



JCT LIMITED

Corporate Office: 1001, 10th Floor, Vikram Towers, 16 Rajendra Place, New Delhi-110008
Phone: 46290000; Fax: 25812222
Website: www.jct.co.in
E-mail: jctdelhi@jctltd.com / jctsecretarial@jctltd.com

30.05.2019

Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001

Sub: Intimation under Reg 30 of SEBI LODR 2015

Scrip Code: 500223

Dear Sir,


The Board of Directors of the Company at its meeting held today, 30.05.2019, has, passed the Following policies:-

- Approved the amendment in Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to the requirements of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 along with Policy for determination of Legitimate Purposes.
- Approved the amendment in Policy on Related Party Transactions in compliance with requirement of Section 188 of the Companies Act, 2013 read with the Rules made there under and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

This is for your information and record please.

Thanking you

Yours Sincerely,
For JCT LIMITED


Sandeep Sachdeva
COMPANY SECRETARY

Encl: AA

Regd. Office: Village Chohal, Dist. Hoshiarpur (Punjab)
CIN No. L17117PB1946PLC004565



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Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

Background:

The Code is formulated pursuant to Regulation 8 (1) read with Schedule A to SEBI (Prohibition of Insider Trading) Regulations, 2015 covering the practices and procedures for fair disclosure of unpublished price sensitive information in relation to JCT Limited.

Scope and purpose:

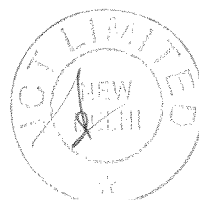
The purpose of this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive information (UPSI) for Fair Disclosure of UPSI (the 'Code') is to provide the procedure to be followed and matters to be ensured at the time of disclosure of events/ information in the nature of UPSI as the same could potentially impact the price of the listed securities of the Company in the market.

Applicability:

The Code adopted in line with the principles set out in Schedule A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors of the Company shall be applicable and binding on all Directors/Employees of the Company dealing with disclosures of events/ information in the nature of UPSI.

UPSI means any means any information, relating to a 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;





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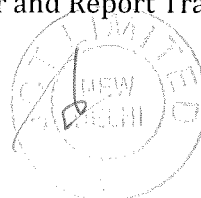
- (iv) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel;

Chief Investor Relations Officer

The Company Secretary of the Company shall serve as the 'Chief Investor Relations Officer' (CIRO) for the purposes of this Code to deal with dissemination of information and disclosure of UPSI.

Sharing of UPSI for legitimate purpose

- (i) UPSI is in the nature of information relating to the Company, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.
- (ii) Till the UPSI becomes generally available information, UPSI can be shared only on a need-to know basis and for legitimate purpose as provided hereunder and not to evade or circumvent the prohibitions of the Regulations:
 - a. Sharing of relevant UPSI with consultants, advisors engaged by the Company in relation to the subject matter of the proposed deal/ assignment in relation to UPSI;
 - b. Sharing of relevant UPSI with intermediaries/ fiduciaries viz. merchant bankers, legal advisors, auditors in order to avail professional services from them in relation to the subject matter of the UPSI;
 - c. Sharing of relevant UPSI in case mandatory for performance of duties or discharge of legal obligations. Whether this information is required to be shared? Why the information is required by the recipient? Response to the two queries shall be well recorded by the concerned Designated Person sharing the UPSI and shall be forwarded to the Compliance Officer.
- (iii) Before sharing of the UPSI, the concerned Designated Person shall comply with the requirements in relation to circumstances and procedure for bringing people 'inside' as provided in Code to Regulate, Monitor and Report Trading by Insiders.





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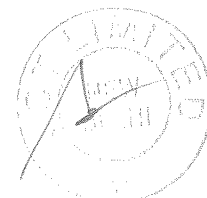
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Principles of Fair Disclosure

- (1) The Company shall promptly make public disclosure of UPSI once credible and concrete information is available in relation to such UPSI;
- (2) To ensure equality of access to information, the Company shall ensure
 - (a) uniform & universal disclosure of UPSI through the Stock exchange(s);
 - (b) public dissemination of the said information on a non-discriminatory basis.
- (3) The Company will make prompt dissemination of UPSI that gets disclosed selectively, inadvertently or otherwise, in any forum in India or abroad, to make such information generally available. The CIRO shall be promptly informed of any such inadvertent or unintentional selective disclosure who in consultation with the Compliance Officer and the Managing Director shall take appropriate steps;
- (4) The Company shall provide appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities. All the requests/ queries received shall be documented and as far as practicable the CIRO shall request for such queries/requests in writing. The CIRO/ Compliance Officer in consultation with the Managing Director shall respond appropriately, where the situation so warrants.
- (5) The Company shall ensure that any information shared, with analysts and/or research personnel or at any investor relation conference(s), is not an UPSI. The Company shall take extreme care and caution when dealing with analysts' questions that raise issues outside the intended scope of discussion. The unanticipated questions shall be tackled carefully. The unanticipated questions may be noted and a considered response be given later in consultation with the Managing Director.
- (6) The Company will make available transcripts or records of proceedings, if any, of meetings or concall with analysts or at other investor relations conference(s) on the website of the Company to ensure official confirmation and documentation of disclosures made.





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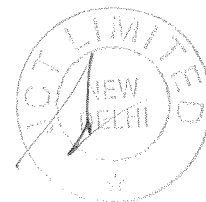
- (7) Any information that may be potentially construed or classified as UPSI would be dealt with by the Directors and Employees of the Company only on a 'need to know' basis.

Manner of Disclosure

Information of any UPSI intended to be made generally available shall be brought to the notice of the Managing Director. The CISO /Compliance officer in consultation with the Managing Director determine the content and timing of disclosure and accordingly, disclose to the stock exchanges. The UPSI disclosed to the stock exchanges and to the Press may also be supplemented by prompt updates on the Company's website.

Amendment to this Code

The Board of Directors are authorized to make such alterations as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations. Further, every amendment to this code shall be promptly intimated to stock exchanges where the securities are listed. This Code shall be hosted on the website of the Company.





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POLICY FOR TRANSACTIONS WITH RELATED PARTIES

OBJECTIVE:

Related party transactions can present a commercial situation which may not be in the best interest of the company and its shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the rules therein and subsequent amendments and modifications, along with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st December, 2015 (hereinafter referred to as SEBI Regulations), JCT Limited has formulated revised guidelines for identification of related parties and for proper conduct and documentation of all related party transactions.

Moreover, Regulation 23(1) of SEBI Regulations, 2015 requires a listed company to formulate a policy on materiality of related party transactions and on dealing with related party transactions. In the light of the above, JCT Limited has revised its Policy on Related Party Transactions ("Policy"). The Audit Committee would review and amend the Policy, as and when required, subject to the approval of the Board. This Policy has been designed with the intention to establish procedures for timely reporting, appropriate review, disclosure and approval of all such Related Party Transactions.

This Policy shall be subject to the provisions of the Act, SEBI Regulations, 2015, Securities Contracts Regulation Act, 1956 and all the terms used herein shall not bear the meanings as defined therein.

MATERIALITY THRESHOLDS:

Regulation 23(1) of SEBI Regulations, 2015 requires a company to provide materiality thresholds for transactions beyond which the shareholders' approval will be required by way of an Ordinary Resolution. The Company has fixed its materiality threshold at 10% of the annual consolidated turnover as per last audited financial statements of the Company, which is in line with the limits presently prescribed in SEBI Regulations, 2015.

Accordingly, all transactions with related party shall be considered material if the transaction/transactions to be entered into individually or taken together with previous





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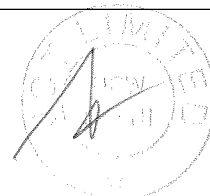
transactions during a financial year, exceed 10% of the annual consolidated turnover of the Company, based on the last audited financial statements.

Thus all transactions with related parties beyond the materiality threshold limit, as laid down above would be placed before the shareholders for approval, irrespective of the fact whether the transaction, contract or arrangement is in the ordinary course of business or at arm's length.

For this purpose, all entities falling under the definition of related parties shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

In addition to the above, all below mentioned kinds of transactions as specified under Section 188 of the Act which (a) are not in the ordinary course of business and at arm's length basis; and (b) exceed the threshold limits laid down in Companies (Meetings of Board and its Powers) Rules, 2014, would be placed before the shareholders for their approval.

Sr.no	Detail of Transactions	Threshold Limit
1	Sale, Purchase or supply of any goods or materials directly or through appointment of agents	<i>Exceeding ten per cent. of the turnover of the company or rupees one hundred crore whichever is lower</i>
2	Selling or otherwise disposing of, or buying property of any kind directly or through appointment of agents	<i>Exceeding ten per cent. of the turnover of the company or rupees one hundred crore whichever is lower</i>
3	Leasing of property of any kind	<i>Exceeding ten percent. of the turnover of the company or rupees one hundred crore whichever is lower</i>





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4	Availing or rendering of any services directly or through appointment of agents	<i>Exceeding ten percent. of the turnover of the company or rupees fifty crore whichever is lower</i>
5	Appointment to any office or place of profit in the company, its subsidiary company or associate company	at a monthly remuneration exceeding Rs 2,50,000/- as mentioned in Section 188(1)(f) of the Cos Act, 2013
6	Remuneration for underwriting the subscription of any securities or derivatives thereof of the Company	One per cent of the networth as mentioned in Section 188 (1)(g) of the Companies Act, 2013

Note: It is hereby clarified that the limits specified above shall apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

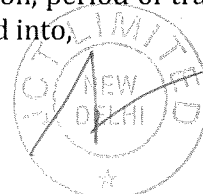
PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS (“RPTs”)

Approval of the Audit Committee

All RPTs require prior approval of the Audit Committee. However, the Company may obtain omnibus approval from the Audit Committee for such transactions, subject to compliances with the following conditions:

Criteria for granting omnibus approval by the Board:

- The Audit Committee while granting omnibus approval shall consider the repetitiveness of the transactions (in past or in future) and justification for the need of such approval.
- The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company.
- The omnibus approval shall provide details of
 - i. the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into,





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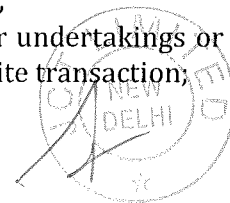
- ii. the indicative base price/current contracted price and the formula for variation in the price if any (for example: +/- 5%)
and
- iii. maximum value of transactions in aggregate which can be allowed under omnibus route in a year
- iv. such other conditions as the Audit Committee may deem fit from time to time

However, in case of related party transactions which cannot be foreseen and where the above details are not available, Audit Committee may grant omnibus approval provided the value does not exceed Rs. 1 Crore per transaction.

- ✓ The Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval given.
- ✓ In accordance with the Companies (Amendment) Act, 2015, as well as Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014 w.e.f. December 14, 2015, such omnibus approval shall be valid for a period not exceeding 1 year and shall require fresh approvals after the expiry of one year.
- ✓ Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

While assessing a proposal put up before the Audit Committee/Board for approval, the Audit Committee/Board may review the following documents/seek the following information from the management in order to determine if the transaction is in the ordinary course of business and at arm's length or not:

- Nature of the transaction i.e., details of goods or property to be acquired/transferred or services to be rendered/availed – including description of functions to be performed, risks to be assumed and assets to be employed under the proposed transaction;
- Key terms (such as price and other commercial compensation contemplated under the arrangement) of the proposed transaction, including value and quantum;
- Key covenants (non-commercial) as per the draft of the proposed agreement/contract to be entered into for such transaction;
- Special terms covered/to be covered in separate letters or undertakings or any other special or sub arrangement forming part of a composite transaction;





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- Benchmarking information that may have a bearing on the arm's length basis analysis, such as: market analysis, research report, industry trends, business strategies, financial forecasts, etc.; third party comparables, valuation reports, price publications including stock exchange and commodity market quotations; management assessment of pricing terms and business justification for the proposed transaction; o comparative analysis, if any, of other such transaction entered into by the company.

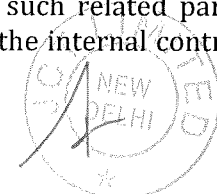
Approval of the Board of Directors of the Company

As per the provisions of Section 188 of the Act, all kinds of transactions specified under the said Section and which are not in the ordinary course of business or not at arm's length basis or both, are placed before the Board for its approval. In addition to the above, the following kinds of transactions with related parties are also placed before the Board for its approval:

- Transactions which may be in the ordinary course of business and at arm's length basis, but which are as per the policy determined by the Board from time to time (i.e., value threshold and/or other parameters) require Board approval in addition to Audit Committee approval;
- Transactions in respect of which the Audit Committee is unable to determine whether or not they are in the ordinary course of business and/or at arm's length basis and decides to refer the same to the Board for approval;
- Transactions which are in the ordinary course of business and at arm's length basis, but which in Audit Committee's view requires Board approval.
- Transactions meeting the materiality thresholds which are intended to be placed before the shareholders for approval

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY:

In the event the Company becomes aware of a transaction with a related party that has not been approved in accordance with this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider all relevant facts and circumstances regarding the related party transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the related party transaction. The Audit Committee shall also examine the facts and circumstances pertaining to the failure of reporting such related party transaction to the Audit Committee under this Policy and failure of the internal control





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systems, and shall take any such action it deems appropriate. In any case, where the Audit Committee determines not to ratify a related party transaction that has been commenced without approval, the Audit Committee, as appropriate, may direct additional actions including, but not limited to, discontinuation of the transaction or seeking the approval of the shareholders, payment of compensation for the loss suffered by the related party, etc. In connection with any review/approval of a related party transaction, the Audit Committee has authority to modify or waive any procedural requirements of this Policy.

DISCLOSURES

It shall be mandatory for every person of JCT Limited covered by this Policy to make a full advance disclosure, in writing to the Compliance Officer with all details of transactions that are proposed to be entered into by such a person with the Company, or by him on behalf of the Company with a Related Party

(a) All newly appointed officials and directors shall disclose their interest in companies, firms or association of individuals at their first meeting of the Board of Directors attended by them and thereafter every year as per the provisions of Section 184 of the Companies Act, 2013.

(b) Every official, director or KMP shall, in accordance with Section 189 of the Companies Act, within 30 days of his appointment or relinquishment of office disclose his concern or interest in any company or body corporate, firms or individuals including his share holding and also contracts or arrangements in which he is directly or indirectly interested. [Section 184 of the Act].

(c) Any official or director who (individually or together with other directors) holds more than 2% share in any company or body corporate, and any proposed contract or arrangement with such company or body corporate in which he is interested or concerned whether directly or indirectly, or in which he is a promoter or manager or chief operating officer of that company or body corporate (as per the Act); and who holds more than 20% of voting power shall promptly make a disclosure of such interest to the Company.

(d) Any director or Official including KMPs shall promptly notify the Company of any material interest that such person or a Relative of such person had, has or may have in a Related Party Transaction. The notice shall include a description of the transaction and the aggregate amount.





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(e) Disclosures in relation to related party transactions shall be made in the financial statements of the Company. [Section 188(2) of the Act and IND AS24].

SCOPE/ LIMITATION

In the event of any conflict between the provisions of this RPT Policy and the Act, the Rules prescribed thereunder and / or the SEBI Regulations, as the case may be, the provisions of the Act and the Rules prescribed thereunder and / or the SEBI Regulations, as the case may be, shall prevail over this Policy.

DISSEMINATION OF POLICY

This Policy shall be uploaded on the website of the Company and a web link thereto shall be provided in the Annual Report of the Company.

CONSEQUENCES OF CONTRAVENTION

Any Director or any employee of the Company who had entered into or authorized a Related Party Transaction in violation of the provisions of this Policy shall be liable to punishments under the provisions of the Act and / or the Listing Regulations for recovery of any loss sustained by the Company as a result of such contract or arrangement or transaction.

AMENDMENT

The Board of the Company shall review and may, on the recommendation of the Audit Committee, amend this Policy from time to time. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Act and SEBI Regulations. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions thereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

The Board of Directors shall review the policy atleast once every 3 years.

