

JYOTI CNC AUTOMATION LIMITED

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

This Code is called Jyoti's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code") and is framed based on the principles of fair disclosure outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("SEBI PIT Regulations"). This Code has been approved and adopted by the Board of the Company on July 12, 2023.

A. Definitions

"Act" means the Securities and Exchange Board of India Act, 1992, as amended.

"Company" means Jyoti CNC Automation Limited.

Compliance Officer means a 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 the SEBI PIT 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company. The term 'financially literate' shall bear the meaning as defined under the SEBI PIT Regulations.

Connected Person means any person who is or has during the 6 months prior to the concerned act been associated with the 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himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonable expected to allow such access. Without prejudice to the generality of the foregoing, the person falling within the following categories shall be deemed to be connected person unless the contrary is established:

- (a) An immediate relative of connected persons; 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, as amended; 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 immediate relative or banker of the company, has more than 10% of the holding or interest;

Generally Available Information means information that is accessible to the public on a non-discriminatory basis and is intended to define what constitutes generally available information so that it is easier to crystallize and appreciate what Unpublished Price Sensitive Information is.

“Legitimate Purposes” 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 provided that such sharing has not been carried out to evade or circumvent the prohibitions of SEBI PIT Regulations.

“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 and it is intended that the immediate relatives of a Connected Person too become Connected Persons for purposes of SEBI PIT Regulations.

“Insider” means any person who is:

- (a) A Connected Person; or
- (b) In possession of or having access to Unpublished Price Sensitive Information.

"Unpublished Price Sensitive Information" 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:

- a) Financial Results;
- b) Dividends;
- c) Change in capital structure;
- d) Mergers, De-Mergers, Acquisitions, De-listings, Disposals and expansion of business and such other transactions;
- e) Changes in key managerial personnel.

It is intended that information relating to the Company or securities, that is not generally available would be Unpublished Price Sensitive Information if it is likely to materially affect the price upon coming into the public domain.

B. Designation and Role of Chief Investor Relations Officer and Compliance Officer

1. The Chief Financial Officer shall be the Chief Investor Relations Officer (**“CIRO”**) for the purpose of the Code.
2. The CIRO along with the Compliance Officer shall be responsible for dissemination of information and prompt disclosure of Unpublished Price Sensitive Information (**“UPSI”**). Hereinafter referred to as the **“Authorised Personnel”**.
3. In the temporary absence of either the CIRO or the Compliance Officer, the Authorised Personnel present shall be responsible for dissemination of information and disclosure of UPSI. In the temporary absence of both the Authorised Personnel for any reason whatsoever, the Managing Director and Chief Executive Officer, if any, may nominate any other senior official of the Company to be responsible for dissemination of information and disclosure of UPSI and for any other matter under this Code. The Managing Director may nominate different officials for specific matters.

C. Disclosures under the Code

4. The Authorised Personnel shall ensure:
 - a. prompt public disclosure of UPSI that would impact price discovery no sooner than credible and concrete information comes into being in order to make such information generally available;

- b. uniform and universal dissemination of UPSI to avoid selective disclosure;
 - c. and
 - d. prompt dissemination of UPSI that gets disclosed inadvertently or selectively or otherwise to ensure that the information is made generally available.
 - e. Appropriate and fair response to queries on news reports and requests for verification of market rumors by regulatory authorities.
5. It is clarified that information to be termed UPSI should be specific and intended to be generally made available at a point of time to ensure it does not lead to the creation of a false market in securities. For the purpose of disclosure, the Authorised Personnel may consult such officials within the Company to ensure the correctness and credibility of UPSI.
 6. The Authorised Personnel shall authorize disclosure or dissemination of UPSI (i) by way of intimation to the stock exchanges, such that further disclosure can be made from the stock exchange websites; (ii) on the official website to ensure official confirmation and documentation; and (iii) in any other manner as may be decided by the Authorised Personnel to facilitate uniform and universal dissemination of UPSI.
 7. All communications o UPSI with the stock exchange shall be approved by the Authorised Personnel and communicated through appropriate personnel under his direction.
 8. The Authorised Personnel shall also be responsible for overseeing the contents of UPSI to be posted on the website of the Company for the purposes of this Code and shall give appropriate directions for the publication of the same. No other person shall be authorized to post any UPSI in the absence of any directions from the Authorised Personnel.
 9. To facilitate timely disclosure of UPSI, all employees, designated persons or insiders will be required to communicate any UPSI to the Authorised Personnel as soon as credible and concrete information comes into being.

D. General obligation of preserving UPSI

10. All employees, directors and insiders of the Company are required to ensure that handling of all UPSI, including onward communication, is done on a need-to-know basis and in line with the any other applicable codes, policies and procedures of the Company, including, specifically, this Code and the ‘Code of Conduct to Regulate, Monitor and Report Trading by its Designated Persons and their Immediate Relatives’ (“**Insider Trading Code**”) of the Company.

E. Information Shared with Specific Persons

11. The Authorised Personnel shall ensure that any information shared with analysts, research personnel and other industry professionals is not UPSI and is generally available. In case any information which is not generally available to intended to be discussed at any meeting or conferences with analysts, research personnel or other industry professionals, such information must be made generally available through any means prior to such meeting or conference.
12. The only persons authorized to speak on behalf of the Company with analysts, research personnel and other industry professionals are the Managing Director and Chief Executive Officer, Chief Financial Officer, Authorised Personnel and employees forming part of investor relations team specifically authorized by the Authorised Personnel (“**Authorised Employees**”).

13. Any disclosures made to analysts, research personnel and other industry professionals must be complete and specific. Selective disclosures are strictly prohibited.
14. Inquiries from analysts, research personnel and other industry professionals must be handled only by the Authorised Personnel or Managing Director or Chief Executive Officer or any employees authorised by him. Under no circumstances an attempt shall be made to handle these queries without prior authorization from the Authorised Personnel.
15. All press releases to be issued must be reviewed by the Authorised Personnel before being shared with the media. In case the Authorised Personnel determines that the press release requires disclosure on stock exchanges, such press release must be shared with media only after disclosure on stock exchanges. For follow-up inquiries on press releases, the Authorised Personnel may designate any person within the corporate communications team to respond to such inquiries.
16. The Authorised Personnel shall also develop best practices to make transcripts or records of proceedings of meetings and conferences with analysts, research personnel and other industry professionals on the official website to ensure official confirmation and documentation of disclosures made.
17. This Code and every amendment hereto will be promptly intimated to the stock exchanges where the Company's securities are listed.
18. The Company reserves the rights to review and amend this Code from time to time. All provisions of this Code would be subject to revision / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

F. Sharing of UPSI

19. UPSI may be shared with any person who has been authorized to share such information by the board of directors of the Company ("**Board**") or the Authorised Personnel only in furtherance of a 'legitimate purpose', 'performance of duties' or 'discharge of legal obligations' in accordance with the SEBI PIT Regulations.
20. The 'legitimate purpose' shall be determined by the Board or the Authorised Personnel basis the 'Operating Guidelines for Determination of Legitimate Purpose and Approval for Sharing of UPSI and for Inclusion of Persons on Sensitive Transactions' and subject to procedure mentioned therein.
21. The Authorised Personnel shall maintain a digital database of all persons with whom UPSI is shared for any legitimate purpose i.e. (i) in case of individuals, details such as name and Permanent Account Number or in its absence Unique Identification Number allotted by Unique Identification Authority of India, of such persons, and (ii) in case of entities, details such as name of the entity, name of all natural persons associated with the entity having reasonable access to the UPSI and Permanent Account Number of such entity and natural personnel.
22. Any person who receives information as a 'legitimate purpose' will be considered as an insider for the purposes of the SEBI PIT Regulations and shall be responsible for maintaining confidentiality of such UPSI. Any person who receives UPSI for legitimate purpose shall also be served a notice prior to sharing of UPSI making them aware of nature of the information, the obligation to maintain confidentiality in compliance with the SEBI PIT Regulations and liabilities attached thereto in case of misuse or unauthorized disclosure / leakage of that information.

Note: Words not defined herein shall have the meaning as per the SEBI PIT Regulations or the Insider Trading Code of the Company, as applicable.