



**CODE OF PRACTICES AND  
PROCEDURES FOR FAIR  
DISCLOSURE OF UNPUBLISHED  
PRICE SENSITIVE  
INFORMATION AND TO  
REGULATE, MONITOR AND  
REPORT TRADING BY INSIDERS**

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## **Code of practices and procedures for fair disclosure of unpublished price sensitive information.**

### **I. PREAMBLE.**

Regulation 8 (1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**regulations**”), requires the Board of Directors of every company, whose securities are listed on a stock exchange, to formulate and publish on its official website, a code of practices and procedures for fair disclosure of unpublished price sensitive information.

In Compliance to said regulation, Jammu and Kashmir Bank Limited (“**Bank**”/ “**Company**”) has formulated this “Code on practices and procedures for fair disclosure of unpublished price sensitive information and to regulate, monitor and report trading by Insiders (hereinafter referred as “**Code**”)

### **II. OBJECTIVE**

The objective of the Code is to ensure timely and adequate disclosure of unpublished price sensitive information (“**UPSI**”) which would impact the price of the Bank’s securities and to maintain uniformity, transparency and fairness in dealing with all stakeholders. Besides the code envisages to regulate, monitor and report trading by prohibiting dealing, communicating, or counselling on matters relating to unpublished price sensitive information. Further, the Bank endeavours to preserve the confidentiality of UPSI and to prevent misuse of such information.

### **III. INTERPRETATION**

In this Code, unless the context otherwise requires, the terms and expression used but not defined herein shall have the same meaning as are assigned to them under SEBI (Prohibition of Insider Trading) Regulations 2015, SEBI (Listing Obligations Disclosure Requirement) Regulations 2015, the Companies Act, 2013, the Securities Contracts (Regulations) Act, 1956 and or any other applicable laws or regulations, as the case may be.

### **IV. DEFINITIONS**

“ <b>The Bank</b> ” or “ <b>the Company</b> ”	means - Jammu and Kashmir Bank Limited.
“ <b>Board</b> ” or “ <b>Board of Directors</b> ”	means - Board of Directors of the Bank.
“ <b>Code</b> ”	means this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.
“ <b>Compliance Officer</b> ”	means the Company Secretary or such other person who may be appointed by the Board as the Compliance Officer of the Bank from time to time.

<b>“Connected Person”</b>	shall have the same meaning as defined in Regulation 2 (d) of the Regulations.
<b>“Chief Investor Relations Officer” “CIRO”</b>	means the Compliance Officer of the Bank.
<b>“Dealing in Securities”</b>	means an act of subscribing, buying, selling or agreeing to buy, sell or deal in any securities of the Bank by any person either as principal or agent.
<b>“Dependent Family Members”</b>	means spouse, dependent parents and dependent children.
<b>“Designated Employees”</b>	<p>includes -</p> <ul style="list-style-type: none"> <li>i) Directors.</li> <li>ii) General Managers and Deputy General Managers irrespective of their place of posting.</li> <li>iii) Staff posted at the office of MD &amp; CEO, Executive Director, General Managers and Deputy General Managers.</li> <li>iv) All employees in the Board Secretariat, Finance, Investment/Treasury Operations, Risk Management, Compliance, Finance &amp; MIS, Strategy and Partnership Division.</li> <li>v) Any other employee/scale of employees of the Bank that may be notified by the Compliance Officer, from time to time, with the approval of MD &amp; CEO.</li> </ul> <p>Provided that in case any of the Designated Employees and /or Officers leaves the services of the Bank, he shall continue to be considered as such for a further period of six months if he were to commit an act of Insider Trading at any time within the said period of six months as envisaged under the Regulations.</p>
<b>“Directors”</b>	shall mean the Directors on the Board of Directors of the Bank.
<b>“Insider”</b>	means any person who is: <ul style="list-style-type: none"> <li>i. a connected person; or</li> <li>ii. in possession of or having access to unpublished price sensitive information</li> </ul>
<b>“Immediate relative”</b>	means 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;
<b>“Published Information”</b>	means any information officially published by the Bank or its authorized officers and includes information sent to the stock exchanges.

<b>“Regulations”</b>	means ‘the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
<b>“Relative”</b>	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).
<b>“Security/Securities”</b>	shall mean the equity shares of the Bank (“shares”) and include any other security issued by the Bank which is listed on any stock exchange.
<b>“Stock Exchange(s)”</b>	shall mean The BSE Limited and National Stock Exchange of India Limited or any other recognized exchange where the securities of the Bank have been listed.
<b>“Trading Window”</b>	means a period to be specified by the Bank in which trading of Securities can be done by the Designated Employee/Officer.
<b>“Unpublished Price Sensitive Information”</b>	means any information, relating to the Bank 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, delistings, disposals and expansion of business and such other transactions; (v) changes in key managerial personnel.
<b>“Working Day”</b>	shall mean the working day when the regular trading is permitted on the concerned stock exchange where Securities of the Company are listed.

Further, any ‘word’ or “expression” used in this code, not defined herein above shall have same meaning as defined in the Regulations, the Companies Act, 2013 or any other statute/regulatory guideline.

#### **V. APPLICABILITY**

The Code shall be applicable to and binding on Designated Employees/Officers including the Directors of the Bank.

## **VI. COMPLIANCE OFFICER**

The Company Secretary of the Bank shall be the Compliance Officer. He shall work under the direct control, direction and superintendence of the Managing Director and CEO (“MD & CEO”), and shall report to the Board of Directors of the Bank through MD & CEO.

The Compliance Officer shall be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre clearing of Designated Employees and their dependents trades, monitoring of trades and the implementation of the Code under the overall supervision of the Board.

The Compliance Officer shall maintain a record of the Designated Employees and any changes therein and other records in prescribed Form I to Form VII of this code.

The Compliance Officer shall assist all the employees in addressing any clarifications regarding the Regulations and the Code.

## **PART A**

### **FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

#### **VII. NORMS FOR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”)**

##### **a) Prompt public disclosure of UPSI**

The Vertical Heads/ Heads of Departments of the Bank (“Departmental Head”) or any other designated employee of the Bank who has UPSI which is proposed to be shared with the analysts, shareholders and media, shall submit such information to the Managing Director & CEO for his advance approval. Where the disclosure of information is approved by the Managing Director & CEO, a copy of the approval shall be forwarded to the Compliance Officer who shall further disseminate such price sensitive information to stock exchanges as required before sharing the same with any other person. The said information shall be promptly uploaded at the Bank’s official website in order to be accessed by the Investors and Members of the Bank i.e. to make the information generally available.

##### **b) Uniform, continuous and universal dissemination of UPSI to avoid selective disclosure**

The Bank shall follow the below process for dissemination of UPSI:

- i. Where any designated employee has any UPSI or any other information which may materially impact the price of the securities or, where such employee is not able to make an opinion about its impact, he shall report the same to the Managing Director & CEO.
- ii. Then, the Managing Director & CEO shall further analyse the said information in terms of the Regulations and if required, he may take the opinion of the external professional whether the information is UPSI or not.
- iii. After analysing, the Managing Director & CEO, if deemed fit, shall forward the same to the Compliance Officer for its submission to the stock exchanges in the format as prescribed in the Regulations or any other law as may be applicable to the Bank.
- iv. The above information shall be made public as early as possible in order to provide level playing field to all the investors.

##### **c) Chief Investor Relations Officer (CIRO)**

For the purpose of this code, the Compliance Officer of the Bank shall act as Chief Investor Relations Officer (“**CIRO**”). The CIRO shall deal with the dissemination of information and disclosure of unpublished price sensitive information, besides ensuring that the Bank complies with continuous disclosure requirements and overseeing and coordinating disclosure of UPSI to stock exchanges, on the website of the Bank and media.



**d) Prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available**

If the information is accidentally disclosed without prior approval of the CIRO, the person responsible shall inform the CIRO or the Managing Director & CEO immediately, even if the information is not considered price sensitive. In such event of inadvertent, selective disclosure of the price sensitive information, the CIRO shall take prompt action to ensure that such information is generally made available.

**e) Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities**

Where any designated employee finds any news report or rumours about the Bank, such employee shall immediately report to the Compliance Officer who will verify the same in consultation with the Managing Director & CEO of the Bank.

The Compliance Officer shall facilitate the Corporate Communication Department of the Bank in framing replies to all queries or requests for verification of market rumours or any report published in the newspaper or any other print media and the replies shall be sent only after obtaining the approval of the Managing Director & CEO. In the absence of the Managing Director & CEO, the reply can be sent only with the approval of the person as may have been authorized by the MD & CEO in this behalf.

The Compliance Officer shall provide a prompt, fair and appropriate response to any queries or requests for verification of market rumours by the regulatory authorities including the Stock Exchange within 48 hours of receipt or where the stock exchange requires, within such time as may be required. Such response shall be sent to all Stock Exchanges, even if a query has been received from only one of the Stock Exchanges. The Chief Investor Relations Officer in consultation with Managing Director & CEO shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and then making the disclosure.

**f) Sharing of UPSI for legitimate purpose**

- i. 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 this code.
- ii. Any person in receipt of Unpublished Price Sensitive Information pursuant to a "Legitimate Purpose" shall be considered an "insider" for purposes of the Regulations and such persons are also required to ensure the confidentiality of Unpublished Price Sensitive Information shared with them, in compliance with the Regulations and of this code.
- iii. The Bank shall provide only public information to the analysts/research persons/investor groups/large investors like institutions. Alternatively, the information given to the analyst shall be simultaneously made public at the earliest by disclosing the

same to the stock exchanges. The Bank shall endeavour to make disclosure to the stock exchanges about the schedule of analyst or institutional investor meet.

- iv. The Bank, being a listed entity should be careful while making corporate disclosures or dealing with questions that raise issues outside the intended scope of discussions. Unanticipated questions may be taken on record and a considered response given later. If the answer includes any UPSI, then before or simultaneously with responding, a public announcement should be made and posted on the website of the Bank.

**g) Developing best practices to record meetings with analysts and research persons and other investor relations conferences**

In order to avoid misquoting or misrepresentation, it is necessary that all corporate disclosures shall be made either in writing or in cases of meeting with analysts, research persons, brokers or investors, at least two representative of the Bank be present at meeting and the discussion should preferably be recorded.

**h) Handling of all unpublished price sensitive information on a need-to-know basis**

UPSI is to be handled carefully and shall not be passed to any person unless such information is required on a "need to know" basis, i.e. Unpublished Price Sensitive Information should be disclosed only to those within the Bank who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information and such information shall not be communicated to any person except in furtherance of the legitimate purposes, performance of duties or discharge of legal obligations.

All non-public information directly received by any employee should immediately be reported to the head of the department.

**i) The Bank with the approval of the Board of Directors may adopt the concept of 'Chinese Wall' in order to prevent the misuse of UPSI:**

- i. The Bank shall adopt a "Chinese Wall" policy which separates those areas which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing/investment advice or other departments providing support services, considered "public areas".
- ii. The employees in the inside area shall not communicate any UPSI to anyone in public area.
- iii. The employees in inside area may be physically segregated from employees in public area.
- iv. Demarcation of the various departments as inside area may be implemented by the Bank.
- v. In exceptional circumstances, employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria, under intimation to the Compliance Officer.

**j) Maintaining of Structural Database**

- i. A structured digital database shall be maintained centrally by the Compliance Officer containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and the names of such persons with whom information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. Yearly compliance thereof will be placed before the Audit Committee of the Board.
- ii. The Compliance Officer shall ensure that the structured digital database is preserved centrally for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

**VIII. PRESERVATION OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”**

Designated Employees shall maintain the confidentiality of all Unpublished Price Sensitive Information. They shall not pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities.

A person who has traded in securities of the Bank while in possession of UPSI, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession

**IX. LIMITED ACCESS TO CONFIDENTIAL INFORMATION**

Files containing the confidential information shall be kept secured. Computer files must have adequate security of log in and password etc.

**X. PROHIBITION ON DEALING, COMMUNICATING OR COUNSELING ON MATTERS RELATING TO INSIDER TRADING**

Subject to the provisions of the Regulations, no insider shall:

- i) Either on his own behalf or on behalf of any other person, deal in securities on any stock exchange when in possession of any Unpublished Price Sensitive Information.
- ii) Communicate, counsel or procure, directly or indirectly, any Unpublished Price Sensitive Information to any person who while in possession of such Unpublished Price Sensitive Information shall not deal in the securities.

Provided that nothing contained above shall be applicable to any communication required in the ordinary course of business or profession or employment or under any law for the time being in force.

## **PART B**

### **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY INSIDERS**

**Applicability of this Part:** This part of the Code shall apply mutatis-mutandis to all the specified designated employees of the Bank while dealing in the securities of the corporate customers of the Bank.

#### **XI. PREVENTION OF MISUSE OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”:**

1. All information shall be handled within the Bank 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. Every designated employee shall follow the norms of ‘Chinese Wall’ as specified in para VII (i) above.

#### **2. Notional Trading Window**

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 relatives shall not trade in securities when the trading window is closed.

Where any designated employee of the Bank has UPSI then such employee shall not trade in the securities of the Bank. Till such UPSI is made public, that period shall be called as period of closure of trading window.

Designated Employees shall not trade in the securities of the Bank during the period mentioned below when ‘Trading Window’ shall normally be closed:

- i. From the date of intimation of the date of a meeting of the Board to the stock exchanges; and/or
- ii. From the date of intimation of the date of a meeting of a Committee of the Board to the members of such a Committee; where at any such meeting any Unpublished Price Sensitive Information including the following are to be considered:
  - (a) Declaration of Financial Results (quarterly, half-yearly and annual); provided that the trading window shall be closed on the end of every quarter or the date of intimation of the Board meeting to the Stock Exchanges, whichever is earlier.

- (b) Proposal in respect of issue of securities by way of public/ rights/ bonus etc.
- (c) Proposal in respect of significant expansion plans or execution of new large projects;
- (d) Proposal in respect of amalgamation, mergers, takeovers, buy back;
- (e) Proposals in respect of disposal of whole or substantially the whole of the undertaking;
- (f) Declaration of dividends (interim and final);
- (g) Any significant changes in policies, plans or operations of the Bank.
- (h) Any other event as may be notified.

The Trading Window shall open 48 hours after the information aforesaid is made public/furnished to the stock exchanges.

3. Designated Employees of the Bank shall conduct all their dealings in the securities only in a valid Trading Window and shall not deal when the Trading Window is closed or any other period as may be specified by the Bank.
4. Designated Employees of the Bank shall be eligible to conduct all their dealings in the securities on any day of the year other than the period mentioned hereinabove in this part of the policy.
5. The restriction mentioned above shall not be applicable in respect of exercise of an option under Employees Stock Option Schemes (ESOPs). However, shares allotted on exercise of ESOPs shall not be sold during the period mentioned above, when Trading Window shall remain closed.

#### 6. **Trading Plans**

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.

Such trading plan shall:-

- (i) not entail commencement of trading on behalf of the insider earlier than 120 calendar days from the public disclosure of the plan;
- (ii) not entail overlap of any period for which another trading plan is already in existence;
- (iii) set out following parameters for each trade to be executed:
  - a) either the value of trades to be effected or the number of securities to be traded;

- b) nature of the trade;
- c) either specific date or time period not exceeding five consecutive trading days;
- d) price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
  - for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent higher than such closing price;
  - for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and up to twenty per cent lower than such closing price.

The parameters in sub-clause a), b), and c) shall be mandatorily mentioned for each trade, the parameter in sub-clause d) shall be optional and the price limit in sub-clause d) shall be rounded off to the nearest numeral. Insider may make adjustments, with the approval of the Compliance Officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.

- (iv) not entail trading in securities issued by the Bank for market abuse.

The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either ~~deviate from it or to~~ execute any trade in the securities issued by the Bank outside the scope of the trading plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.

The implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation.

If the insider has set a price limit for a trade under para 6 (v) d) above, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

In case of non-implementation (full/partial) of trading plan due to either reasons enumerated in sub-regulation 4 or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:

- The insider shall intimate non-implementation (full/partial) of trading plan to the Compliance Officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.
- Upon receipt of information from the insider, the Compliance Officer, shall place such information along with his recommendation to accept or reject the



submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not.

- The decision of the Audit Committee shall be notified by the Compliance Officer on the same day to the stock exchanges on which the securities are listed.
- In case the Audit Committee does not accept the submissions made by the insider, then the Compliance Officer shall take action as per the Code of Conduct.

The Compliance Officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

## **XII. PRE-CLEARANCE OF TRADES**

Designated Employees shall require prior clearance from the Compliance Officer in respect of purchase/ sale of securities, exceeding 20000 shares in a month either in one transaction or in a series of transactions. Such purchase/ sale of securities by the Compliance Officer shall require prior clearance from the MD & CEO. Purchase/ sale transactions, for which prior clearance has been obtained, shall be executed within seven days of such clearance. Designated Employees and their dependents shall make pre-clearance application to the Compliance Officer in the format given in FORM-I. The application shall indicate the estimated number of securities that the employee intends to deal in, the details as to the depository, with which he has a security account, the details as to securities in such depository mode and such other details, as may be required by the Compliance Officer from time to time in his behalf.

An undertaking shall be executed in favour of the Bank by a Designated Employee /Officer incorporating, *inter alia*, the following clauses, as may be applicable:

- (a) That he/she does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking;
- (b) That in case he has access to or receive "Unpublished Price Sensitive Information" after the signing of the undertaking but before the execution of the transaction he/ she shall inform the Compliance Officer of the change in his/her position and that he/she would completely refrain from dealing in the securities till the time such information becomes public;
- (c) That he/she has not contravened the Code of Conduct for Prevention of Insider Trading as notified by the Bank from time to time;
- (d) That he/she shall hold investments in securities for a minimum period of six months;
- (e) That he/she has made a full and true disclosure in the matter.



The pre-clearance shall not be necessary, if the number of securities to be traded are less than 20000 in a single or a series of transactions in a month. Pre-clearance of trades shall also not be required for trade executed as per an approved trading plan. Further, the trading window norms and restrictions on contra trade shall also not be applicable for trades carried out in accordance with an approved trading plan.

Immediately on receipt of the pre-clearance application, the date and time of the receipt of the same shall be recorded thereon. The Compliance Officer shall process the pre-clearance applications and if the pre-clearance application is in accordance and in compliance with the provisions of this Code, the Compliance Officer shall communicate the pre-clearance immediately but not later than 48 hours from the time of receiving the application. In the absence of Compliance Officer, the Officer authorized by the Compliance Officer shall give the pre-clearance. A proforma letter of intimation of pre-clearance is annexed as FORM-II.

Designated Employees and their dependents shall execute their order in respect of securities within one week after the approval of pre-clearance is given. If the order is not executed within one week after the approval is given, the concerned Designated Employees shall obtain fresh pre-clearance.

All designated employees who buy or sell any number of shares of the company shall not enter into an opposite transaction i.e. sell or buy any number of shares during the next six months following the prior transaction. All designated employees shall also not take positions in derivative transactions in the shares of the company at any time.

In the case of subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.

In case the sale of securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer after recording in writing the reasons in this regard.

The Compliance Officer would maintain a register of pre-clearance of trading of securities and record therein the name and designation of the Designated Employee/ Officer submitting the application, date of application, date & time of receipt of the application, nature of the transaction, number of securities, consideration value, name of the Dependent family member if the transaction is in the name of the dependent family member and date & details of the actual transaction. A proforma of the said register is given in FORM-III. It shall be the duty of the Designated Employee/ Officer to inform the Compliance Officer of the details of the actual transactions. A proforma of such intimation is given in FORM- IV.

No Designated Employee shall execute a contra trade within 6 months. However, subject to the compliance of the Regulations and this policy, the Compliance Officer is empowered to grant relaxation from this condition for reasons to be recorded in writing.

The Compliance Officer shall also maintain a record of “waiver of restriction on holding investment in the securities for a minimum period of six months” and shall record thereon the name of the Designated Employee/Officer, details of Securities for which waiver is granted, date of waiver and the ground of the waiver.

### **XIII. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

All Designated Employees shall make disclosures to the Bank as detailed below:

- (a) Designated persons shall be required to disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes:
  - (i) Immediate relatives
  - (ii) Persons with whom such designated person(s) shares a material financial relationship
  - (iii) Phone, mobile and cell numbers which are used by them

In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on one time basis.

- (b) An initial disclosure in Form-B disclosing the total number of shares or voting rights in the Bank, held by him or his Dependent Family Member(s), and positions taken in derivatives by such person within two working days of his/her becoming a Designated Employee.
- (c) Every promoter and designated employee of the Bank shall disclose to it 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 in Form C.

The Bank shall notify the particulars of such trading to the stock exchange on which the securities are listed within two trading days of receipt of the disclosure or from becoming aware of such information.

**Explanation.** — For the purpose of clause (b), it is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure hereinabove, shall be made when the transactions effected after the prior disclosure cross the threshold specified as above.

- (d) The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the Designated Employees /Officers for a minimum period of three years.

The Compliance Officer shall maintain a record of the initial disclosure, periodical disclosure and annual disclosure received above.

The Compliance Officer shall maintain a Register of Designated Employees /Officers as per FORM-V in physical or in electronic mode. Such data base shall be maintained with adequate internal controls and checks to ensure non-tampering of data base.

#### **XIV. PENALTY FOR CONTRAVENTION OF CODE OF CONDUCT**

Every Designated Employee/Officer who trades in Securities or communicates any information for trading in Securities, in contravention of the Code may be penalized and appropriate action may be taken by the Bank.

Designated Employees /Officers who violate the code of conduct shall also be subject to disciplinary action by the Bank, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans, or such other action as may be considered appropriate by Audit Committee of Board.

The action by the Bank shall not preclude SEBI from taking any action in case of violation of Regulations.

#### **XV. INFORMATION TO SEBI IN CASE OF VIOLATION OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015**

If the Bank/Compliance Officer notices any violation of the Regulations, the SEBI shall be informed by the Bank.

#### **XVI. REVIEW OF COMPLIANCE OF THE CODE**

The Audit Committee of the Board shall review Compliance with the provisions of these regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

#### **XVII. CONFLICT IN CODE**

In the event of conflict or inconsistency between the provisions of this Code and the provisions of the applicable laws, the Code shall be construed and interpreted in consonance with the applicable laws and in the failure of such harmonic interpretation and construction, the regulatory provisions shall prevail.

#### **XVIII. DISCLOSURE OF THE CODE**

This Code shall be made available on the website of the Bank and at such other place(s), as stipulated in SEBI guidelines / other applicable guidelines.

## **XIX. REVIEW OF THE CODE**

The Code shall be subject to biennial review by Audit Committee of the Board (ACB) for their recommendation to the Board for approval. The Board Secretariat shall place the review of the Code before the ACB & the Board. Approved revised Code will remain in force till next review. Any guideline(s) issued by Regulator/s with regard to the Code and/or any other matter dealt with by this Code shall be deemed to be part & parcel of this Code for operational purpose with immediate effect.

### **Annexures**

<b>Sr. No</b>	<b>Particulars</b>
I	Form-I: Application for Pre-Clearance of Trades in Securities
II	Form-II: Letter of intimation of pre-clearance
III	Form-III: Register of Pre-Clearance for Trade in Securities
IV	Form-IV: Intimation of the Details of the Transactions in the Securities of the Bank
V	Form-V: Register of Designated Employees
VI	Form-B: Details of Securities held on appointment of Key Managerial Personnel or Director or upon becoming a Promoter or Designated Employee
VII	Form-C: Details of change in holding of Securities of Promoter, Employee or Director



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