

This Code of Conduct And Fair Disclosure Policy (hereinafter referred to as "**the Code**") has been framed and adopted by board of directors (hereinafter referred as "**board**") of **J.A. FINANCE LIMITED** (hereinafter referred as "**the Company**") for and on behalf of the company in compliance with the provisions of Listing Agreement, SEBI Act & Regulation and Companies Act as applicable to all listed companies including any modifications or re-enactment thereof for better corporate governance & sustainability of corporate value, transparency, fair disclosure, ethics and safeguarding stakeholders interest.

### 1. PRELIMINARY

The expressions and words used in this code shall have their mean as defined in the relevant statute and regulations. Unless the context otherwise requires,

- i. **"Insider"** means any person who is or has:
  - a) during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including a professional or business relationship between whether temporary or permanent, that allows such person directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access also called connected person) or;
  - b) in possession of or having access to unpublished price sensitive information.
- ii. **"Unpublished price sensitive information"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which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 such as dividends, change in capital structure, mergers, de-mergers, expansion and all such material events that is likely to materially affect the price of the securities.
- iii. **"trading"** means and includes  
Subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

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### **2. PURPOSE OF THE CODE**

This Code is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the company in an ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of Employees, Board of Directors and Senior Management Personnel and to develop a culture of honesty and accountability. Additionally, this code provide the effective mechanism for fair disclosure and accountability to all the person including their relatives and / or person acting in concert dealing with the securities of the company and prohibiting insider trading on the basis of any material and unpublished price sensitive information. The code describes the mechanism to deal with security transaction by the insider and other connected persons.

The code further cast unavoidable rigid responsibility and tremendous liability to the person to whom this code is applicable. Such person shall be held personally liable for any omission or violation and / or non-disclosure of reporting event.

Moreover, the provisions of this Code can be re-enacted, amended, modified, substituted by the Board of Directors of the Company from time to time and all such amendments / modifications shall take effect from the date stated therein but shall be prospectively implemented.

### **3. APPLICABILITY**

The Code applies to the following personnel of the company: Board Members, (whether Whole Time Directors or Part Time Directors including Independent and Nominee Directors) Senior Management Personnel of the Company, Promoters & Promoter Group, Key Managerial Personnel and all other managerial personnel one level below the KMP, Insiders and other connected persons. This code further expands to person acting in concert and relatives of concerned person over and above person stated herein before.

### **4. CODE OF CONDUCT & DISCLOSURE POLICY**

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The Board Members and Senior Management Personnel including promoter group shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment. The Board Members and the Senior Management Personnel of the Company:

- a) Shall maintain and help the Company in maintaining highest degree of Corporate Governance practices.
- b) Shall act in utmost good faith and exercise due care, diligence and integrity in performing their office duties.
- c) Shall not involve in taking any decision on a subject matter in which a conflict of interest arises or which, in his opinion, is likely to arise.
- d) Shall not utilize bribery or corruption in conducting the Company's business. No Director or employee will offer or provide either directly or indirectly any undue pecuniary or other advantages for the purpose of obtaining, retaining, directing or securing any improper business advantage.
- e) **Shall not indulge them in Insider trading and shall comply with the Insider Trading Regulations as laid down by SEBI and the Company. Further, every person including board members, promoters and others shall comply with the SEBI SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVER 2011 (takeover code) And SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 (Insider regulation) disclosure requirement by disclosing / intimating necessary changes and facts to the stock exchanges where shares of company are listed and to the company upon occurrence of any such event as specified in these regulations. (For more details please refer schedules, clause 11 & 12 below of the code and consult compliance officer of the company).**
- f) Shall ensure that they shall protect the Company's assets and properties including physical assets, information and intellectual rights and not use the same for their personal gain.
- g) Shall not seek or accept any compensation (in any form), directly or indirectly, for services performed for the Company from any source other than the Company.
- h) Shall not, without the prior approval of the Board or Senior Management, as the case may be, accepts employment or a position of responsibility with any other organization for

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remuneration or otherwise that are prejudicial to the interests of the Company and shall not allow personal interest to conflict with the interest of the Company.

- i) Shall not receive any gift, payments or favor in whatsoever form from Company's business associates, which can be perceived as being given to gain favor or dealing with the Company and shall ensure that the Company's interests are never compromised.
- j) Shall maintain confidentiality of information entrusted by the Company or acquired during performance of their duties and shall not use it for personal gain or advantage. No Board Members and Senior Management Personnel shall provide any information either formally or informally, to the press or any other publicity media, unless specifically authorized. However, that Board Members and Senior Management Personnel shall be free to disclose such information as is part of the public domain at the time of disclosure/ authorized or required to be disclosed pursuant to a decision of the Board/ required to be disclosed in accordance with applicable laws, rules, regulations or guidelines or to any authority.
- k) No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a 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.
- l) Shall avoid any dealings with a Contractor or Supplier that compromises the ability to transact business on a professional, impartial and competitive basis or influence decision to be made by the Company.
- m) Shall not indulge directly or indirectly, in insider trading of securities and shall disseminate the required disclosure to the compliance officer of the company as and when any such event occurs.
- n) Shall avoid conducting business with (a) a relative (b) a Private Limited Company in which he or his relative is a Member or a Director (c) a Public Limited Company in which he or his relative holds 2% or more shares or voting right and (d) with a firm in which the relative is a partner, except with the prior approval of the Board, and shall make proper disclosure of related party transactions to the Board of Directors, the Chairman and Managing Director or

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the Competent Authority under the provisions of Accounting Standard 18 issued by the Institute of Chartered Accountants of India.

- o) Shall not commit any offences involving moral turpitude or any act contrary to law or opposed to the public policy resulting in a conviction.

### **5. GUIDELINES FOR PROFESSIONAL CONDUCT OF INDEPENDENT DIRECTORS**

- a) uphold the ethical standard of integrity and probity;
- b) act objectively and constructively while exercising his duties;
- c) exercise his responsibilities in a bona fide manner in the interest of company;
- d) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- e) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- f) Shall comply with the Schedule IV of Companies Act 2013 and accordingly attend separate meeting of Independent directors to evaluate performance of executives and decided in best interest of the company.
- g) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- h) refrain from any action that would lead to loss of his independence;
- i) where circumstances arise which make an Independent director lose his independence, the independent director must immediately inform the Board accordingly;

### **6. ROLE AND FUNCTION OF INDEPENDENT DIRECTORS**

The independent directors always in the best interest of the company:

- a) Shall help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

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- b) Shall bring an objective view in the evaluation of the performance of board and management;
- c) Shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- d) Shall satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- e) Shall safeguard the interests of all stakeholders, particularly the minority shareholders;
- f) Shall balance the conflicting interest of the stakeholders;
- g) Shall immediately inform the company about any disqualification to continue as Independent Director as prescribed in Section 149(6) of Companies Act 2013.
- h) Shall determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- i) Shall moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

### **7. CONFLICT OF INTEREST**

Members of the Board, Key executives, Promoter Group and all other managerial personnel shall be required to disclose to the board whether they, directly, indirectly or on behalf of third parties or relatives or any group company / firm, have a material interest in any transaction / contracts or any matter directly or indirectly affecting the company in any manner.

### **8. HONESTY, INTEGRITY & ETHICAL CONDUCT**

Senior Management Personnel shall act in accordance with the highest standards of integrity, honesty, fairness and ethical conduct while working for the Company as well when representing the Company. Honest conduct means conduct that is free from fraud or deception. Integrity & ethical conduct includes ethical handling of actual or apparent conflict

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of interest between personal and professional relationships. Senior Management Personnel should promote ethical behavior and take steps to ensure that the Company promotes ethical behavior and also encourages employees to freely report violations of laws, rules, regulations or the Company's Code of Conduct to the appropriate personnel.

### **9. RELATED PARTY TRANSACTIONS**

A Senior Management Personnel and other person to whom this code applies including their relatives / associates should not derive any undue personal benefit or advantage by virtue of his position or relationship with the Company. As a general rule, Senior Management Personnel should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Any dealing with a related party must be conducted in such a way that no preferential treatment is given and adequate disclosure are made as required by law and as per the applicable policies of the Company. Further the compliance with disclosure of interest as per Section 188 & 184 of Companies Act 2013 as modified from time to time in respect of such transaction in which he / she is interested or where there is transaction between related party including holding office in place of profit by relatives shall be complied with the concerned person and necessary disclosure shall be made.

### **10. CONFIDENTIALITY**

Senior Management Personnel must maintain the confidentiality of sensitive information (that is not in public domain) relating to the Company which comes to their knowledge in the course of discharge of their function and any other confidential information about the Company that comes to them, from whatever source, except when such disclosure is authorized or legally mandated. No Senior Management Personnel shall provide any confidential or sensitive information either formally or informally, to the press or any other publicity media, unless specifically authorized to do so.

### **11. COMMUNICATION OF VIOLATIONS**

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Directors and all other concerned person to whom this code applies shall communicate any suspected violations of this Code promptly to the Chairman of the Audit Committee. Senior Management should communicate any suspected violation of this code to the Managing Director who in turn shall communicate it to the Chairman of the Audit Committee. Violations will be investigated by the Board or by persons designated by the Board, and appropriate action will be taken in the event of any violations of the Code.

### 12. CONSEQUENCES OF NON- COMPLIANCE OF THIS CODE

In case of breach of this Code, the same shall be considered by the Board of Directors for initiating appropriate action, as deemed necessary apart from the statutory authorities and regulators. Any waiver of this Code may be made only by the Board of Directors and must be promptly disclosed to the Company's shareholders. In addition to the personal liability to the regulators (SEBI, MCA & Others) the defaulter shall be held liable for any undue advantages or profit earned directly or indirectly by his relative / associate.

### 13. Disclosure Under SEBI SAST Regulations (Takeover Code) And Prohibition Of Insider Trading Regulations

#### A. SEBI SAST Regulations 2011 (Takeover Code)

Regulation	By Whom	When	To Whom	Time Period
29(1)	Acquirer / Any Person	on acquisition of 5% or more shares/ voting rights	Target co. and stock exchanges where the shares of target co. are listed	Within 2 working days of Allotment / Acquisition
29(2)	Acquirer / Any Person	Already holding 5% or more shares / voting rights then on every acquisition/ Disposal of 2% or more even if such holding fall below 5%	Target co. and the Stock exchanges where the shares of Target co. are listed	Within 2 working days of such acquisition / disposal
30(1)	Every Person	At the end of financial year (yearly disclosure )	Target co. and stock exchanges where the shares of target co. are listed	Within 7 working days from the end of the Financial year



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<b>30(2)</b>	Promoter / PAC	At the end of financial year (yearly disclosure )	Target co. and the Stock exchanges where the shares of Target co. are listed	Within 7 working days from the end of the Financial year
<b>31(1)</b>	Promoter	Creation of encumbrance	Target co. and stock exchanges where the shares of target co. are listed	Within 7 working days from the date of creation of encumbrance.
<b>31(2)</b>	Promoter	Release / Invocation of encumbrance	Target co. and the Stock exchanges where the shares of Target co. are listed	Within 7 working days from the date of release/ invocation of encumbrance.

### B. SEBI Prohibition Of Insider Trading Regulation, 2015

- **Initial Disclosure(\*)**

Regulation	By Whom	When	To Whom	Time Period
<b>7(1)(a)</b>	Every promoter, key managerial personnel and director	----	Whose securities are listed on any recognized stock exchange	Within 14th June 2015
<b>7(1)(b)</b>	Every Person holding of securities of the company as on the date of appointment or becoming a promoter	on appointment as a Key Managerial Personnel or a director or upon becoming promoter	Company in which he is director / officer	Within 7 working days from becoming a director or officer

- **Continual Disclosure(\*)**

Regulation	By Whom	When	To Whom	Time Period
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<b>7(2)(a)</b>	Every promoter, employee and director of every company	The number of securities acquired or disposed 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 ten lakh rupees or such other value as may be specified	Company	Within 2 working days of such transaction
<b>7(2)(b)</b>	Every Company	Within two days of receipt of information as specified in 7(2)(a)	Stock Exchange	Within two trading days of receipt of the disclosure or from becoming aware of such information.
<b>7(3)</b>	Disclosure by connected persons (to be disclosed at the discretion of company)	As and when decided by the company	Stock Exchange	To be decided

(\* The disclosures to be made by any person under this regulation shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions.

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### **Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair**

#### **Disclosure of Unpublished Price Sensitive Information:-**

1. 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
2. Uniform and universal dissemination of unpublished price sensitive unpublished price Sensitive information to avoid selective disclosure.
3. Designation of a senior officer as a chief investor relations officer or Compliance 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 rumors' 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.
9. An insider shall be entitled to formulate a trading plan and present it to the Compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

### **Minimum Standards for Code of Conduct to Regulate, Monitor and Report Trading**

#### **By Insiders:-**

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1. The compliance officer shall report to the board of directors and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the board of directors at such frequency as may be stipulated by the board of directors.

2. All information shall be handled within the organization on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations. The code of conduct shall contain norms for appropriate Chinese Walls procedures, and processes for permitting any designated person to "cross the wall".

3. Employees and connected persons designated on the basis of their functional role ("designated persons") in the organization shall be governed by an internal code of conduct governing dealing in securities. The board of directors shall in consultation with the compliance officer specify the designated persons to be covered by such code on the basis of their role and function in the organization. Due regard shall be had to the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation.

4. Designated persons may execute trades subject to compliance with these regulations.

Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.

5. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available. The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

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6. When the trading window is open, trading by designated persons shall be subject to preclearance by the compliance officer, if the value of the proposed trades is above such thresholds as the board of directors may stipulate. No designated person shall apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.

7. 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.

8. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

9. The code of conduct shall specify any reasonable timeframe, which in any event shall not be more than seven trading days, within which trades that have been pre-cleared have to be executed by the designated person, failing which fresh pre-clearance would be needed for the trades to be executed.

10. The code of conduct shall specify the period, which in any event shall not be less than six months, within which a designated person who is permitted to trade shall not execute a contra trade. The compliance officer may be empowered to 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 the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

11. The code of conduct shall stipulate such formats as the board of directors deems Necessary for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance, recording of reasons for such decisions and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.

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12. Without prejudice to the power of the Board under the Act, the code of conduct shall stipulate the sanctions and disciplinary actions, including wage freeze, suspension etc., that may be imposed, by the persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, for the contravention of the code of conduct.

13. The code of conduct shall specify that in case it is observed by the persons required to formulate a code of conduct under sub-regulation (1) and sub-regulation (2) of regulation 9, that there has been a violation of these regulations, they shall inform the Board promptly.

### **ANNUAL AFFIRMATION**

All the Senior Management Personnel shall, within 10 days of close of every financial year affirm compliance with the Code (Refer Annexure I). The duly signed Annual Compliance Declaration shall be forwarded to the Compliance Officer of the Company.

### **ACKNOWLEDGMENT OF RECEIPT OF CODE OF CONDUCT**

I have received and read the Company's Code of Conduct. I understand the standards and policies contained in the Company's Code of Conduct and understand that there may be additional policies or laws specific to my job or role. I further agree to comply with the Company's Code of Conduct and Fair disclosure Policy. If I have question concerning the meaning or application of the Company's Code of Conduct, any Company policies, or the legal and regulatory requirement applicable to my role or job, I know I can consult the Secretarial Department or Legal Department knowing that my questions or reports to these sources will be maintained in confidence.

**ANNUAL DECLARATION FOR CODE OF CONDUCT**

I hereby confirm that during the financial year ended March 31, 20\_\_

- I have not violated nor am I aware of any violation of the Code of Conduct & Fair Disclosure policy (including relatives or person having substantial interest) by any other person to whom the said Code is applicable.
- I have come across the following instances of violation of the Code.

<b>Brief description of the nature of violation</b>	<b>Person Responsible</b>	<b>Date &amp; Mode of intimation to the Compliance Officer</b>

The above declaration is true to the best of my knowledge and I shall be personally held liable for any false / misleading or omission disclosure and declaration.

**Name** : \_\_\_\_\_

**Designation:** \_\_\_\_\_

**Sign** : \_\_\_\_\_

**Date** : \_\_\_\_\_

Please Sign and give this declaration to Compliance Officer of the Company.