

# **JAI PRAKASH**

## **POWER VENTURES LIMITED**

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## **Code of Conduct To Regulate, Monitor & Report Trading By Insiders**

(As approved by the Board of Directors of the Company)

**AMENDED AS ON 01.02.2025**

### **I INTRODUCTION**

Jaiprakash Power Ventures Limited (the “Company”) is listed on National Stock Exchange of India and on BSE Limited. Under SEBI (Prohibition of Insider Trading) Regulations, 2015 (the “**PIT Regulations**”) the Company is required to have a Code of Conduct to Regulate, Monitor and Report Trading by employees and other connected persons (the “**Reporting Code**”) towards achieving compliance with the PIT Regulations.

The Securities & Exchange Board of India requires that every listed company should have a firm rule prohibiting those who have access to Unpublished Price Sensitive Information from trading in the company’s securities before the information has been generally made available to the public and is accessible to public on a non-discriminatory basis and a reasonable period of time for dissemination of the information has passed.

This Reporting Code has been framed without diluting the provisions of PIT Regulations and is intended to regulate and monitor trading by Employees and other connected persons and to create Reporting Mechanism by them to the Company and by the Company in the manner as may be prescribed by the PIT Regulations from time to time and as applicable to designated persons of the Company.

Every Promoter, Employee, other connected person and Director who is required by the PIT Regulations and this Reporting Code from time to time to make disclosures, is personally responsible to ensure that, when they trade or

propose to trade in the Company's securities or of companies with which the Company has business dealings, they comply with all applicable trading restrictions including those referred to in this Reporting Code. The provisions of this Reporting Code are qualified by the specific provisions of PIT Regulations, which shall always apply without any dilution regardless of this Reporting Code. For greater certainty and without limiting individuals' responsibilities under this Reporting Code, any breach of trading shall be deemed to be a breach of this Reporting Code.

## II Definitions and Terminology

Various terms used, unless defined herein, shall have the same meaning as defined in the PIT Regulations or other Securities Laws promulgated by SEBI or as defined in the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "**Fair Disclosure Code**") of the Company.

1. "**Compliance Officer**" means any senior officer, designated so and 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 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 the codes specified in PIT Regulations under the overall supervision of the board of directors of the company;

Explanation – For the purpose of the above, "financially literate" shall mean a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows.

2. "**Connected Person**" means,-
  - i. any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company 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.

- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, -
- a. an relative of connected persons specified in clause (i); or
  - b. a holding company or associate company or subsidiary company; or
  - c. an intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - d. an investment company, trustee company, asset management company or an employee or director thereof; or
  - e. an official of a stock exchange or of clearing house or corporation; or
  - f. a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - g. a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
  - h. an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - i. a banker of the company; or
  - j. a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent. of the holding or interest;
  - k. a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
  - l. a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d)

**NOTE:**

It is intended that a connected person is one who has a connection with the company that is expected to put him in possession of unpublished price sensitive information relatives and other categories of persons specified above are also presumed to be connected persons but such a presumption is a deeming legal fiction and is rebuttable. This definition is also intended to bring into its ambit persons who may not seemingly occupy any position in a company but are in regular touch with the company and its officers and are involved in the know of the company's operations. It is intended to bring within its ambit those who would have access to or could access unpublished price sensitive information about any company or class of companies by virtue of any connection that would put them in possession of unpublished price sensitive information.

### 3. **Designated Person**

- a) Directors in whole-time employment, promoters and promoters who are individuals or investment companies for intermediaries or fiduciaries,
  - b) Chief Executive Officer or employees upto two levels below Chief Executive Officer, intermediary, fiduciary and its material subsidiaries irrespective of their functions or roles in the Company or its ability to have access to unpublished price sensitive information,
  - c) Specified Support Staff, intermediary or fiduciary in the Accounts, Finance and Secretarial Department,
  - d) Employees, intermediary or fiduciary designated on the basis of their functional role or access of Unpublished Price Sensitive Information at any given point of time.
  - e) Any other person as may be designated by the Board of Directors or Disclosure Code Committee from time to time on the basis of his/her role and functions and access that role and function would provide to unpublished price sensitive information (UPSI) in addition to seniority and professional designation and Disclosure Code Committee shall be required to maintain and continuously update a list of the employees and connected persons shall be considered **“designated person”** to whom this Reporting Code shall apply. Notwithstanding the above, the Board may, in consultation with the Compliance Officer and/or Disclosure Code Committee, specify such other persons having such role and functions that may generally provide access to unpublished price sensitive information, as designated persons.
4. **“Disclosure Code Committee”** means a Committee with this nomenclature formed under the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
5. **“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;

Note:

It is intended that the immediate relatives of a “connected person” too become connected persons for purposes of the above, this is a rebuttable presumption.

6. **“Insider”** means any person who is:
- i) a connected person; or
  - ii) in possession of or having access to unpublished price sensitive information;
7. (i) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- (ii) **“Promoter group”** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modified thereof;

8. **Relative**

“relative” shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

NOTE: It is intended that the relatives of a “connected person” too become connected persons for the purpose of these regulations. It is a rebuttable presumption that a connected person had UPS

9. **Unpublished Price Sensitive Information**

"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 and shall, ordinarily including but not restricted to, information relating to the following: –

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and

A suggestive list is given in **Annexure-A**.

### III Applicability

The Reporting Code shall be applicable to promoters, employees, directors, designated persons or other connected persons.

### IV Highlights of Reporting Code

Broadly, this Reporting Code aims to: —

1. Authorize the Disclosure Code Committee formed under Fair Disclosure code to handle various matters as enumerated in the Reporting Code.
2. Devise mechanism for handling of unpublished price sensitive information, disband communication of or inducement to procure unpublished price sensitive information and formulate procedures for crossing Chinese wall;
3. Create and put in place process and procedure for identification of and mechanism for dissemination of unpublished price sensitive information to make it generally available to the public and prevention of its misuse;
4. Restrict trading by designated persons during certain periods or when in possession of unpublished price sensitive information;
5. Put in place disclosure mechanism for making periodical or event based disclosures by designated persons.

### V Key requirements of this Reporting Code

#### 1. Restrictions on Communicating and Trading

Insider trading is prohibited and strictly monitored and regulated by Securities and Exchange Board of India directly or through market intermediaries, imposes both fines and penalties in the event of violations of the prescribed restrictions on trading in the securities of the reporting issuer, i.e. the Company. For this purpose, the “**securities**” shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund.

The PIT Regulations sets out the following prohibitions in relation to Unpublished Price Sensitive Information of a company:

- a. A person in a special relationship (the “**insider**”) with the company shall not communicate, provide or allow access to an unpublished price sensitive information related to the Company or securities to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligation. The PIT Regulations expect the company to develop practices to deal with information on “*need - to - know*” basis principles. Inducement and procurement of unpublished price sensitive information is illegal.

Note;

This provision is intended to cast an obligation on all insiders who are essentially persons in possession of unpublished price sensitive information to handle such information with care and to deal with the information with them when transacting their business strictly on a need-to-know basis. It is also intended to lead to the Company to develop practices based on need-to-know principles for treatment of information in their possession.

- b. No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a Company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Note;

This provision is intended to impose a prohibition on unlawfully procuring possession of unpublished price sensitive information. Inducement and procurement of unpublished price sensitive information not in furtherance of one's legitimate duties and discharge of obligations would be illegal under this provision.

Explanation:

For the purpose of illustration, the term "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 these regulations.

- c. Any person in receipt of unpublished price sensitive information pursuant to a "legitimate purpose" shall be considered an "insider" for the said purpose and such persons shall maintain confidentiality of such unpublished price sensitive information in compliance thereof.
- d. An unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:-
  - (i) entail an obligation to make an open offer under the takeover regulations where the board of the Company feels that is in the best interests of the Company.



NOTE;

It is intended to acknowledge the necessity of communicating, providing, allowing access to or procuring UPSI for substantial transactions such as takeovers, mergers and acquisitions involving trading in securities and change of control to access a potential investment. In an open offer under the takeover regulations, not only would the same price be made available to all shareholders of the Company but also all information necessary to enable an informed divestment or retention decision by the public shareholders is required to be made available to all shareholders in the letter of offer under the relevant regulations.

- (i) not attract the obligation to make an open offer under the takeover regulations but where the board of the Company feels that sharing of such information is in the best interests of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the board of directors may determine to be adequate and fair to cover all relevant and material facts.

Note:

It is intended to permit communicating, providing, allowing access to or procuring UPSI also in transactions that do not entail an open offer obligation under the takeover regulations when authorised by the board of directors if sharing of such information is in the best interests of the company. The board of directors, however, would cause public disclosures of such unpublished price sensitive information well before the proposed transaction to rule out any information asymmetry in the market.

- e. The insider may not trade in securities of the company when in possession of Unpublished Price Sensitive Information related to the Company that has not been generally disclosed to the public. Failure to comply with the foregoing is known as “**Insider Trading**”.

No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information:

Explanation:

When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.



Provided that the insider may prove his innocence by demonstrating the circumstances including the following:

- (i) the transaction is an off-market inter-se transfer between insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision.

Provided that such unpublished price sensitive information was not obtained under Sub-Regulation (3) of Regulation 3 of SEBI (PIT) Regulations, 2015.

Provided further that such off-market trades shall be reported by the insiders to the Company within two working days. Every company shall notify the particulars of such trades to the stock exchange of which the securities are listed within two trading days from receipt of the disclosure or from becoming aware of such information.

- (i) the transaction was carried out through the block deal window mechanism between persons who were in possession of the published price sensitive information without being in breach of Regulation 3 and both parties had made a conscious and informed trade decision;

Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 of SEBI (PIT) Regulations, 2015.

- (i) the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction;
- (ii) the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations;
- (iii) in the case of non-individual insiders:-
  - (a) the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision – making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - (b) appropriate and adequate arrangements were in place to ensure that PIT Regulations are not violated and no unpublished price sensitive information was

communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached ;

- (iv) the trades were pursuant to a trading plan set up in accordance with this Reporting Code.

Note:

When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession. The reasons for which he trades or the purposes to which he applies the proceeds of the transactions are not intended to be relevant for determining whether a person has violated PIT Regulations. He traded when in possession of unpublished price sensitive information is what would need to be demonstrated at the outset to bring a charge. Once this is established, it would be open to the insider to prove his innocence by demonstrating the circumstances mentioned in the proviso, failing which he would have violated the prohibition.

## 2. **Prohibition against Insider Trading**

Every Insider / designated person must refrain from:

- a. insider trading;
- b. purchasing or selling Securities frequently so as to appear to be speculating; and
- c. the short selling of, or trading in, puts or calls in respect of Securities.

## 3. **Non-Monetization Policy**

Every Insider / designated person shall refrain from indirect trading of Securities including, but not limited to, the short sale of, trading in puts, calls or options or other rights or obligations to buy or sell Securities.

## 4. **Communicating Material Information**

- a. **Mechanism for handling of unpublished price sensitive information**

Because it is often difficult to determine whether confidential corporate information is Price Sensitive Information, directors,

officers and employees of the Company should treat all confidential information as if it was Material and Price Sensitive Information and communicate that information only on a “need-to-know” basis (including within the organization).

No director, officer or employee of the Company shall communicate unpublished price sensitive information to anyone other than in the ordinary course of business. No one should induce an insider to elicit any unpublished price sensitive information. **Annexure-B** lists circumstances where such communication may be in furtherance of legitimate purposes, performance of duties or discharge of legal obligation. In case of any doubt, each employee should approach the Committee or the Compliance Officer to determine whether communication in a particular circumstance would be in the performance of duties.

No Insider who receives unpublished price sensitive information about the Company to trade in securities of the Company with the knowledge of that information. Anyone who communicates unpublished price sensitive information to a third party (other than in the necessary course of business) will be liable and responsible for so communicating such unpublished price sensitive information.

If unpublished price sensitive information is disclosed in the ordinary course of business to third parties, the recipient should be advised that the information is Price Sensitive and that the same has not been generally made available to the public. When unpublished price sensitive information is disclosed to a third party in the ordinary course of business, , a Non Disclosure Undertaking in such format as may be provided by the Legal Department should be obtained from him to the effect that it will not divulge the Information to anyone (other than to its directors, officers or other employees who need to know the information for the purposes for which the unpublished price sensitive information was communicated to it) without written authorization from the Company and that the third party understands the restrictions under PIT Regulations and not to trade in the securities of the Company, until the transaction, development or event has been generally disclosed or has been abandoned.

Where any unpublished price sensitive information communicated in the ordinary course of business becomes publicly known on a selective basis, or where there are rumours in the market with respect to such information or where there are reasonable grounds to believe that persons are purchasing or selling securities of the Company with knowledge of such information, the functional head to

whom such unpublished price sensitive information relates, should immediately hold consultations with the Committee to arrive at the decision as to whether a prompt disclosure to stock exchanges and by press release should be made.

**b. Each functional head shall, within his functional domain :**

- i. ensure that generally all the information created or generated from within his functional area or received by it from other divisions or from outside agencies, is handled on need – to – know basis and only for furtherance of legitimate purposes, performance of duties or discharge of his legal obligation.
- ii. prepare a comprehensive list of reports, statements or such information unique to his functional area, including and on the basis of suggestive list as per **Annexure-A**, which shall be categorized as potential price sensitive information. Such information shall be subject to strict Chinese Wall procedure and strict confidentiality shall be maintained. Each employee shall be subjected to thorough briefing to inculcate maintaining strict confidentiality, avoidance of any impromptu discussion with peers or outsiders that may lead to selective disclosure.
- iii. create procedure and processes for crossing the Chinese Wall by the designated persons. A suggestive Exception List is enclosed as **Annexure – B** when communicating and sharing the information with third parties can be necessitated.
- iv. develop norms for obtaining Non-disclosure Undertaking in the prescribed format from third parties before sharing any information.

**5. Closed Trading Window**

In order to avoid even the appearance of possible insider trading, the following generally applicable trading restrictions shall apply to Designated Persons and immediate relatives of designated persons. Besides these, the Compliance Officer may announce closure of trading window if he reasonably expects that a designated person or class of designated persons may have possession of unpublished price sensitive information. In the event there is more than one type of securities listed and traded on stock exchanges, the closure may be in respect of securities to which unpublished price sensitive information relates. The Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed. Trading restriction period can be made

applicable from the end of every quarter till 48 hours after the declaration of financial results.

The gap between clearance of accounts and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

#### 6. **Re-opening of Trading Window**

Taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market but not earlier than forty-eight hours after the information becomes generally available, the Compliance Officer may determine to re-open the trading window.

#### 7. **Trading in shares by designated persons**

When trading window is open, designated persons may execute trades in Company's securities subject to pre-clearance in the manner provided in Clause 8 below and compliance of the following conditions: —

- a. For effective monitoring, trades shall be strictly executed using “**notional trading window**”;
- b. Designated person shall be solely responsible to ensure full compliance with the PIT Regulations, the Reporting Code and Fair Disclosure Code;

#### 8. **Pre-clearance for trades**

- a. If the value of proposed trades by the Designated Persons is above the thresholds of Rs. 10,00,000 (Rupees Ten Lakhs), prior pre-clearance shall be required. The Application for pre-clearance shall be made in the format given in **Annexure [C]**.
- b. No application for pre-clearance shall be moved if the designated person is in possession of unpublished price sensitive information even when the trading window is not closed. To ensure compliance, the application shall accompany a declaration to the effect that the applicant is not in possession of any unpublished Price Sensitive Information in the format given in **Annexure-[D]**.
- c. Pre-clearance shall be subject to compliance of following further conditions: —

- i. Pre-cleared trades shall be executed within seven trading days commencing after lapse of a trading day following the date of grant of pre-clearance by the Compliance Officer;
  - ii. In the event the designated employee fails to finish trades within seven trading days, he shall be required to obtain fresh pre-clearance. The application of such further clearance in respect of balance shares shall again be subject to compliance of foregoing as contained in sub clause 7 & 8 above;
  - iii. The trades executed by the designated person shall be intimated to the company as given in **Annexure-[E]**, along with the specified format.
  - iv. In case the designated person decides not to trade after securing pre-clearance, he shall be required to report the decision to the Compliance Officer, also recording reasons for such decision, in the format given in **Annexure-[F]**.
- d. While taking into the account the declaration by designated person applying for the pre-clearance, the Compliance Officer shall have regard to whether declaration is capable of being rendered inaccurate.

## 9. Trading Plan Route

This route is available to those Insiders who are constantly in possession of unpublished price sensitive information and wish to trade in Company's shares. The trading plan allows them to execute trade as per the approved trading plan disseminated to the stock exchanges even if they are in possession of unpublished price sensitive information at that point of time. However, the Trading Plan does not grant absolute immunity. It shall be considered market abuse if the release of unpublished price sensitive information is manipulated in such manner that the trading as per trading plan becomes lucrative and shall be open for initiation of proceedings. Further, the formulation of plan shall be made in compliance of the following requirements: —

- a. **Formulation and Approval of Plan:** The Insider shall formulate the plan and present it for approval by Compliance Officer.

### **NOTE;**

This provision intends to give an option to persons who may be perpetually in possession of unpublished price sensitive information

and enabling them to trade in securities in a compliant manner. This provision would enable the formulation of a trading plan by an insider to enable him to plan for trades to be executed in future. By doing so, the possession of unpublished price sensitive information when a trade under a trading plan is actually executed would not prohibit the execution of such trades that he had pre-decided even before the unpublished price sensitive information came into being.

- b. **Public Disclosure of Plan:** The approved plan shall be disclosed to the public and the stock exchanges.
- c. **All subsisting Price Sensitive Information is public:** The Insider shall ensure that every unpublished price sensitive information he possessed at the time of formulation of plan has become generally available at least two trading days prior to commencement of trading. If any such information is still unpublished, the Compliance Officer shall direct that the commencement should be deferred until two trading days after such unpublished price sensitive information becomes generally available.
- d. **Cool-off Period:** There shall be cool-off period of 120 calendar days between public disclosure of trading plan and the first date of commencement of trading.
- e. **Execution of Trade during closed Trading Window:** The Insider shall be allowed to trade even when the Company has announced closure of trading window for its Insiders.  
**Pre-clearance :** Pre-clearance of trades shall not be required for a trade executed as per our approved trading plan.
- f. **No overlap:** The Insider shall not initiate more than one Trading Plan covering the same time period and shall ensure that there is no overlap of the same dates as given in the previous Trading Plan and the proposed Trading Plan.
- g. **Value/volume/nature of trades:** The Trading Plan shall clearly mention: —
  - i. Either the value of trade or the number of securities to be traded;
  - ii. Nature of the trade, indicating whether it is a buy or sell transaction;
  - iii. Specific date or time period for the trade, which must not exceed five consecutive trading days; and
  - iv. Price limit. (This limit must be in the range of 20% of the closing price on the day before submission of the trading plan. However, in cases where the price of the security falls outside the price limit, the trade cannot be executed. However price limited parameter is optional.)



- i. **Express Undertakings**: The Plan shall be reviewed for any potential violation and Compliance Officer may require necessary express undertakings for approval and monitoring its implementation.
- j. **Irrevocable and mandatory implementation**: The plan, once approved shall be irrevocable and will have to be implemented without deviation. However insiders may deviate from their trading plans in case of:
  - permanent incapacity
  - bankruptcy
  - operation of law

No trade in the securities outside its scope will be permitted.

- k. **Notifying the plan**: The Compliance Officer to approve or reject the trading plan within two trading days of receiving it and notify the approved trading plans to the stock exchanges on the day of approval.
- l. **Non-Implementation of Plan**: In case non-implementation of trading plan, insider shall intimate the same to Compliance Officer within 2 trading days of end of tenure of the trading plan. The compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider before the Audit Committee and committee shall decide whether such non-implementation was bona fide or not.

The audit committee's decision will be promptly communicated by the compliance officer to the relevant stock exchanges on the same day. If the audit committee does not accept the insider's submissions, the compliance office will take actions as per the organization's code of conduct.

#### 10. **Prohibition of Contra Trade**

- a. Any designated person who has been permitted to trade shall not execute a contra trade within a period of six months of the date of trade. However, the Compliance Officer may, for reasons to be recorded in writing, grant relaxation from strict application of this restriction provided the relaxation does not violate the provisions of the PIT Regulations.
- b. In the event any contra trade takes place, inadvertently or otherwise, the profit from trade shall be liable to be disgorged for remittance to SEBI for credit to Investor Education and Protection Fund administered by SEBI under the Act.

Provided that this shall not be applicable for trades pursuant to exercise

of stock option.

## VI Information Systems & Processes

- a) A structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this Reporting Code along with the Permanent Account Number or any other identifier authorised by law where Permanent Account Number is not available. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non- tampering of the database.
- b) The Company shall have a process for how and when people are brought ‘inside’ on sensitive transactions. Individuals should be made aware of the duties and responsibilities attached to the receipt of Inside Information, and the liability that attaches to misuse or unwarranted use of such information.

## VII Periodical Disclosures

### 1. Initial Disclosure

- a. Every “promoter, member of promoter group, key managerial personnel and director” shall disclose on or before 13<sup>th</sup> June, 2015, his holding of securities of the Company to the Company as on 15<sup>th</sup> May, 2015, or within 30 days of amended regulations taking effect, in Form-[A].
- b. Every person on becoming promoter or member of promoter group or Designated Persons or director on appointment as a key managerial personnel or director shall disclose his holding of securities of the Company as on the date of appointment or on becoming such promoter, key managerial personnel and director within seven days, in Form-[B].

### 2. Continual Disclosure

- a. Every “promoter, member of promoter group, designated person and director” shall disclose to the company the number of such securities acquired or disposed of 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 ten lakh rupees or such other value as may be specified under the PIT Regulations from time to time, in Form- [C];
- b. Subsequent to above disclosure for the first time, disclosure of the incremental transactions shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (a) above, in Form-[C].

### 3. **Periodic Disclosure by connected persons**

Following connected persons shall be required, for enforcing effective compliance and monitoring purposes, to report their level of holding within seven working days from the date of end of each financial year: —

- a. Relative of every promoter, director and key managerial person
  - b. Holding company or associate company or subsidiary company
  - c. A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director or his relative has more than 10% of the holding or interest;
4. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for the purposes of this Chapter.
  5. The Compliance Officer shall notify all trading information/disclosures received to the stock exchanges within 2 trading days of the receipt of information/disclosures.

Explanation:

This is an enabling provision to seek information from those to whom it has to provide unpublished price sensitive information. This provision confers discretion on any Company to seek such information. For example, the Company may ask that a management consultant who would advise it on corporate strategy and would need to review unpublished price sensitive information, should make disclosure of his trades to the Company.

## **VIII Internal Controls**

The Executive Chairman or Disclosure Code Committee, intermediary or fiduciary shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the PIT Regulations and the Reporting Code to prevent insider trading.

The Internal controls shall include the following:

- a. all employees who have access to unpublished price sensitive information are identified as Designated Employee ;
- b. all the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of the PIT Regulations and the Reporting Code;

- c. adequate restrictions shall be placed on communication or procurement of unpublished price sensitive information as required by the PIT Regulations and the Reporting Code;
- d. lists of all employees and other persons with whom unpublished price sensitive information is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
- e. all other relevant requirements specified under the PIT Regulations shall be complied with;
- f. periodic process review to evaluate effectiveness of such internal controls.

The board of the Company and the Board of Directors or head(s) of the organization of intermediaries and fiduciaries shall ensure that the Chief Executive Officer of the Managing Director or such other analogous person ensures compliance of the Internal Controls with Regulation 9 of PIT Regulations or the Reporting Code.

The Audit Committee or other analogous body for intermediary or fiduciary shall review compliance with the provisions of the PIT Regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

The Company has formulated a written policy and defined procedures for inquiry in case of leak of unpublished price sensitive information, approved by Board of the Company and accordingly initiate appropriate inquiries on becoming aware 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.

In terms of extant a whistle- blower policy, employees must be aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

If an inquiry has been initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by the Company.

## **IX Periodical Reporting**

1. Designated persons shall be required to disclose names and Permanent Account Number (PAN) or any other identifier authorized by law, of the following persons to the Company on an Annual Basis and as when the information changes:-

- a) Designated person him/herself
- b) Immediate relatives of designated person
- c) Persons with whom such designated person(s) has a material financial relationship
- d) Phone/ cell numbers which are used by them

Explanation:

The term “material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer’s annual income but shall exclude relationships in which the payment is based on arm’s length transactions.

2. The Compliance Officer shall provide such reports to the Executive Chairman of the Company or the Audit Committee at such frequency as the Board of Directors may decide but not less than once in a year.

## **X Penalty**

Any insider found to have contravened the provisions of the PIT Regulations or of this Reporting Code, shall be subject to penalty in the form of sanctions, disciplinary actions, wage freeze, recovery, clawback and/or suspension etc. as may be imposed by the Disclosure Code Committee or the Audit Committee.

The violation to be reported promptly to the Securities and Exchange Board of India.

## **XI Amendment**

The Board of Directors may review or amend this policy, in whole or in part, from time to time as the requirements of PIT Regulations or under any other statute.

## **XII Finale**

It is reiterated that the Company is committed to

- (i) carry on fair business practices,
- (ii) to give paramount importance to protect shareholders’ interest,
- (iii) to create systems for handling all information within the organization and
- (iv) to protect unpublished price sensitive information from being misused.

## **Examples of Information That May Be Price Sensitive**

### **Changes in corporate structure**

- changes in share ownership that may affect control of the company
- major reorganizations, amalgamations, mergers, hive-offs
- take-over bids, sale of assets,

### **Changes in capital structure**

- proposals for public issues, rights issues or preferential issues, offerings of warrants or rights to buy equity shares or any other security convertible into equity shares, or private sale of securities
- buy-back, QIPs, ESOPS or redemptions of securities
- planned splits or consolidation of equity shares, declaration of dividend or change therein
- changes in a company's policies

### **Changes in financial results**

- a significant increase or decrease in short-term earnings prospects
- unexpected changes in the quarterly/annual financial results
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the company's assets
- any material change in the company's accounting policies

### **Acquisitions and dispositions**

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

**EXAMPLES OF COMMUNICATION IN FURTHERANCE OF  
LEGITIMATE PURPOSES, PERFORMANCE OF DUTIES OR DISCHARGE OF  
LEGAL OBLIGATION**

- Vendors, Suppliers, or Strategic Partners on issues such as Business Development, Sales and Marketing, and Supply Contracts
- Employees, Officers and Board Members
- Lenders, Legal Counsel, Auditors, Underwriters, and Financial and Other Professional Advisors to the Company
- Parties to Negotiations
- Labour Unions and Industry Associations
- Government Agencies and Non-Governmental Regulators
- Credit Rating Agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available), Analysts etc.

List is expandable based on inputs from functional heads



**ANNEXURE- CC**

**APPLICATION FOR PRE-CLEARANCE OF TRADES IN COMPANY'S SECURITIES**

To,  
Compliance Officer  
JAIPRAKASH POER VENTURES LIMITED  
Sector-128, Noida-201304, U.P. (India)

Dear Sir,

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and Company's Code of Conduct to Regulate, Monitor & Report Trading By Insiders, I seek your approval to subscribe to/ sell/ purchase/ deal as an agent/principal in the Securities of the Company as per the particulars of the proposed transaction, as furnished below:

Name of the person for whom the transaction is to be executed	
Designation, Department & Employee Code	
Relationship with the applicant	
Estimated number of securities to be dealt in proposed Transaction (including those held by dependant family)	
Nature of transaction for which approval is sought (Purchase/Sale/Subscription of Securities)	
Whether the proposed transaction will be through stock exchange or off market trade	
Client I. D. & Depository I. D. Number where securities will be credited/debited	
Reason for Proposed Transaction	

\* Strike out whichever is not applicable

Enclosed herewith is an undertaking signed by me, containing the prescribed particulars. I request you to pre-clear the above transaction at the earliest.

Thanking you,

(Signature)

Date :

Place :

**ANNEXURE-D**

**UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR  
PRE- CLEARANCE**

To,

Compliance Officer,  
JAIPRAKASH POWER VENTURES LIMITED  
Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie,  
Tehsil Sarai, Distt. Singrauli-486669

Dear Sir,

I, \_\_\_\_\_, \_\_\_\_\_ of the Company, am desirous of dealing in \_\_\_\_\_  
(no. of securities) of the Company, as mentioned in my application dated \_\_\_\_\_, 20\_\_ for pre-  
clearance of the proposed transaction.

Pursuant to the Company's Code of Conduct to Regulate, Monitor & Report Trading by Insiders, I hereby confirm:

- a) to maintain confidentiality of all 'Unpublished Price Sensitive Information' that may come into my possession in the discharge of my duties with the Company;
- b) not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- c) to report to the Compliance Officer, any non-public information that may be directly received by me;
- d) that I did not have any access or received 'Unpublished Price Sensitive Information' upto the date of signing this undertaking ;
- e) that in case I have access to or receive 'Unpublished Price Sensitive Information' after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I shall completely refrain from dealing in the securities of the Company till such time such information becomes public ;
- f) that I have not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time; and
- g) that I have made full and true disclosure in the matter.

(Signature)

Date :

Place :

**ANNEXURE-E**

**CONFIRMATION OF DATE OF COMPLETION OF  
TRANSACTION**

(To be submitted within 2 trading days of transaction in securities of the Company)

To,

Compliance Officer  
JAIPRAKASH POWER VENTURES LIMITED  
Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil  
Sarai, Distt. Singrauli-486669

Dear Sir,

Sub: Date of completion of transaction

I hereby confirm that the transaction for dealing in the shares of the Company for which, pre- clearance was granted on \_\_\_\_\_, 20\_\_, was completed on \_\_\_\_\_, 20\_\_ by SALE/PURCHASE of \_\_\_\_\_(No. of Securities) of the Company in the open market/off-market transaction.

Thanking you,

Yours faithfully,

(Signature)

Date :

Place :

**ANNEXURE-F**

**CONFIRMATION OF NO TRADE UNDERTAKEN FOR PRE-APPROVED  
TRADE**

To,  
Compliance Officer  
JAIPRAKASH POWER VENTURES LIMITED  
Complex of Jaypee Nigrie Super Thermal Power Plant, Nigrie, Tehsil  
Sarai, Distt. Singrauli-486669

Dear Sir,

Sub: No transaction undertaken

I hereby confirm that no transaction/ dealing were undertaken in the securities of the Company for which, pre-clearance by the compliance officer of the Company was granted on \_\_\_\_\_, 20\_\_\_\_ for sale/ purchase of \_\_\_\_\_(no. of securities), within the stipulated period.

Further, I agree to take a fresh pre-clearance in the prescribed format for any such trade. Thanking you,

Yours faithfully,

(Signature)

Date :

Place :