

# **Ganesh Foundry & Castings Limited**

**CIN:** L27106BR1988PLC003002

**Registered Office:** Vill.- Sipahpur, P.O. - Bhikhanpur Kothi, Muzaffarpur, Bihar- 842001

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## **Insider Trading- Code of Conduct**

This Policy is only an internal code of conduct and one of the measures to avoid Insider Trading. It will be the responsibility of each person covered under the SEBI Insider Trading Regulation to ensure compliance of the SEBI Act, Guidelines and other related statutes.

## **INSTRUCTIONS FOR DESIGNATED PERSONS**

Do not engage in insider dealing;

- Trading in GFCL's Securities when you have inside information, or sharing it with others is illegal and can result in severe penalties. Never indulge in forward dealings in securities of the Company. Both these are prohibited activities.
- Never buy or sell any GFCL's or any companies' Securities if you have inside information.
- Never spread false information to manipulate the price of GFCL's any other listed securities.
- Trading indirectly when in possession of inside information of GFCL and/or its Securities, for example through family members or others, or providing 'tips' is also prohibited.
- Follow the same principles in relation to inside information of GFCL's its holding, subsidiary(s) or Associate Companies.
- Remember these rules continue to apply even when you are no longer a GFCL employee

**Note:** In case has/have any doubt(s), check with Legal & Secretarial Department.

## BACKGROUND

Securities and Exchange Board of India (“SEBI”) vide its Notification dated January 15, 2015, had issued the SEBI (Prohibition of Insider Trading) Regulations, 2015 and further amended the same vide its notification dated December 31, 2018, the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof.

Insider Trading involves trading in the securities of a company listed or proposed to be listed, by connected or any persons in possession of or with access to unpublished price sensitive information not available to the general public, who can take advantage of or benefit from such unpublished price sensitive information. Trading in securities by an ‘insider’ is regarded unfair when it is predicated upon utilization of ‘inside’ information to profit at the expense of other investors who do not have access to the same information.

In the above context, Ganesh Foundry & Castings Limited (the “Company”) has formulated this Code as a part of Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting by insider of the Company.

## OBJECTIVE OF THIS CODE OF CONDUCT

This Code of Conduct has been prepared by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

In order to fully understand the scope of restrictions on insider trading, it is useful to understand the following terms/definitions.

## DEFINITIONS

- A. **“Act”** means the Securities and Exchange Board of India Act, 1992.
- B. **“Board”** means the Board of Directors of the Company.
- C. **“The Code”** means this Code of Conduct formulated for Regulating, Monitoring and Reporting by Insiders under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
- D. **“Company”** means Ganesh Foundry & Castings Limited (“GFCL”).
- E. **“Compliance Officer”** means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these 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 listed company or the head of an organization, as the case may be;
- F. **“Connected person”** means:
  - i. Any person who is or has during the 6 (six) months prior to the concerned act been associated with a 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 reasonably expected to allow such access.

- ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established –
- a) an immediate relative of connected persons specified in clause (i); 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; or
  - h) an official or an employee of a self-regulatory organization recognised or authorised 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 ten per cent of the holding or interest;
- G. **“Designated Persons s(s) shall include :**
- i. Every Promoter of the Company
  - ii. Every director of the Company;
  - iii. Executive Assistant/Secretaries to Executive Directors;
  - iv. CEO, Company Secretary, CFO
  - v. Auditors of GFCL
  - vi. Whole Time Director and Employee upto two level below of Chief Executive Officer of the Company and its Material Subsidiary(ies) irrespective of their functional role in the company or ability to have access to unpublished price sensitive information
  - vii. Every employee in the Corporate Secretarial, Insurance, Taxation, Accounts, IT & Legal department irrespective of their role, designation etc.;
  - viii. Any support staff of the Company, such as IT staff or secretarial staff Legal Staff, Finance Staff, Strategy Staff who have access to unpublished price sensitive information
  - ix. Any other employee /person as may be determined by the Board from time to time in consultation with the management of the Company considering the objectives of the Code; and
  - x. Immediate Relatives of all the above persons
- H. **“Dealing in securities”** means an act of subscribing, buying, selling or agreeing to subscribe, buy, sell or deal in any securities by any person either as principal or agent;
- I. **“Director”** means the Director as defined under Companies Act, 2013.
- J. **“Employee”** means every employee of the Company whether permanent or contractual basis including the Directors in the employment of the Company.
- K. **“Financial Literate”** means a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account and statement of cash flows.
- L. **“Generally available Information”** means information that is accessible to the public on a non-discriminatory basis.
- M. **“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.
- N. **“Insider”** means any person who is:
- i. Designated person(s) & their immediate relatives
  - ii. a connected person; or
  - iii. in possession of or having access to unpublished price sensitive information.

- O. **"Key Managerial Personnel" (KMPs)** means :
- i. Whole-time director;
  - ii. Chief Financial Officer; and
  - iii. Company Secretary
- P. **"Legitimate Purpose"** shall include sharing of unpublished price sensitive information in ordinary course of business by an Insider with Partners, Collaborators/ Lenders, Customers, Suppliers, Merchant Banker, 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 these regulations
- Q. **"Whole Time Director"** means a Whole Time Director as defined under the Companies Act, 2013.
- R. **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- S. **"Promoter Group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;]
- T. **"Proposed to be listed"** shall include securities of an unlisted company:
- i. if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
  - ii. if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act, 2013;]

U. **"Need to Know basis"** means that Unpublished Price Sensitive Information should be disclosed only to those within the Company 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.

V. **"Stock Exchange"** means BSE Ltd.

W. **"Securities"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund;

X. **"Takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;

Y. **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly. Gifts, Off-market transactions, creation of pledge are also construed as a trade.

Z. **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;

AA. **"Unpublished Price Sensitive Information"** 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 be 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, delisting, disposals and expansion of business and such other transactions;
    - e. changes in key managerial personnel

BB. **"Regulations"** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

CC. **"Whistle Blower"** means an employee who reports instance of leak of price sensitive information under this Policy.

Terms that have not been defined in this code shall have the same meaning assigned to them in the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other SEBI Regulation(s) as amended from time to time.

### **COMPLIANCE OFFICER**

GFCL has appointed the Company Secretary, as the Compliance Officer for the purposes of the Regulations, who shall work subject to guidance of the Managing Director and/ or the Chairman and the Board of Directors.

### **RESPONSIBILITY OF MANAGING DIRECTOR / CHIEF EXECUTIVE OFFICER**

The Managing Director / Chief Executive Officer of GFCL shall formulate/amend this Code with the approval of the Board of Directors of the Company to regulate, monitor and report trading by its designated persons and their Immediate relatives towards achieving compliance with SEBI (Prohibition on Insider Trading) Regulations, 2015 ("PIT Regulations"), adopting the minimum standards set out in Schedule B of PIT Regulations, as may be amended from time to time, without diluting the provisions of its regulations in any manner.

### **DETERMINATION OF DESIGNATED PERSONS**

The Board of Directors shall in consultation with the compliance officer of the Company, shall determine the list of designated persons on the basis of their role and function in the organization and the access that such role and function would provide to unpublished price sensitive information in addition to seniority and professional designation, who shall be covered by this code.

### **APPLICABILITY OF THIS CODE**

This Code is applicable to the designated persons as may be specified by the Board of Directors and their immediate relatives.

### **COMMUNICATION OR PROCUREMENT OF UPSI**

- 1) No insider shall communicate, provide, or allow access to any UPSI relating to GFCL or securities listed or proposed to be listed by GFCL, 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) No person shall procure from or cause the communication by any insider of UPSI, relating to GFCL or securities listed or proposed to be listed by GFCL, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 3) Notwithstanding anything contained herein, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - I. entail an obligation to make an open offer under the takeover regulations where the Board of Directors of GFCL is of informed opinion that the sharing of such information is in the best interests of the Company;
  - II. not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of GFCL is of informed opinion that the proposed transaction is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the GFCL's Board of Directors may determine.
- 4) For purposes of point (3) above, the Company shall require the parties to execute agreements/memorandum of understanding to ensure confidentiality and non-disclosure

obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of the above point (3), and shall not otherwise trade in securities of GFCL when in possession of UPSI.

#### **TRADING WHEN IN POSSESSION OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

(i) **Restriction on trading in GFCL Securities**

No Insider shall trade in GFCL Securities at any time when he/she is in possession of any unpublished price sensitive information. Such insider shall also maintain the confidentiality of all price sensitive information and shall not pass on such information to any person directly or indirectly by way of making recommendation for the purchase or sale of GFCL Securities.

**Note:** When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

(ii) **Joint holding**

The provisions of this Code shall also be applicable for trading either as a first name shareholder or as a joint holder

#### **DEFENSE TO INSIDER WHEN TRADING IN GFCL SECURITIES WHEN HAVING UPSI**

Trading in GFCL Securities when in possession of any unpublished price sensitive information, the insider may prove his innocence by demonstrating the circumstances including the following:

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- a. the transaction is an off-market inter-se transfer between promoters who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 and both parties had made a conscious and informed trade decision;
- b. in the case of non-individual insiders: –
  - the individuals who were in possession of such unpublished price sensitive information were different from the individuals taking trading decisions and such decision-making individuals were not in possession of such unpublished price sensitive information when they took the decision to trade; and
  - appropriate and adequate arrangements were in place to ensure that these regulations are not violated and no unpublished price sensitive information was communicated by the individuals possessing the information to the individuals taking trading decisions and there is no evidence of such arrangements having been breached;
- c. the trades were pursuant to a trading plan submitted by the insider to the CIO.

#### **TRADING PLAN**

- A. A Designated Person shall be entitled to formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his/her behalf in accordance with such plan (Annexure I).
- B. Trading Plan shall:
  - i. not entail commencement of trading on behalf of the insider earlier than 06 months from the public disclosure of the plan;

- ii. not entail trading for the period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
  - iii. entail trading for a period of not less than 12 months;
  - iv. not entail overlap of any period for which another trading plan is already in existence; set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
  - v. not entail trading in securities for market abuse.
- C. The Compliance Officer shall review the Trading Plan, made as above to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertaking as may be necessary to enable such assessment and to approve and monitor the implementation of the plan. After assessing, she may approve the plan.
- D. The Trading Plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan. However, the implementation of the trading plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of any unpublished price sensitive information and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Plan shall be deferred until such unpublished price sensitive information becomes generally available information.
- E. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

## **CHINESE WALL**

To prevent the misuse of confidential information, GFCL has laid down Chinese Walls procedures which separate those areas of GFCL that routinely have access to confidential information, considered "inside areas" from those which deal with sale/marketing/investment advice or other departments providing support services, considered "public areas".

- (i) The employees in the inside area shall not communicate any Unpublished Price Sensitive Information to anyone in public area.
- (ii) The Company shall have process of maintaining securely, computer files containing confidential information and physical storage of documents relating to UPSI.
- (iii) All the unpublished price sensitive information is to be handled on "need to know basis. 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.

## **PRE-CLEARANCE OF TRADES**

All Designated Persons, who intend to deal in the securities of the Company when the trading window is opened, should pre-clear the transaction from Compliance Officer. However, no designated person shall be entitled to apply for pre-clearance of any proposed trade if such designated person is in possession of unpublished price sensitive information even if the trading window is not closed.



When a person who has traded in securities has been in possession of unpublished price sensitive information, his/her trades would be presumed to have been motivated by the knowledge and awareness of such information in his/her possession.

The pre-dealing procedure shall be hereunder:

- a. An application shall be made in the prescribed Form (Annexure II) to the Compliance Officer indicating the estimated number & amount of securities that the Designated Person intends to deal in, the details as to the depository with which he has a security account, the details as to the securities in such depository mode and such other details as may be required by any rule made by the company in this behalf.
- b. An undertaking (Annexure III) shall be executed in favour of the Company by such Designated Person incorporating, *inter alia*, the following clauses, as may be applicable:
  - i. That the Designated Person does not have any access or has not received "Price Sensitive Information" up to the time of signing the undertaking.
  - ii. That in case the Designated Person has access to or receives "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 position and that he/she would completely refrain from dealing in the securities of the Company till the time such information becomes public.
  - iii. That he/she has not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
  - iv. That he/she has made a full and true disclosure in the matter.
- c. Post receipt of duly executed application form and undertaking, the Compliance Officer, may subject to her satisfaction grant the pre-clearance (Annexure IV) within 2 trading days.
- d. All Designated Persons shall execute their order in respect of securities of the Company within the time period as mentioned in pre-clearance.
- e. The Designated Persons shall file within 2 (two) trading days of the execution of the deal, the details of such deal with the Compliance Officer (Annexure V). In case the transaction is not undertaken, a report to that effect shall be filed in the same form.
- f. If the order is not executed within the time mentioned in pre-clearance order, the designated person must pre-clear the transaction again.
- g. Pre-clearance would not be required for trade executed as per approved trading plan.
- h. All Designated Persons 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. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act.
- i. All Designated Persons shall also not take positions in derivative transactions in the shares of the Company at any time.

## **TRADING WINDOW**

- i. The trading period during which GFCL's securities can be traded is called trading window. The trading window shall be closed during the time the price sensitive information is unpublished.
- ii. When the trading window is closed, the Designated Persons (including their immediate relatives) shall not trade in GFCL's securities in such period.
- iii. The trading window shall be, inter-alia closed at the time of:

- a. Declaration of Financial results
  - b. Declaration of dividends (interim and final)
  - c. Change in capital structure
  - d. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business
  - e. Changes in key managerial personnel
  - f. Material events in accordance with the listing agreement
  - g. Such other time as the Compliance Officer determines that a designated person or class of designated person is reasonably expected to have possession of unpublished price sensitive information.
- iv. The Compliance Officer shall also close the trading window when he 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.
  - v. The trading window shall be opened 48 (Forty Eight) hours after the unpublished price sensitive information becomes generally available.
  - vi. The trading restriction period can also be made applicable from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.
  - vii. The trading window shall also be applicable to any person having contractual or fiduciary relation with GFCL, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising GFCL.
  - viii. All Designated Person of the Company and their immediate relative(s) shall conduct all their dealings in the securities of the Company only in a valid Trading Window and shall not deal in any transaction involving the purchase or sale of the Company's securities during the periods when Trading Window is closed as referred above or during any other period as may be specified by the Managing Director / Compliance Officer / Chief Financial Officer from time to time.
  - ix. The Compliance Officer shall intimate the closure of Trading Window to all the Designated Person(s) of the Company when he / she determines that a designated person or class of Designated Person(s) 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.
  - x. The Compliance Officer after taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, shall decide the timing for re-opening of the trading window, however in any event it shall not be earlier than 48 (Forty Eight) hours after the information becomes generally available.
  - xi. However, subject to the SEBI Act, Rules and Regulations, in case of ESOPs, exercise of options shall be allowed during the period when the trading window is closed. However, sale of shares allotted on exercise of ESOPs shall not be allowed when the trading window is closed.
  - xii. Creation of pledge is allowed when trading window is closed. However, the pledger or pledgee may demonstrate that the creation of pledge was bona fide and prove their innocence under proviso to sub-regulation (1) of regulation 4 of the Regulations.

#### **HOLDING PERIOD/CONTRA TRADE**

- i. Designated person (including their immediate relatives) who is permitted to trade shall not execute a contra trade i.e. enter into an opposite transaction during the next 6 (six) months following the prior transaction ("contra trade"). However, the restriction on contra trade shall not apply to:

- (a) Exercise of the options under the Company's ESOPs;
  - (b) Sale of shares acquired under the Company's ESOPs, provided that designated person is not in possession of UPSI at the time of sale.
- ii. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations.

#### **TRADING BY PORTFOLIO MANAGERS**

This Code is also applicable to insiders who engage Portfolio Managers to trade in shares and hence the insiders are expected to take due precaution while trading in securities through Portfolio Managers by:

- Informing Portfolio Managers about closure of trading window.
- Ensuring to seek pre-clearance, wherever applicable, when the Portfolio Manager proposes to trade in the GFCL's shares exceeding threshold limit and also make continual disclosures, wherever applicable, as provided in this Code.
- Ensuring that the portfolio manager abides by the requirement of minimum holding period and not do contra trade as provided in this Code.
- Prohibiting the Portfolio manager to trade in securities of GFCL at his own discretion or when the Insider is in possession of UPSI.

Despite the above, if any trading is done by portfolio managers, it will be treated as trading done by the Insider, and therefore the insider will be held responsible for any such non-compliance and subject to such penalties as specified in this Code.

#### **INITIAL DISCLOSURE**

(i) Every Promoters, member of promoter group, Key Managerial Personnel and Directors are required to send the details of their holdings in securities of GFCL presently held by them including the statement of holdings of immediate relative(s) in the prescribed Annexure VI (as prescribed or amended by SEBI, from time to time) within 30 (thirty) days of this Code becoming effective.

(ii) Every person on appointment as a Key Managerial Personnel or a Director of GFCL or upon becoming a Promoter or member of promoter group shall disclose his holding of securities of the Company within 7 (seven) days of such appointment or becoming a Promoter / Key Managerial Personnel / Director inform the Company in Annexure VII (as prescribed or amended by SEBI, from time to time).

#### **CONTINUAL DISCLOSURE**

Every Promoter, member of promoter group, Designated person (including their immediate relatives) and Director of GFCL shall disclose to the Company in the format set out in Annexure VIII (as prescribed or amended by SEBI, from time to time), the number of such securities acquired or disposed of within 2 (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 Rs.10,00,000/- (Rupees Ten Lakh Only) or such other value as may be specified.

The disclosure shall be made within 2 (two) working days of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case maybe.

## **DISCLOSURE BY OTHER CONNECTED PERSONS**

The Compliance Officer at his discretion may require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of GFCL as and when he deems fit in order to monitor compliance with these Regulations in the format set out in Annexure IX (as prescribed or amended by SEBI, from time to time).

## **DISSEMINATION OF PRICE SENSITIVE INFORMATION**

(i) No information shall be passed by Designated Persons by way of making a recommendation for the purchase or sale of securities of the Company.

(ii) Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors.

The following guidelines shall be followed while dealing with analysts and institutional investors:-

- Only public information to be provided.
- At least 2 (two) Company representatives be present at meetings with analysts, media persons and institutional investors.
- Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.
- Simultaneous release of information after every such meet.

## **REPORTING TO THE BOARD AND MAINTENANCE OF DISCLOSURES**

(i) The Compliance Officer shall place before the Chairman of GFCL on a quarterly basis, details of trading in GFCL Securities by the Designated Persons and the accompanying documents that such persons had executed under the pre-clearance procedure as envisaged under this Code.

(ii) The Compliance Officer shall maintain records of all the declarations in appropriate forms given by the Designated Persons for a minimum period of 5 (Five) years.

(iii) The Secretarial Section shall acknowledge receipt of the declaration form received.

## **Amendment – 1**

### **Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018**

#### **NEW POLICY FOR DETERMINATION OF “LEGITIMATE PURPOSES FOR SHARING UPSI”**

The Board of Directors of GFCL shall formulate, approve and implement a policy for determination of “legitimate purposes for sharing UPSI” as a part of “Codes of Fair Disclosure and Conduct” which shall be in sync with SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018.”

#### **NEW POLICY OF “PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI”**

The Managing Director of GFCL shall formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by Board of Directors of the company and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

#### **IDENTIFICATION OF UPSI AND MAINTAINING ITS CONFIDENTIALITY**

All the unpublished price sensitive information shall be identified and its confidentiality shall be maintained as per the requirements of this Code and PIT regulations;

#### **DIGITAL DATABASE OF PERSONS WITH WHOM UPSI IS SHARED**

The Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.

Such databases shall be maintained with adequate internal controls and such as time stamping and audit trails to ensure non-tampering of the database.

#### **PROCESS FOR HOW AND WHEN PEOPLE ARE BROUGHT ‘INSIDE’ ON SENSITIVE TRANSACTIONS**

The CIO in consultation with MD or CFO of the Company shall decide on how and when any person(s) should be brought ‘inside’ on any proposed or ongoing sensitive transaction(s).

A person(s) shall be brought inside on any proposed or ongoing sensitive transaction(s) of the Company who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants etc. for legitimate purpose which shall include the following;

- i. in the ordinary course of business.
- ii. in furtherance of performance of duty(ies);
- iii. for discharge of legal obligation(s).
- iv. for any other genuine or reasonable purpose as may be determined by the CIO of the Company.

- v. for any other purpose as may be prescribed under the Securities Regulations or Company Law or any other law for the time being in force, in this behalf, as may be amended from time to time.

#### **INTIMATION OF DUTIES AND RESPONSIBILITIES AND THE LIABILITY TO THE PERSON(S) WHO HAS/HAVE BEEN BROUGHT INSIDE' ON SENSITIVE TRANSACTION(S).**

Any person(s) who has/have been brought inside on any proposed and/or ongoing sensitive transaction(s) and in receipt of unpublished price sensitive information shall be considered an "insider" for purposes of this Code and due notice shall be given to such persons, in the format as set out in by the CIO in consultation with MD and/or CFO of the Company;

- i. To make aware such person that the information shared is or would be confidential.
- ii. To instruct such person to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.
- iii. To make aware to such person the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.

#### **INTERNAL CONTROL SYSTEM**

The Managing Director/ Chief Executive Officer of GFCL shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these code and PIT regulations to prevent insider trading

#### **REVIEW OF COMPLIANCES OF PIT CODE AND VERIFICATION OF INTERNAL CONTROL SYSTEM**

The Audit Committee of GFCL shall review compliance with the provisions of these Code and PIT Regulations at least once in a Financial Year and shall verify that the systems for internal control are adequate and are operating effectively.

#### **AMENDMENT OF THIS CODE**

The Board of Directors (including Managing Committee of the Board of Directors) of GFCL is authorised to change / amend this Code from time to time pursuant to any amendments made in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

#### **PENALTY FOR CONTRAVENTION**

A. Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her dependents).

B. Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.

C. Designated Persons who violate the Code shall also be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future participation in employee stock option plans etc.

D. The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**OTHER RESTRICTIONS**

A. The disclosures to be made by any person under this Code shall include those relating to trading by such person's immediate relatives and by any other person for whom such person takes trading decisions.

B. The disclosures of trading in securities shall also include trading in derivatives of securities and the traded value of the derivatives shall be taken into account for purposes of this Code.

**DISCLAIMER**

This policy is only internal code of conduct and one of the measures to avoid insider trading. Every insider is required to familiarize himself with the SEBI regulation as it will be the responsibility of each insider to ensure compliance of this code, SEBI regulation and other related statutes fully.

**SEBI REGULATIONS/STATUTORY PROVISIONS TO PREVAIL**

Please note that in case the SEBI regulation or any statutory provisions are more stringent than those contained in the code, the SEBI regulations/ statutory provisions will prevail.

## ANNEXURE I

### FORMAT FOR TRADING PLAN

Date:

To  
The Compliance Officer  
Ganesh Foundry & Castings Limited  
VILL.- Sipahpur, P.O.- Bhikhanpur Kothi,  
Muzaffarpur, Bihar - 842001

Dear Sir/Madam,

I, \_\_\_\_\_, in my capacity as \_\_\_\_\_ of the Company hereby submit the trading plan with respect to dealing in securities of the Company for a total period of 12 months from \_\_\_\_\_ to \_\_\_\_\_.

DP ID/Client ID / Folio No	Type of Security	Transaction (Sale/Purchase/Gift)	Proposed Date/time period of trade	Number of Security

With respect to the above trading plan, I hereby undertake that I shall:

- Not entail commencement of trading on behalf of the insider earlier than 06 months from the public disclosure of the plan.
- Not entail trading for the period between the 20th trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of financial results for the said period;
- Not commence the trading as per above plan if the Unpublished Price Sensitive Information which is in my possession at present, do not comes into public domain till the time of commencement of trading plan & shall defer the commencement of trading plan till such information becomes generally available.
- Not tender any other trading plan for the period for which the above trading plan i s already in force; and
- Not entail trading in securities for market abuse.

Signature: \_\_\_\_\_



## ANNEXURE II

### SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL

Date:

To,  
The Compliance Officer,  
Ganesh Foundry & Castings Limited  
VILL.- Sipahpur, P.O.- Bhikhanpur Kothi,  
Muzaffarpur, Bihar - 842001

Dear Sir/Madam,

#### Application for Pre-dealing approval in securities of the Company

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code of Conduct for Prevention of Insider Trading, I seek approval to purchase/sale/subscribe \_\_\_\_\_ equity shares of the Company as per details given below:

1.	Name of the applicant		
2.	Designation		
3.	Number of securities held as on date		
4.	Folio No. / DP ID / Client ID No.)		
5.	The proposal is for		a. Purchase of securities b. Subscription to securities c. Sale of securities
6.	Proposed date of dealing in securities		
7.	Estimated number of securities proposed to be acquired/subscribed/sold		
8.	Price at which the transaction is proposed		
9.	Current market price (as on date of application)		
10.	Whether the proposed transaction will be through stock exchange or off-market deal		
11.	Folio No. / DP ID/ Client ID No. where the securities will be credited / debited		

I enclose herewith the form of Undertaking signed by me.

Yours Faithfully

\_\_\_\_\_  
(Signature)

### **ANNEXURE III**

#### **FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE**

Date:

To  
The Compliance Officer  
Ganesh Foundry & Castings Limited  
VILL.- Sipahpur, P.O.- Bhikhanpur Kothi,  
Muzaffarpur, Bihar – 842001

Dear Sir/Madam,

#### **UNDERTAKING**

I, \_\_\_\_\_ (Designation) of the Company residing at \_\_\_\_\_, am desirous of dealing in shares of the Company as mentioned in my application dated for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the Code) up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from dealing in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code as notified by the Company from time to time.

I undertake to submit the necessary report within 2 (two) trading days of execution of the transaction / a 'Nil' report if the transaction is not undertaken.

If approval is granted, I shall execute the deal within 7 days of the receipt of approval failing which I shall seek pre-clearance.

I declare that I have made full and true disclosure in the matter.

Signature: \_\_\_\_\_

**ANNEXURE IV**

**FORMAT FOR PRE-CLEARANCE ORDER**

Date:

PCO No. \_\_\_\_\_

To,

Name:

Designation:

Place:

This is to inform you that your request for dealing in \_\_\_\_\_ (nos) shares of the Company as mentioned in your application dated \_\_\_\_\_ is approved. Please note that the said transaction must be completed on or before \_\_\_\_\_ [date].

In case you do not execute the approved transaction /deal on or before the aforesaid date you would have to seek fresh pre-clearance before executing any transaction/deal in the securities of the Company. Further, you are required to file the details of the executed transactions in the prescribed forms as per GFCL's Code of Conduct for Insider Trading. In case the transaction is not undertaken a 'Nil' report shall be necessary.

Yours Faithfully,  
For **Ganesh Foundry & castings Limited**

\_\_\_\_\_  
Compliance Officer

## ANNEXURE V

### FORMAT FOR DISCLOSURE OF TRANSACTIONS

(To be submitted within 2 days of transaction / dealing in securities of the Company)

Date:

To,  
The Compliance Officer,  
The Compliance Officer  
Ganesh Foundry & Castings Limited  
VILL.- Sipahpur, P.O.- Bhikhanpur Kothi,  
Muzaffarpur, Bihar – 842001

Dear Sir/Madam,

I hereby inform that I:

- have not bought / sold/ subscribed any securities of the Company, pre-cleared vide your order no. dated \_\_\_\_\_.
- have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_\_ (date)

Name of holder	No. of securities dealt with	Bought/sold/subscribed	DP ID/Client ID / Folio No	Price (Rs.)

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

- Broker's contract note;
- Proof of payment to/from broker;
- Extract of bank passbook/statement (to be submitted in case of demat transaction).
- Copy of delivery instruction slip (applicable in case of sale transaction).

I agree to hold the above securities for a minimum period of six months. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (Applicable *in case of purchase / subscription*).

I declare that the above information is correct and that no provisions of the Company's Code and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature: \_\_\_\_\_

Name:

Designation:

\*Strike off whichever is not applicable.

**ANNEXURE VI****FORM A****Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015****[Regulation 7 (1) (a) read with Regulation 6 (2)]**

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

Name, PAN No., CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc)	Securities held as on the date of regulation coming into force		% of Shareholding	Open Interest of the Future contracts held as on the date of regulation coming into force		Open Interest of the Option Contracts held as on the date of regulation coming into force	
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6		7	

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

## ANNEXURE VII

### FORM B

#### Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN & Address with contact nos.	Category of Person (Promoters/ KMP / Directors/immediate relatives/others etc.)	Date of appointment of Director /KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter/appointme nt of Director/KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/appointme nt of Director/KMP	
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units (contracts * lot size)	Notional value in Rupee terms	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	5	6		7	

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

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## ANNEXURE VIII

### FORM C

#### Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (2) read with Regulation 6(2)]

Name of the company: \_\_\_\_\_

ISIN of the company: \_\_\_\_\_

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN No., CIN/DIN, & address of Promoter/ Employee / Director with contact nos.	Category of Person (Promoters/ KMP / Directors/ immediate relatives/ others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public rights/ preferential offer / off market/ Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Signature:

Designation:

Date:

Place:

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# ANNEXURE IX

## Form D (Indicative format)

### Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

#### Regulation 7(3) – Transactions by Other connected persons as identified by the company

Name, PAN No., CIN/DIN & address of connected persons, as identified by the company with contact nos.	Connection with company)	Securities held prior to acquisition/disposal		Securities acquired/Disposed		% of shareholding		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase/public/ rights/ preferential offer / off market/ Inter-se transfer etc.)	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy		Sell		
												Value	Number of units (contracts * lot size)	Value	Number of units (contracts * lot size)	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

Name:

Signature:

Date:

Place:

\*\*\*\*\*