

Ref: JAL:SEC:2021

15th July, 2021

BSE Limited
25th Floor, New Trading Ring,

Rotunda Building,
P J Towers, Dalal Street, Fort,
MUMBAI 400 001

The Manager
Listing Department
National Stock Exchange of India Ltd
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

SCRIP CODE: 532532

NAME OF SCRIP: JPASSOCIAT

Sub: Reporting under SEBI (Prohibition of Insider Trading) Regulations, 2015 relating to Code of Conduct.

Dear Sir,

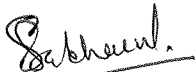
This is to inform you that the Audit Committee of the Board in its meeting held on 21st June, 2021 discussed in detail the unintentional trading of shares done by Smt. Vishali Jain belonging to Promoter Group of the Company during the period when the Trading Window was closed. In terms of SEBI circular No. SEBI/HO/ISD/CIR/P/2020/135 dated 23rd July, 2020, we enclose herewith the report in the format provided in Annexure A to the said circular, for violation related to Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015 by Smt. Vishali Jain.

Subsequent to the said Audit Committee meeting, Smt. Vishali Jain has submitted her representation to the Committee which will be placed in the next Audit Committee meeting.

It is pertinent to mention that the disclosure pursuant to Regulation 7(2) read with Regulation 6(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 were notified to Stock Exchange within the prescribed time vide our letter dated 12th June, 2021.

Thanking you,

Yours faithfully,
For **JAIPRAKASH ASSOCIATES LIMITED**



(Sandeep Sabharwal)
Vice President & Company Secretary

Encl: As above

Report by
JAIPRAKASH ASSOCIATES LIMITED
(Name of the listed company/ ~~Intermediary~~/Fiduciary)
for violations related to Code of Conduct under
SERI (Prohibition of Insider Trading) Regulations, 2015.

[For listed companies: Schedule B read with Regulation 9 (1) of SEBI (Prohibition of Insider Trading) Regulations, 2015
For Intermediaries/ Fiduciaries: Schedule C read with Regulation 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Sr. No.	Particulars	Details
1	Name of the listed company/ Intermediary /Fiduciary	JAIPRAKASH ASSOCIATES LIMITED
2	Please tick appropriate checkbox Reporting in capacity of : <input checked="" type="checkbox"/> Listed Company <input type="checkbox"/> Intermediary <input type="checkbox"/> Fiduciary	LISTED COMPANY
3	A. Details of Designated Person (DP)	
	i. Name of the DP	SMT. VISHALI JAIN
	ii. PAN of the DP	ABUPJ4022G
	iii. Designation of DP	PROMOTER GROUP
	iv. Functional Role of DP	NIL
	Whether DP is Promoter or belongs to Promoter Group	YES; PROMOTER GROUP
	B. If Reporting is for immediate relative of DP: NOT APPLICABLE	
	i. Name of the immediate relative of DP	NOT APPLICABLE
	ii. PAN of the immediate relative of DP	NOT APPLICABLE
	C. Details of transaction(s)	
	i. Name of the scrip	BSE: 532532 NSE: JPASSOCIAT
	ii. No of shares traded and value (Rs.) (Date- wise)	Shares traded Sell : 2,36,000 Sell Value: Rs. 24,31,500/- Buy: 2,36,000 Buy Value: Rs.24,65,950/- Date: 9 th June, 2021
	D. In case value of trade(s) is more than Rs.10 lacs in a calendar Quarter	



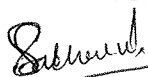
Sr. No.	Particulars	Details
	i. Date of intimation of trade(s) by concerned DP/ director/ promoter/ promoter group to Company under regulation 7 of SEBI (PIT) Regulations, 2015	11 th June, 2021
	ii. Date of intimation of trade(s) by Company to stock exchanges under regulation 7 of SEBI (PIT) Regulations, 2015	12 th June, 2021
4	Details of violations observed under Code of Conduct	Only a technical violation of SEBI (PIT) Regulations & Code of Conduct occurred due to unintentional error of the broker of Smt. Vishali Jain (Part of Promoter Group) of conducting inadvertent trade during trading window closure period, which was immediately reversed, which resulted in contra-trade. Details mentioned in Annexure-I.
5	Action taken by Listed company/ Intermediary/ Fiduciary	Immediately upon reference by BSE, the Company called for comments of Designated Person [DP] for ascertaining factual position. Entire facts including submission of DP were placed before the Audit Committee, which imposed a penalty of Rs.75,000 to ensure that DP is more vigilant and cautious and no recurrence happens in future, even though it observed that there was no intention of DP but an error of broker and it even resulted in loss in transaction to DP. Details mentioned in Annexure-II.
6	Reasons recorded in writing for taking action stated above	Reasons recorded are mentioned, which were mainly to ensure discipline amongst DP & its relatives & penalty imposed was to act as a deterrent. Details mentioned in Annexure-III.
7	Details of the previous instances of violations, if any, since last financial year	NIL



8	If any amount collected for Code of Conduct violation(s)	
	i. Mode of transfer to SEBI - IEPF (Online/Demand Draft)	Online
	ii. Details of transfer/payment	
	In case of Online:	
	Particulars	Details
	Name of the transferor	Vishali Jain
	Bank Name, branch and Account number	Punjab National Bank, Gurugram Sector - 15 II, 121010010000036
	UTR/Transaction reference Number	PUNBH21193957505
	Transaction date	12 th July, 2021
	Transaction Amount (in Rs.)	75000/- (Seventy Five Thousand only)
	In case of Demand Draft (DD):	
	Particulars	Details
Bank Name and branch		
DD Number		
DD date		
DD amount (in Rs.)		
9	Any other relevant information	NIL

Yours faithfully,

For JAIPRAKASH ASSOCIATES LIMITED



(SANDEEP SABHARWAL)

Vice President & Company Secretary

Membership No. ACS - 8370

"JA House", 63, Basant Lok,

Vasant Vihar, New Delhi - 110057

Name and Signature of Compliance Officer

PAN: ACDPS3791D

Email ID: sandeep.sabharwal@jalindia.co.in

Date: 14.07.2021

Place: New Delhi

Details of violations observed under Code of Conduct

The Company received an email from BSE Ltd on 11th June, 2021 informing, inter-alia, that during the course of routine analysis in the securities of JAL for the period 1st December, 2020 to 9th June, 2021, it was observed that Smt. Vishali Jain dealt in shares of the Company when trading window was closed with effect from 1st April, 2021 for the purpose of consideration and approval of Audited Financial Results for the quarter and financial year ended 31st March, 2021.

BSE further stated that, prima facie, it appears that Smt. Vishali Jain (part of the promoter group):

- a. traded during the trading window closure period which is in contravention of provisions of Para 4 of Schedule B, read with Regulation 9(1) and (2) of SEBI (PIT) Regulations 2015.
- b. bought and sold shares on June 09, 2021 which is in contravention of provisions of Para 10 of Schedule B, read with Regulation 9(1) and (2) of SEBI (PIT) Regulations 2015.
- c. Not filed necessary disclosure for aforesaid transactions as required under Regulation 7(2) of SEBI (PIT) Regulations 2015, till date.

Observations:

It was observed that –

- o the aforesaid transaction was an unintentional error of the operator of the Broker, which when reported to Smt. Vishali Jain (part of the promoter group), the said transaction was immediately reversed and in the aforesaid transaction, she has informed that there was a loss of Rs.34,450.
- o Trustline Securities Limited, the Broker, vide its letter dated 11th June, 2021 has admitted his fault, which occurred due to some technical problems and wrong transactions as stated in their letter were executed by the Broker in the trading account of Smt. Vishali Jain on 9th June, 2021. The Broker firm has apologized for the mistake and agreed to refund (and has refunded) the amount of loss of this transaction and also the brokerage.
- o Contra trade transaction happened because of the reversal of the transaction but without any intention to make profits.
- o The disclosures about sale and purchase of the shares was reported on 11th June, 2021 to the Company in the prescribed Form 'C' [even though not required since it never resulted in change in shareholding of the Promoter Group entity]. The disclosure was disseminated by the Company to the Stock Exchanges on 12th June, 2021.
- o Smt. Vishali Jain has been in the past, quite regular while making disclosures about the details of the trades, from time to time, and apprised to the Company in the prescribed format for onward submission to the Stock Exchanges.



- There has not been any incidence of violation of Code of Conduct or SEBI (PIT) Regulation by Smt. Vishali Jain in past.

Still it resulted in technical violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Code of Conduct of Conduct of the Company.



ANNEXURE-II

Action taken by Jaiprakash Associates Limited

The Audit Committee observed that even though unintentional, there were following violations in terms with relevant Regulations and Code of Conduct of the Company:-

- 1) Trading Window Closure: Smt. Vishali Jain carried out these trades during trading window closure, in violation of Regulations and Code of Conduct.
- 2) Contra Trade: Regulations and Code of Conduct prohibited contra trade.

However, she submitted the requisite disclosure about the trades in Form 'C' for dissemination to Stock Exchanges.

After deliberations, the Audit Committee came to the conclusion that even though unintentional, technically it was the violation of SEBI (Prohibition of Insider Trading) Regulation, 2015 and Code of Conduct and to ensure discipline and without limiting individual's responsibilities under the Reporting Code, any breach of trading shall be deemed to be breach of the Reporting Code. Therefore, a penalty of Rs.75,000 be imposed on Smt. Vishali Jain i.e. Rs.50,000 for violation of conducting trade during trading window closure period and Rs.25,000 for violation of conducting contra trade, to ensure that Smt. Vishali Jain is more vigilant and cautious and no repetition happens in future.

Smt. Vaishali Jain has since deposited the amount as per the details given in para 8.



REASON RECORDED IN WRITING FOR TAKING ACTION STATED ABOVE

The Audit committee considered the entire matter relating to sale of 2,36,000 shares of the Company by Smt. Vishali Jain on 9th June, 2021 when the trading window was closed and contra trade for the same shares on the same day, as placed before the Committee including submissions of Smt. Vishali Jain and felt that apparently it was an unintentional error on the part of Smt. Vishali Jain (part of Promoter Group) leading to the transaction happening on a day when it was the trading window closed period. The same was corroborated with the fact that she had not made any profit, but incurred loss of Rs.34,450/- from these trades. Contra trade transaction happened because of the reversal of the aforesaid unintentional transaction of sale of shares resulting in loss to Smt. Vishali Jain, which Smt. Vishali Jain's Broker firm had agreed to refund. However technically, these trades resulted in violation of SEBI (Prohibition of Insider Trading) Regulation, 2015 and Code of Conduct, the Committee felt that Smt. Vishali Jain should be careful in future, being her first instance of violation and take all precautions & safeguards vis-à-vis her Broker, so that such violations/defaults should not reoccur in future.

The Audit Committee observed that even though unintentional, there were following violations in terms with relevant Regulations and Code of Conduct of the Company:-

- 1) Trading Window Closure: Smt. Vishali Jain carried out these trades during trading window closure, in violation of Regulations and Code of Conduct.
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The aforesaid penalty shall act as deterrent to Designated Person, so that the aforesaid SEBI (PIT) Regulations, 2015 and Code of Conduct is not violated even though the Committee took cognisance of the followings:-

- That the trade was effected by Smt. Vishali Jain unintentionally;
- That trade was immediately reversed since there was no intention to conduct the trade during trading window closure date;
- That the trade was conducted without any gain to Smt. Vishali Jain and in fact, it resulted in a loss to her;
- That Smt. Vishali Jain gave the requisite disclosure in prescribed Form 'C' even though there was no change in holding of the Designated Person pursuant to the said trades; and
- That it was first instance of default of Smt. Vishali Jain of such nature.

The Compliance Officer was advised to issue a warning letter to Smt. Vishali Jain and also advise Smt. Vishali Jain to deposit the penalty amount of Rs.75,000, so that such kind of default shall not occur in future, giving her the extracts of the minutes of Audit Committee. The Compliance Officer shall report compliance to the Stock Exchanges in SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/ 2020/135 dated 23rd July, 2020.

