whole of the undertaking;
 - Buyback and splitting of securities;
 - Change in market lot of the company's shares, sub-division of equity shares of the company;
 - Voluntary delisting by the company from the stock exchange(s);
 - Forfeiture of shares;
 - Any action which will result in alteration in the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the company;
 - Information regarding opening, closing of status of ADR, GDR or any other class of securities to be issued abroad;
 - Cancellation of dividend/rights/bonus, etc.;
 - Changes in Key Managerial Personnel;
 - Changes in plans and operations of the Company.

The Trading Window shall open forty-eight hours after the information in respect of the above events is made generally available.

Other than the period(s) for which the Trading Window is closed, the same shall remain open for dealing in securities of the Company.

Pre-clearance of Trades

When the trading window is open, all designated persons who intend to deal in the securities of the Company (above minimum cumulative threshold of 10,000 shares and above from the last disclosure) should pre-clear the transactions as per the pre-dealing procedure as described hereunder.

- i) An application shall be made to the Compliance officer indicating the estimated number of securities that the designated person intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required in this behalf as per format as prescribed under Annexure 1.
- ii) An undertaking shall be executed in favour of the Company by such designated person as per format prescribed under Annexure 2, incorporating, inter alia, the following clauses, as may be applicable:

- (a) That the designated person does not have any access to nor have any information that could be construed as unpublished price-sensitive information upto the time of signing this undertaking.
- (b) That in case designated person has access to or receive any information that could be construed as unpublished price-sensitive information after signing this undertaking but before executing the transaction for which approval is sought, he/ she shall inform the compliance officer of the same and shall completely refrain from dealing in the shares of the Company till the lapse of 24 hours from the time such information becomes public.
- (c) That he/she has not contravened the regulations and guidelines applicable to him/her in respect of prohibition of Insider Trading as may be notified by the Company or SEBI from time to time.
- (d) That he/she has made a full and true disclosure and declarations in the matter as the compliance Officer may seek.

The compliance officer shall confidentially maintain a list of such securities as a “restricted list” which shall be used as the basis for approving or rejecting applications for preclearance of trades.

No designated person shall apply for pre-clearance of any proposed trade if in possession of unpublished price sensitive information even if the trading window is open.

Completion of Pre-cleared Dealings

All designated persons shall execute their trades in respect of securities of the Company within a period of 7 (seven) trading days after the approval of preclearance is given, failing which fresh pre-clearance would be needed for the trades to be executed.

All designated persons are required to report the details of the executed trades as per format prescribed under Annexure 3, within 4 days from the date of trade / deal. In case the trade is not undertaken a ‘Nil’ report shall be necessary.

Holding Period

All designated persons who is permitted to trade i.e. who buys or sells any number of securities of the Company shall not execute a contra trade i.e. sell or buy any number of securities during the next six months following the prior transaction.

In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the compliance officer or the compliance officer may grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered SEBI under the Act after recording in writing his/her reasons in this regard.

8. DISCLOSURE REQUIREMENTS

Initial Disclosures

- i) Every Promoter, Key Managerial Personnel (KMP) and Director of the Company shall disclose to the Company the details of securities of the Company held by him/her as on the

date of these regulations taking effect, within thirty days from the said date in Form A as prescribed under Annexure 4(a).

- ii) Every person on appointment as a KMP or a Director of the Company or upon becoming a Promoter shall disclose the details of securities held by him/her as on the date of appointment or becoming a Promoter, to the Company within 7 (seven) days of such appointment or becoming a Promoter in Form B as prescribed under Annexure 4(b).

Continual Disclosures

- i) Every Promoter, Employee and Director of the Company shall disclose to the Company in Form C as prescribed under Annexure 4(c), the number of such securities acquired or disposed off within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rupees Ten Lacs). The disclosure shall be made within 2 trading days of: (a) the receipt of intimation of allotment of shares, or (b) the acquisition or sale of shares or voting rights, as the case may be .

Disclosure by the Company to the Stock Exchanges

The Company shall within 2 days of the receipt of intimation under the above clause or from becoming aware of any such information, notify to all the Stock Exchanges where the securities of the Company are listed, the information received.

9. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT

Any designated person/insider who trades in securities or communicates any information for trading in securities in contravention of the code of conduct shall be penalised and appropriate action shall be taken by the Company. Such designated person/insider may also be subject to disciplinary action by the Company, which may include wage freeze, suspension, etc.

The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading), Regulations, 2015.

10. AMENDMENT TO THIS CODE

The Board of Directors of the Company reserves the right to amend this Code as and when it deems appropriate.

11. CLARIFICATIONS

For all queries/clarifications concerning this Code, the Directors, Officers and Designated Persons may please contact the Compliance Officer.

SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL

Date:

To,
The Compliance Officer,
Jai Balaji Industries Limited
5, Bentinck Street
Kolkata – 700 001

Sir/Madam,

Sub: Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek your approval to permit me/my immediate relatives to (singly/jointly) purchase / sale _____ equity shares of the Company as per details given below:

Sl. No.	Particulars	
1.	Name of the applicant	
2.	Name of the person intending to deal	
3.	Designation	
4.	Folio No. / DP ID / Client ID	
5.	Name of the Depository with which security account is opened	
6.	Proposed date of dealing in securities	
7.	Estimated number of securities proposed to be acquired/sold	
8.	Price at which the transaction is proposed	
9.	Mode of Transaction (Off-market/open market)	

I further enclose herewith an Undertaking in this regard in favour of the Company.

Yours faithfully,

(Signature of Designated Person)

FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

UNDERTAKING

To,
The Compliance Officer,
Jai Balaji Industries Limited
5, Bentinck Street
Kolkata – 700 001

Sir/Madam,

This is in reference to my application dated _____ for pre-clearance of the transaction w.r.t. purchase/sell of the securities of the Company.

In accordance with the applicable regulations and guidelines, I further declare that:

1. I am/my immediate relative* is not in possession of or do not have access to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) upto the time of signing this Undertaking.
2. In the event that I/my immediate relative have/has access to or receive any information that could be construed as "unpublished Price Sensitive Information", after signing this undertaking but before executing the transaction for which approval is sought, I/my immediate relative shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until the lapse of 24 hours from the time such information becomes public.
3. I/my immediate relative have/has not contravened the regulations and guidelines applicable to me in respect of prohibition of Insider Trading as may be notified by the Company or SEBI from time to time.
4. I/my immediate relative declare that have/has made full and true disclosure in the matter.

I/my immediate relative undertake to submit the necessary report within four days of execution of the transaction / a 'Nil' report if the transaction is not undertaken. If approval is granted, I/my immediate relative shall execute the deal within 7 (Seven) trading days of the receipt of approval failing which I/my immediate relative shall seek a fresh pre-clearance for the trades to be executed.

*Applicable if dealing is to be done by immediate relative.

Date:

Signature:

FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 4 days of transaction / dealing in securities of the Company)

To,
The Compliance Officer,
Jai Balaji Industries Limited
5, Bentinck Street
Kolkata – 700 001

Sir/Madam,

Sub: Intimation of dealing in securities of the Company

In accordance with the applicable regulations and guidelines on Insider Trading and the Company's Code for prevention of Insider Trading, I hereby inform you that I/my immediate relative (singly/jointly) have purchased/sold, _____ shares of the Company on _____, as per details given below:

Name of the Holder	Shares held before the transaction	No. of shares bought/sold	DP ID/Client ID	Price (Rs.)	Shares held after the transaction

I/my immediate relative hereby agree to hold the above shares for a minimum period of 6 (Six) months. In case there is any urgent need to sell these shares within the said period, I shall make necessary application to the Compliance officer for seeking approval.

Date:

Name:

Signature: