

JM FINANCIAL CAPITAL LIMITED

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OF UNPUBLISHED PRICE SENSITIVE INFORMATION***

JANUARY 2021

JM FINANCIAL CAPITAL LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This document forms the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code”) adopted by JM Financial Capital Limited (the Company). This Code intends to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company’s listed securities. This Code is consistent with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“the PIT Regulations”) and adopted by the Board of Directors of the Company.

Pursuant to the SEBI notification dated December 31, 2018 amending the Regulations vide SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Code has been reviewed and revised and has been duly approved by the Board of Directors of the Company. The revised Code is becoming effective from April 1, 2019.

The words and expressions used in the Code but not defined herein shall have the same meaning ascribed to them in the Regulations.

I. Principles of fair disclosures

1. To promptly make public disclosure of Unpublished Price Sensitive Information (“the UPSI”) that would impact price discovery. Such disclosure would be made promptly when credible and concrete information comes into being in order to make such information generally available. The Stock Exchange(s) shall be promptly intimated about the disclosure of any Unpublished Price Sensitive Information.

2. The Company shall endeavor to make uniform and universal dissemination of Unpublished Price Sensitive Information to avoid selective disclosures.
3. The Company's Chief Financial Officer who is designated as the Investor Relations Officer shall deal with dissemination and disclosure of Unpublished Price Sensitive Information.
4. In the event of any Unpublished Price Sensitive Information getting disclosed selectively or inadvertently, the Company shall promptly disseminate the same to make it generally available through the Stock Exchange(s).
5. The Company shall provide appropriate and fair response to the queries on the news report and requests for verification of market rumors received from regulatory authorities.
6. The Company shall not provide any Unpublished Price Sensitive Information to the analysts and research personnel while sharing information with them.
7. The Company shall publish the proceedings of meetings with analysts and other investor relations conferences on its website www.jmfl.com to ensure official confirmation and documentation of disclosures made therein.
8. To handle all Unpublished Price Sensitive Information on a need-to-know basis.

II. Policy for determination of 'legitimate purpose'

There is a need to have a policy to determine the legitimate purpose for which the Unpublished Price Sensitive Information is being shared by the Company and the same shall form part of this Code. Following are the principles to determine the legitimate purpose:

1. Any Unpublished Price Sensitive Information related to the Company shall be communicated only in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
2. The term “legitimate purpose” shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business with Company’s partners, collaborators, lenders including prospective lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals, credit rating agencies or other advisors, service providers or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions stated in the Code and in the Regulations;

Without prejudice to the generality of the foregoing, the Company’s Chief Financial Officer, may approve sharing of Unpublished Price Sensitive Information for genuine or reasonable purposes which deems fit as “legitimate purpose”, from time to time or sharing of Unpublished Price Sensitive Information based on any order issued by court of law or any governmental authority or a regulatory body.

3. Whether sharing of Unpublished Price Sensitive Information for a particular instance tantamount to 'legitimate purpose' would entirely depend on the specific facts and circumstances of each case.

While sharing the Unpublished Price Sensitive Information, the following broad factors shall be considered:

- i. whether sharing of such Unpublished Price Sensitive Information is in the ordinary course of business of the Company;
- ii. whether sharing of such Unpublished Price Sensitive Information is in the interests of the Company or in furtherance of a genuine commercial purpose; and

- iii. whether the nature of Unpublished Price Sensitive Information being shared is commensurate to the purpose for which access is sought to be provided to the recipient of Unpublished Price Sensitive Information.
4. Any person in receipt of Unpublished Price Sensitive Information pursuant to a legitimate purpose shall be considered an “insider” for purposes of this Code and the PIT Regulations and due notice shall be given to such persons to maintain confidentiality of such Unpublished Price Sensitive Information in compliance with the Regulations.

Amendments:

This Code shall be reviewed from time to time and any amendments or modifications in this Code shall be subject to the review and approval by the Board of Directors of the Company.

In case any amendments, clarifications, circulars and guidelines issued by Securities and Exchange Board of India/Stock Exchange(s), not being consistent with the provisions laid down under this Code, then the provisions of such amendments, clarifications, circulars and the guidelines shall prevail upon the provisions contained in this Code and the same shall stand amended accordingly effective from the date as laid down under such amendments, clarifications, circulars and guidelines.