



Since 1907

Jost's Engineering Company Limited

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Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information

[AS ENVISAGED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015]

I INTRODUCTION

This code of Corporate disclosure practices has been formulated pursuant to Regulation 8 of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, (hereinafter referred to as “the said regulations”) and has been approved by the Board of Directors of the Company at their meeting held on 2nd February, 2019.

Securities and Exchange Board of India has vide its circular dated 31st December, 2018 modified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 effective from 1st April, 2019. The Code was amended and adopted by the Board effective from 01st April, 2019.

II PURPOSE

The Code aims to provide a framework of practices and procedures for fair disclosure of events and occurrences which may impact the price discovery in the market for the Securities of the Company listed on the stock exchanges.

III DEFINITIONS

“**Chief Investor Relations Officer**” means the Chief Financial Officer or any other officer of the Company designated as such by the Board of Directors of the Company.

“**Unpublished Price Sensitive Information**” or “**UPSI**” means any information, relating to the Company or its Securities, directly or indirectly, that is not generally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, delistings, disposals and expansion of business and such other transactions;
- v) Changes in key managerial personnel; and
- vi) Other material events or information in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms used but not defined herein shall have the meanings as ascribed to such terms in the Regulations.

IV. Disclosure and Handling of Unpublished Price Sensitive Information

1. The Chief Financial Officer has been designated as Chief Investor Relations Officer (CIRO), who shall be responsible for ensuring that the Company complies with continuous disclosure requirements overseeing and co-ordinating disclosure of Unpublished Price Sensitive Information (“UPSI”) to Stock Exchange, Analysts, Shareholders and Media and educating concerned staff on disclosure policies and procedures.
2. In connection with the dissemination of UPSI, the CIRO shall consult to the Chairman/Vice Chairman & Managing Director, as the case may be, and shall also co-ordinate with the Compliance Officer of the Company.
3. The Employees and Directors of the Company shall provide only public information to analyst/research persons/Investors.
4. The CIRO shall ensure that the information provided to the analyst/research person/Investor, is made public simultaneously with such disclosure.
5. All UPSI shall be handled on a need-to-know basis. Employees of the Company handling/possessing unpublished price sensitive information will not share such information to other employees of the Company/outsider except on a need to know basis. No UPSI shall be communicated by such employee to any person except in furtherance of his/her legitimate purpose, performance of his/her legal obligations.
6. The CIRO shall ensure that transcripts or records of meetings with analyst/research person/investor are uploaded on the website of the Company to ensure official confirmation and documentation of disclosures made.
7. The CIRO shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise to make such information generally available.
8. All UPSI shall be disseminated uniformly and universally to avoid any selective disclosure.
9. The CIRO shall ensure that in order to avoid misrepresentation or misquoting, endeavor shall be made that atleast two senior employees are present in the meetings or conference calls with analysts, brokers or institutional investors.
10. The CIRO shall disseminate all credible and concrete UPSI in a timely manner to the Stock Exchange, where Company’s securities are listed, no sooner than credible and concrete information comes into being in order to make such information generally available.

V Responding to Market Rumours

The Chairman/Vice Chairman & Managing Director of the Company and/or the Chief Financial Officer and/or the Compliance Officer and any other spokesperson shall give an appropriate and fair response to queries on news reports and request for verification of market rumours by regulatory authorities. They shall also be responsible for deciding whether a public announcement is necessary for verifying or denying rumours and making disclosures.

VI. Policy for determination of ‘Legitimate Purposes’ for disclosure of Unpublished Price Sensitive Information (UPSI).

Explanation: 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, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these SEBI (Prohibition of Insider Trading) Regulations, 2015.

1. No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or its securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
2. The UPSI may be shared with any person on “need to know” basis.
3. Insiders may share UPSI with external agencies, if it is in the interest of the Company and/or in compliance with the requirements of the law.
4. The UPSI may be communicated, provided, allowed to access or procured, in connection with a transaction that would:
 - a. entail an obligation to make an open offer under the takeover regulations, where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interest of the Company;
 - b. not attract the obligation to make an open offer under the takeover regulations but the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available atleast two trading days prior to the proposed transaction being effected in such form, as the Board of Directors of the Company may determine, to be adequate and fair to cover all relevant and material facts.

The Board of Directors of the Company shall require the parties to execute agreements involving sharing of UPSI, to include a confidentiality clause in such agreements or to execute a separate non-disclosure agreements to keep the UPSI confidential except for the legitimate purpose and that the parties shall not otherwise trade in the securities of the Company when in possession of UPSI.

VII Amendment to the Code

In case any amendment is to be made to the Code, the same shall be made with the approval of the Board of Directors.

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