



CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

1. INTRODUCTION

This Code of Conduct is called "GMM Pfaudler Limited Code of Conduct for Prevention of Insider Trading" (hereinafter referred to as 'the Code').

This Code will apply to all Designated Persons.

2. OBJECTIVE

The objective of this Code is to ensure protection of Unpublished Price-Sensitive Information of the Company and serve as a guideline to Designated Persons covered by this Code for dealing in Securities of the Company. In addition to setting out the policy of the Company, it provides an understanding of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time and any other applicable law in relation to prevention of Insider Trading.

This Code is subject to the applicable prevailing law in relation to prevention of Insider Trading and if there is any inconsistency between any of the provisions of the Code and applicable law, the applicable law shall prevail.

3. IMPORTANT CONCEPT AND DEFINITION:

- a. "Act" means the Securities and Exchange Board of India Act, 1992.
- b. "Board" means the Board of Directors of the Company.
- c. "Chairman" shall mean Chairman of the Board.
- d. "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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board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.
- e. "Code" or "Code of Conduct" shall mean the Code of Regulating, Monitoring and Reporting of trading by Designated Persons of GMM Pfaudler Limited as amended from time to time.
- f. "Company" means GMM Pfaudler Limited.
- g. "Connected Person" means:
 - (i) A Director of the Company;
 - (ii) A Key Managerial Personnel of the Company;
 - (iii) any person who is or has, during the six months prior to the date of this code become effective, 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 reasonably expected to allow such access.

- (iv) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be Connected Persons in relation to the Company unless the contrary is established-
- (a) a 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 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 the Company or his relative or banker of the Company, has more than ten per cent, of the holding or interest or;
 - (k) a firm or its partner or its employee in which a connected person specified in sub-clause (iii) of clause (g) is also a partner; or
 - (l) a person sharing household or residence with a connected person specified in sub-clause (iii) of clause (g);
- h. "Closure of Trading Window" shall mean any period which the Compliance Officer may notify, during which Trading in Securities of the Company shall be prohibited and shall include the following:
- (i) The period beginning from last day from the end of each quarter upto the date of announcement of quarterly results and 48 hours thereafter;
 - (ii) The period beginning from last day from the end of March quarter upto the date of announcement of the annual financial results and 48 hours thereafter;
 - (iii) Any other period during which trading shall be closed when the Compliance Officer determines that a Designated Person or class of person can reasonably expected to be in possession of Unpublished Price Sensitive Information. The Trading Window shall be reopened after making the said Unpublished Price Sensitive Information, Generally Available Information.
- i. "Director" means a member of the Board of Directors of the Company, as appointed from time to time.
- j. "Designated Persons" means and includes
- (i) All the Directors of the Company;

- (ii) Promoters and members of Promoter Group;
 - (iii) Key Managerial Personnel of the Company (as defined in accordance with the Companies Act, 2013);
 - (iv) Every Employee in the top two tiers of the Company's management;
 - (v) Every Executive Secretary/ Executive Assistant of the employees covered under item (iv) above;
 - (vi) All employees of the 'Accounts & Finance' and Secretarial and Legal' functions, irrespective of their grade;
 - (vii) Such employees of the Company and its Material Subsidiaries as may be designated/ notified by the Compliance Officer in consultation with the Board from time to time, who may be considered to be in possession of Unpublished Price Sensitive Information; and
 - (viii) Immediate Relatives of persons specified in (i) to (vii) above.
- k. "Digital Database" shall be a database maintained by the Compliance Officer containing information such as names, Permanent Account Numbers ("PANs") or any other identifier authorized by law where such PAN is not available, disclosures and other details of Designated Persons, Fiduciaries and Insiders who have are possession of or likely to have access to Unpublished Price Sensitive Information in accordance with the Code;
- l. "Fiduciaries" shall mean professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks etc., assisting or advising the Company from time to time.
- m. "Generally available Information" means information that is accessible to the public on a non-discriminatory basis.
- n. "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.
- o. "Insider" means and includes any person who is,
(i) a connected person; or (ii) in possession of or having access to unpublished price sensitive information.
- p. "Insider Trading Regulations" means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment or reenactment thereof.
- q. "Legitimate Purpose" shall include sharing of Unpublished Price Sensitive Information by a Designated Person with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants; in the ordinary course of business or otherwise in furtherance of such business activities as per the Policy approved by the Board, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;



- r. "Material Financial Relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions;
- s. "Material Subsidiary" shall have the meaning ascribed to such term under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- t. "Promoters" shall have the same meaning as assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- u. "Promoter Group" shall have the same meaning as assigned to it under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- v. "Relative" shall mean the following:
 - (i) spouse of the person;
 - (ii) parent of the person and parent of its spouse;
 - (iii) sibling of the person and sibling of its spouse;
 - (iv) child of the person and child of its spouse;
 - (v) spouse of the person listed at sub-clause (iii); and
 - (vi) spouse of the person listed at sub-clause (iv)
- w. "SEBI" shall mean the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- x. "Securities" or "Shares" means the equity / preference shares, ADRs, debentures or any other security issued by GMM Pfaudler Limited listed on the Stock Exchanges.
- y. "Stock Exchanges" means all the stock exchanges where the shares of GMM Pfaudler Limited are listed.
- z. "Trading in Securities" means and includes subscribing, buying, selling, dealing, pledging, or agreeing to subscribe, buy, sell, pledge, or deal in any Securities either as principal or agent and "Trade" shall be construed accordingly;
- aa. "Trading Window" means the period during which Trading in the Securities of the Company is permitted to those governed by this Code.
- bb. "Trading Day" means a day on which the Stock Exchanges are open for Trading;
- cc. "Unpublished Price Sensitive Information" or "UPSII" means any information which relates directly or indirectly to GMM Pfaudler Limited, or its Securities, that is generally not available, and which on being Generally Available, is likely to materially affect the price of Securities of Company and shall ordinarily include but not restricted to, information relating to the following:
 - i. financial results;
 - ii. dividends;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting, disposal and expansion of business and

such other transactions;

- v. changes in key managerial personnel;
- vi. price sensitive information relating to the subsidiaries of the company; and
- vii. such other information as may be deemed to be constituted as UPSI by the Board or the Compliance Officer from time to time.

cc. "Working Day" will mean the day on which the Registered Office of the Company is working.

Words and expressions used but not defined in this Code will have the same meaning as contained in (i) Insider Trading Regulations (ii) the Securities and Exchange Board of India Act, 1992 (iii) the Companies Act, 2013 (iv) Securities (Contract) Regulation Act, 1956 and (v) The Depositories Act, 1996 read with rules framed thereunder, as may be modified from time to time.

4. RESPONSIBILITY OF THE BOARD OF DIRECTORS UNDER THIS CODE:

As per Regulation 9(1) of the Insider Trading Regulations, the Board of directors of listed entity and the board of directors or head(s) of the organisation of every intermediary shall ensure that the Company at all times has in place this Code to regulate, monitor and report trading by Designated Persons and Immediate Relatives of such Designated Persons. The Board shall be responsible for monitoring the overall compliance to the Insider Trading Regulations. In accordance with the Insider Trading Regulations, the Board shall inter-alia ensure the following:

- (i) In consultation with the Compliance Officer and the Chief Financial Officer, specify the Designated Persons to be covered by this Code based on their functional role or access to Unpublished Price Sensitive Information in addition to seniority and professional designation;
- (ii) The Company shall maintain, the nature of UPSI, names of the persons who have shared the information, and also the names of such persons with whom information is shared, along with their PAN (or any other identifier where PAN is not available) in a Digital Database. (Requirement of PAN or any other identifier is not applicable to statutory requisitions). A Digital Database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database and non-leakage of UPSI. This database shall be kept confidential and shall not be outsourced. In relation to such information to be maintained for the subsidiaries and / or persons/ entities associated with the subsidiaries, the identified heads for each subsidiary shall provide information to the Compliance Officer in the format set out under Annexure A for purposes of maintaining such details in the structured Digital Database.
- (iii) Formulate and review periodically the Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) including the Policy for determination of "legitimate purpose" enclosed as 'Annexure I';
- (iv) Listed entities to have a process for how and when people are brought 'inside' on sensitive transactions enclosed as 'Annexure II'; and
- (v) Formulate and review periodically, the Policy and Procedure for Inquiry in the Event of Leak or Suspected Leak of Unpublished Price Sensitive Information enclosed as 'Annexure III'.

5. COMPLIANCE OFFICER:

- (i) The Company Secretary appointed by the Board of Directors or such other senior officer, who



is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations shall be designated as Compliance Officer and shall report to the Board of Directors.

- (ii) The Compliance Officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of UPSI, 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.
- (iii) The Compliance Officer shall report to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors but not less than once in a year.
- (iv) The Compliance Officer shall assist all Designated Persons and Insiders in addressing any clarifications regarding the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Company's Internal Code of Conduct, whenever required.

6. PROHIBITION ON COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

- (i) All Designated Persons, Fiduciaries and Insiders must:
 - (a) maintain confidentiality of all Unpublished Price Sensitive Information;
 - (b) not communicate, provide or allow access to any Unpublished Price Sensitive Information to any person including other Insiders except where such communication is in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code and confidentiality or non-disclosure agreements being executed;
 - (c) not procure from or cause the communication by any Insiders and their Immediate Relatives of any Unpublished Price Sensitive Information except in furtherance of Legitimate Purpose, performance of duties or discharge of legal obligations and otherwise in accordance with this Code; and
 - (d) not pass on such information to any person directly or indirectly by way of making a recommendation for the Trading Securities of the Company based on the same.
- (ii) All information within the Company must be handled strictly, on a 'need to know' basis. Any Unpublished Price Sensitive Information should be disclosed only for the furtherance of a Legitimate Purpose as per the policy approved by the Board, to discharge their duties and legal obligations and whose possession of such information will not give rise to a conflict of interest or misuse of information.

Need to Know:

- "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.
- All non-public information directly received by any employee should immediately be reported

to the head of the department.

- (iii) Unpublished price sensitive information may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
 - (a) Entail an obligation to make an open offer under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") where the Board of Directors of the Company is of informed opinion that sharing of such information is in the best interests of the Company;
 - (b) not attract the obligation to make an open offer under the SEBI Takeover Regulations but where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company and the information that constitute unpublished price sensitive information is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board of Directors may determine to be adequate and fair to cover all relevant and material facts.
 - (c) For the purpose of this clause, the Board of Directors shall require the parties to such transactions to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the limited purpose of this Clause and shall not otherwise trade in securities of the Company when in possession of UPSI.
- (iv) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.
- (v) Chinese wall procedures ("Chinese Walls") shall be used to manage confidential information and prevent the inadvertent spread and misuse of price sensitive information. Areas of the Company which routinely have access to confidential information including UPSI, shall be considered as 'inside areas', and shall be separated from those areas or departments providing support services, who do not have access to such information, considered as 'public areas'. The Chinese Walls established by the Company shall operate as a barrier to the passing of confidential information, including Unpublished Price Sensitive Information and other confidential information. As per the said procedures:
 - (a) the promoters, directors and employees of the Company in the 'insider areas' shall not communicate any UPSI to anyone in the 'public areas';
 - (b) the demarcation of various departments as 'insider areas' shall be determined by the Compliance Officer in consultation with the Board or with Managing Director;
 - (c) The establishment of Chinese Walls shall not be intended to suggest that Unpublished Price Sensitive Information can circulate freely within 'inside areas'. The 'need to know' principle shall be fully in effect within 'insider areas'. In exceptional circumstances, employees from the 'public areas' may be allowed to 'cross the wall' and given Unpublished Price Sensitive Information by following the 'need-to-know' principle, under intimation to the Compliance Officer. The Compliance Officer would duly record reasons for crossing the wall in writing.
 - (d) Chinese Walls shall be set up and implemented in the manner set out by Compliance Officer from time to time.

(e) Process for how and when people are brought 'inside' on sensitive transactions is enclosed.

7. RESTRICTION ON TRADING IN SECURITIES:

(i) All Designated Persons will be subject to certain Trading restrictions:

(a) Trading Restrictions during Closure of Trading Window:

- Designated Persons are prohibited to Trade in Securities of the Company during the Closure of Trading Window. The Compliance Officer shall communicate the Closure of Trading Window to all Designated Persons through email or physical copies or any other prescribed mode. Irrespective of whether such communication has been received or not, Designated Persons governed by this Code shall mandatorily verify with the Compliance Officer on the status of the Trading Window before undertaking any Trades in the Securities of the Company. Ignorance of the closure of the Trading Window or non-receipt of communication of closure of Trading Window shall not justify any Trades undertaken by Designated Persons during Closure of Trading Window.
- Every Designated Person should advise his/ her Immediate Relatives of the Closure of Trading Window during which Trading in the Securities of the Company is prohibited.

(b) Trading Restrictions otherwise:

- No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of Unpublished Price Sensitive Information. If such persons have traded in Securities of the Company when in possession of Unpublished Price Sensitive Information, their Trades would be presumed to have been motivated by the knowledge and awareness of such information in their possession. Provided that the insider may prove his innocence by demonstrating the circumstances including the following:
- The transaction is an off-market inter-se transfer between Insiders who were in possession of the same unpublished price sensitive information without being in breach of regulation 3 of Insider Trading Regulations and both parties had made a conscious and informed trade decision and that the Insiders have disclosed the same to the Company and obtained pre-clearance as specified in Clause 8 of this Code. Provided that such unpublished price sensitive information was not obtained by either person under sub-regulation (3) of regulation 3 Insider Trading Regulations;
- The transaction was carried out through the block deal window mechanism between persons who were in possession of the unpublished price sensitive information without being in breach of regulation 3 Insider Trading Regulations and both parties had made a conscious and informed trade decision;
- the transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction.
- the transaction in question was undertaken pursuant to the exercise of stock options in respect of which the exercise price was pre-determined in compliance with applicable regulations.
- the trades were pursuant to a trading plan set up in accordance with Clause 8.

- In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the SEBI.
- (ii) When the Trading Window is open, Trading by Designated Persons shall be subject to pre-clearance by the Compliance Officer, in the manner provided under Clause 8 of this Code.
- (iii) For the avoidance of doubt, it is clarified that during the Closure of Trading Window, no Designated Person is permitted to apply for pre-clearance of any proposed Trade.
- (iv) Designated Persons (other than Promoters, members of Promoter Group, Directors, Key Managerial Persons and their Immediate Relatives) when not in possession of Unpublished Price Sensitive Information and when the Trading Window is open, can undertake Trading in Securities upto a value of Rs. 10,00,000 (Rupees Ten Lacs Only) in one financial year, without seeking pre-clearance of the Compliance Officer. However, all other restrictions and requirement of making necessary disclosures under this Code will continue to apply for such Trades.
- (v) Designated Persons who Trade in Securities of the Company, will not undertake a contra/opposite Trade during 6 (six) consecutive months following the prior Trade. However, these provisions shall not be applicable to Trades executed pursuant to an approved Trading Plan. Subject to the Insider Trading Regulations, the Compliance Officer may relax the 6 (six) months contra-trade restriction in cases where the sale is necessitated by personal emergency after recording reasons in writing in this regard. An application in writing in this regard will need to be made to the Compliance Officer.
- (vi) The above restriction on Contra Trade shall not apply in case of exercise/sale of employee stock option plan ("ESOP") shares provided the Designated Persons do not possess UPSI and the sale is executed when the Trading Window is open.
- (vii) In case, the Designated Persons deal in any Securities of the Company through his/her portfolio manager/ investment manager, the same will need to be disclosed to the Compliance Officer and restrictions relating to Trading in Securities of the Company under this Code will also apply to the trading in securities of the company through his/her portfolio manager/ investment manager.

8. PRE-CLEARANCE OF TRADE BY DESIGNATED PERSONS:

- (i) Pre-clearance of Trades shall be required to be obtained by all Designated Persons prior to Trading in Securities.
- (ii) Every Designated Person must make an application in the format prescribed under this Code enclosed as 'Annexure B' to the respective authority for pre-clearance as mentioned below, indicating the estimated number of the Company Securities that such person intends to Trade in, mode of acquisition, and such other information as may be prescribed by the Insider Trading Regulations, amended and modified from time to time:

Trading by the following persons	Authority for pre-clearance
All Designated Persons including their Immediate Relatives (except Compliance Officer)	Compliance Officer
Compliance Officer	Managing Director

(iii) Pre-clearance shall not be required for the following transactions:

- (a) trades executed pursuant to an approved Trading Plan;
- (b) transactions pursuant to Transmission of shares in accordance with applicable law;
- (c) transactions involving transfer of Securities from Depository Participant to another provided that the beneficial owner of such Securities do not change; however, Trades involving pledge and revocation of pledge of Securities will continue to require pre-clearance as per this Code; and
- (d) transactions pursuant to merger, demerger, or any other Court Order;

However, in the aforesaid cases (a to d) declaration in the form of a Completion Certificate as per the format prescribed under this Code enclosed as 'Annexure C' shall be submitted to the Compliance Officer within 2 Trading days.

- (iv) Prior to approving any Trades, the Compliance Officer shall be entitled to seek any further declarations as he may deem fit from the applicant. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate. In case the Compliance Officer is of the opinion that the proposed Trade is on basis of possession of Unpublished Price Sensitive Information or he has a reason to believe that the proposed Trade is in breach of this Code or the Insider Trading Regulations, he will not grant approval against the said pre-clearance application and shall convey the reasons.
- (v) The Compliance Officer shall inform the Designated Person, of approval / rejection of the pre-clearance application under this Code within 2 (two) Working Days of the receipt of the application and other necessary documents or clarifications. In the absence of the Compliance Officer, the approval / rejection will be provided by the Managing Director.
- (vi) All Designated Persons shall complete their Trade in respect of the Securities of the Company within 7 (seven) Trading Days from the date of approval granted by the Compliance Officer for the pre-clearance application. The details of the Trade including the total number of shares or voting rights bought or sold or traded in any manner by the Designated Person, the date on which the Trade was executed, etc., will be required to be informed forthwith, not exceeding 2 (two) Working Day from date of completion of the Trade to the Compliance Officer in the format prescribed under this Code.
- (vii) If the Trade is not executed within 7 (seven) Trading Days from the date of the pre-clearance approval, the Designated Person shall inform the Compliance Officer in the format prescribed under this Code and resubmit the pre-clearance application in the prescribed format.

9. TRADING PLANS

- (i) Each Designated Person is entitled to execute Trades pursuant of a pre-determined trading plan, where such trading plan has been formulated by such Designated Persons, approved by the Compliance Officer, and has been publicly disclosed by the Company to the Stock Exchanges, one hundred and twenty calendar days prior to the commencement of the Trading pursuant to the trading plan ("Trading Plan"). In accordance with the Insider Trading Regulations, provisions relating to pre-clearance of Trades, Closure of Trading Window shall not be applicable for Trades executed pursuant to an approved Trading Plan.
- (ii) A Trading Plan shall be formulated by Designated Persons in compliance with the Insider



Trading Regulations, including any statutory modification(s) or re-enactment(s) for the time being in force.

- (iii) The Compliance Officer shall approve a Trading Plan within a period of 2 (two) trading days and shall take necessary undertakings / declarations from the applicant Designated Person presenting such a Trading Plan, as may be necessary on a case by case basis. Once approved and published in accordance with the Insider Trading Regulations, the Trading Plan shall be irrevocable, and the said Designated Person(s) shall mandatorily implement the Trades as per the Trading Plan in accordance with the provisions of the Insider Trading Regulations.
- (iv) The implementation of the Trading Plan shall not commence if any Unpublished Price Sensitive Information in possession of the Insider at the time of formulation of the plan has not become generally available at the time of commencement of the implementation and in such an event, the Compliance Officer shall confirm that the commencement ought to be deferred until such Unpublished Price sensitive Information becomes Generally Available Information. The Compliance Officer may consult with the Managing Director and / or the Audit Committee chairperson, on a case to case basis, prior to approving any Trading Plan.

10. CONNECTED PERSONS/ FUDICIARIES:

- (i) Designated Persons who are employees of the Company shall ensure that a confidentiality non-disclosure agreement shall be entered into by the Company with Connected Persons, Fiduciaries and Insiders prior to sharing any Unpublished Price Sensitive Information.
- (ii) The sharing of such information shall be in accordance with "Policy for determination of LegitimatePurpose."

11. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:

- (i) Continual Disclosures: Every Promoter, member of the Promoter Group, Director and Designated Person of the Company shall disclose to the Company, enclosed as 'Annexure D' the number of Securities acquired or disposed off, if the value of the Securities Traded, whether in one transaction or a series of transactions over any financial quarter, aggregates to Traded value in excess of Rs. 10,00,000 (Indian Rupees ten lakh) or such other limit as may be prescribed under the Insider Trading Regulations, within 2 (two) Trading Days of such Trade. The Compliance Officer shall notify the particulars of such trading to the Stock Exchanges within 2 (two) Trading Days of receipt of such disclosures or from becoming aware of such information. It is hereby clarified that the disclosure of the incremental Trades after any disclosure under this clause, shall be made when the Trades effected after the prior disclosure cross the limits specified above.
- (ii) Initial Disclosure: Every Designated Person must disclose to the Compliance Officer the details as specified in the format enclosed as 'Annexure E' prescribed under this Code and an initial undertaking in the format prescribed under this Code, within 7 (seven) days of becoming a Designated Person of the Company. Every Designated Person shall be required to disclose their name and PAN or any other identifier authorised by law for himself and his Immediate Relatives, persons with whom such a Designated Person shares a Material Financial Relationship, phone and mobile numbers which are used by them, names of educational institutions from which the Designated Persons have graduated and names of their past employers, etc. to the Company on an annual basis and as and when the information changes.

- (iii) Annual Disclosure: All Designated Persons must make an annual disclosure of the number of Securities held as on 31st March each year by them including details of purchase / sale of Securities during the financial year to the Compliance Officer. This disclosure must be made in the format prescribed under this Code enclosed as 'Annexure F' within 30 (thirty) days from the close of each financial year, in electronic or physical form.
- (iv) The Compliance Officer will maintain records in either physical or electronic form, of all disclosures and declarations made by the Directors, Promoters, members of the Promoter Group, Key Managerial Personnel and such other Designated or Connected Person for a minimum period of five years.
- (v) The Compliance Officer, in addition to the above, may at his discretion require any other Connected Person or class of Connected Persons to make disclosures of holdings and Trading in Securities of the company at such frequency as he may deem fit in order to monitor compliance with this Code and the Insider Trading Regulations.

12. PENALTY FOR CONTRAVENTION OF THE CODE:

- (i) Every Designated Person who (i) Trades in Securities of the Company, or (ii) communicates any information for Trading in Securities of the Company, or (iii) procures Unpublished Price Sensitive Information, in each case, in contravention of this Code; or otherwise violates this Code shall be penalized and the Company will take appropriate action, as detailed below. The quantum of penalty shall be decided by the Managing Director, on a case-by-case basis.
- (ii) A Designated Person of the Company who violates this Code or otherwise commits any of the actions set out in the para above, shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery, clawback, etc., as may be decided by the Managing Director. In the event a Designated Person, executes an opposite transaction i.e. sell/create pledge or buy, as the case may be, any number of the Securities of the Company inadvertently or otherwise, such Designated Person undertakes to disgorge the profits from such Trade to the Company for onward remittance to SEBI for credit to the Investor Protection and Education Fund, as administered by SEBI.
- (iii) The Managing Director and the Compliance Officer shall report such violations to the Board.

13. INSTITUTIONAL MECHANISM FOR PREVENTION OF INSIDER TRADING

The Managing Director in consultation with the Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the Code and the Insider Trading Regulation, including ensuring inter-alia the following:

- (i) Identification of employees having access to Unpublished Price Sensitive Information as Designated Persons, including employees of the subsidiaries of the Company, and updation of necessary information pertaining to these Designated Persons in the Digital Database of the Company;
- (ii) Identification, preservation and maintenance of confidentiality of Unpublished Price Sensitive Information until it becomes Generally Available Information in accordance with the Insider Trading Regulations;
- (iii) Restriction on communication and procurement of Unpublished Price Sensitive Information as per this Code and the Insider Trading Regulations;

- (iv) Maintenance of Digital Database containing names of all Designated Persons and other persons with whom Unpublished Price Sensitive Information is shared and confidentiality agreements signed, or notices sent / served on Designated Persons or other persons with whom
- (v) Unpublished Price Sensitive Information is shared for the purpose of maintaining confidentiality and abiding by their non-disclosure obligation;
- (vi) Compliance of this Code and Insider Trading Regulations as prescribed by SEBI from time to time;
- (vii) Periodic reporting to Audit Committee and the Board; and
- (viii) Any other matter required for compliance with the Insider Trading Regulations.

The Compliance Officer in consultation with the Chairman of Audit Committee shall have the power to set forth any additional guidelines or procedures required for maintaining adequate and effective internal controls under this Code and ensuring compliance with the Insider Trading Regulations.

14. POLICY ON INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Company shall have a written policy setting out the process to be followed in the event of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information. The Compliance Officer shall inform promptly of such leaks, inquiries and results of such inquiries to Audit Committee and Board in accordance with such Policy.



POLICY FOR DETERMINATION OF "LEGITIMATE PURPOSES"

The sharing of UPSI shall be deemed to be for "Legitimate Purpose" if it satisfies the following criteria:

- i. The 'Legitimate purpose' shall include sharing of Unpublished Price Sensitive Information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.
- ii. The information shall be shared with any person on 'need to know' basis.
- iii. Insiders shall share the UPSI with the external agencies only in the interest of the Company or any of its subsidiaries and/or in compliance with the requirements of the law.
- iv. Sharing of information may be construed as insider trading even while it is in pursuit of compliances required or business interests of the Company or any of its subsidiaries in appropriate circumstances. The person who has the UPSI should ideally recuse himself from assigned task of the sharing such UPSI with third parties in such doubtful cases to avoid any adverse inferences in this regard.
- v. Any person in receipt of UPSI pursuant to a legitimate purpose shall be considered an "Insider" and due notice shall be given to such person to maintain confidentiality of such UPSI in compliance with the Regulations. The Compliance Officer (or such persons designated by the Compliance Officer for the subsidiaries) shall ensure that such third party with whom such UPSI is shared, is also bound by non-disclosure or confidentiality agreements and the liabilities involved which shall mention the duties and responsibilities of such person with respect to such UPSI and the liabilities involved if such person misuses or uses such UPSI in breach of the Code or Regulations.
- vi. The Compliance Officer ("The Company Secretary of the Company") under the supervision of the Board shall maintain, the nature of UPSI, names of the persons who have shared the information, and also the names of such persons with whom information is shared, along with their PAN (or any other identifier where PAN is not available) in a Digital Database. (Requirement of PAN or any other identifier is not applicable to statutory requisitions). A Digital Database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database and non-leakage of UPSI. This database shall be kept confidential and shall not be outsourced. In relation to such information to be maintained for the subsidiaries and / or persons/ entities associated with the subsidiaries, the identified heads for each subsidiary shall provide information to the Compliance Officer in the format set out under Annexure A for purposes of maintaining such details in the structured Digital Database.

Capitalised terms used but not defined herein shall have the same meaning ascribed to such terms under the GMM Pfaudler Limited Code of Conduct for Prevention of Insider Trading.



ANNEXURE II
PROCESS DOCUMENT FOR HOW AND WHEN PEOPLE ARE BROUGHT INSIDE ON
SENSITIVE TRANSACTIONS

Pursuant to Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company is required to frame Minimum Standards for Code of Conduct for Listed Companies to Regulate, Monitor and Report Trading by Designated Persons. Clause 13 of the Model as given under 'Schedule C' of the SEBI (Prohibition of Insider Trading) Regulations, 2015 requires Listed entities to have a process for how and when people are brought 'inside' on sensitive transactions. Therefore, the Company has prepared following process.

1. Sensitive transactions will generally mean any transaction which is of concern directly or indirectly to the Company or its subsidiaries that is not generally available in public domain or is not generally known or published by the Company or its subsidiaries for general information but which if published or upon becoming generally available is likely to materially affect the price of securities of the Company on the Stock exchange.
2. All the individuals or other entities (including but not limited to Promoters / Promoter group / Directors / others) involved in / dealing with / privy to such sensitive transaction shall ensure that information of such transaction is accessed by/ shared by them only for legitimate business purpose.
3. The Head of respective individual departments (HODs) of the Company / subsidiaries will be primarily responsible to identify the employees who are likely to have access to Unpublished Price Sensitive information (UPSI) or are required to be brought inside for working on sensitive transactions;
4. Periodic review of such list will be made by the Compliance Officer in consultation with the Chief Financial Officer (CFO), HODs/ HR as the case may be and will regularly check with the CFO/HODs/HR as the case may be and will identify persons who whom UPSI is required to be shared for sensitive transactions for legitimate (business) purposes from time to time.
5. The information shall be shared with any such person strictly on 'need to know' basis.
6. Such individuals would be sensitized to keep the UPSI confidential and not to use / pass on such information directly / indirectly to anyone and they will be made aware of the duties and responsibilities attached to the receipt of such Inside Information, and the liability that attaches to misuse or unwarranted use of such information. The Company / subsidiaries will make efforts to arrange awareness sessions for the Insiders from time to time.
7. The Board of Directors of the Company shall have the power to amend any of the provisions of this Process document, substitute any of the provisions with a new provision and also replace this document entirely with a new document.
8. Any words used in this document but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 or any other relevant legislation/law applicable to the Company, as amended from time to time.
9. Capitalised terms used but not defined herein shall have the same meaning ascribed to such terms under the GMM Pfaudler Limited Code of Conduct for Prevention of Insider Trading.



ANNEXURE III
POLICY AND PROCEDURE FOR INQUIRY IN THE EVENT OF LEAK OR SUSPECTED LEAK OF
UNPUBLISHED PRICE SENSITIVE INFORMATION

I. Preamble

This Policy is framed with an aim to implement a structured procedure for investigation in case of leak or suspected leak of UPSI.

II. Applicability:

This policy shall apply to Designated Persons, all Insiders and any other persons as assigned by law from time to time.

III. Process of inquiry in case of leak of UPSI or suspected leak of UPSI

1. Information (written or oral or electronic) regarding a leak or suspected leak of UPSI may be received by the Company from the following sources:
 - a.) Internal:
 - i) Whistleblower vide the whistleblower process as illustrated in the Company's Whistleblower Policy.
 - ii) Any leak or suspected leak of UPSI detected through the internal controls implemented by the Company.
 - b.) External: Any entity, including Registrar and Share Transfer Agent, Depository, Stock Exchange, Regional Director, Registrar of Companies, regulatory/statutory authority or any other department of Central or State Government, whether based on whistleblower or otherwise.
(above information shall be collectively referred as "Complaint(s) for the purpose of this Policy)
2. The Complaint shall inter alia state particulars of the complainee and details of the complaint. The Complainant has the option of annexing such documentary evidence, as deemed reasonable for the purpose of substantiating the complaint lodged.
3. The Complaint shall be addressed to the Company or Board or Audit Committee or Chairman or Managing Director (MD) or Chief Executive Office, by whatever name called.
4. Within 5 (five) working days of receipt of the complaint MD or Compliance Officer shall write to the complainee intimating the details of the complaint received and requesting him to give a written representation within 7 (seven) working days of receipt of letter. If MD feels that the complaint has been lodged to secure needless publicity for defamatory matter which is detrimental to the interest of the Company then he will discard the complaint with reasons recorded in writing.
5. Within 7 (seven) working days of receipt of representation, MD shall proceed to investigate in the matter and for such purpose may consult such persons, whether internal or otherwise or obtain such external assistance or opinion, as he may deem expedient in this regard. During the course of such investigation, MD may call for such additional documents, representations, etc. as he may deem fit.

6. If no representation is received within the aforesaid stipulated time, MD shall issue notice to the complainee asking him to show cause as to why the Company should not initiate disciplinary proceedings, as applicable, against him.
7. On completion of the preliminary investigation under point 5, receipt of reply to the show cause notice issued under point 6 or on non-receipt thereof, MD shall refer the matter to the Chairman of the Audit Committee, along with his opinion, for his consideration.
8. Chairman of the Audit Committee on receipt of such opinion shall proceed to convene a meeting of the Audit Committee and shall actually convene the concerned meeting within a period of 45 days of receipt of opinion of MD.
9. The Audit Committee shall consider the matter and put forward its recommendation to the Board. The Board, on receipt of such recommendation and after due review, if forms an opinion that the complainee is guilty of leak of UPSI or suspected leak of UPSI, then it will order for necessary disciplinary proceedings of the company, which will be in addition to the penal provisions stated under SEBI (Prohibition of Insider Trading) Regulations, 2015 and any other statutory enactments, as applicable, including its amendment thereof.
10. The Company suo moto reserves the right of initiating an inquiry under this policy against any designated employee if it has reasons to believe that such person has leaked UPSI or suspected to leak UPSI.
11. This policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted or which are available under the existing Vigil Mechanism Policy of the Company.
12. The word MD or CEO wherever referred in this policy shall mean and include head of the Company, whether occupying board position or not, by whatever name called.
13. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision and also replace this Policy entirely with a new Policy.
14. Any words used in this Policy but not defined herein shall have the same meaning as described to it in the Companies Act, 2013 or Rules made thereunder, Securities & Exchange Board of India Act or Rules and Regulations made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 or any other relevant legislation/law applicable to the Company, as amended from time to time.



ANNEXURE B

APPLICATION FORM FOR PRE-CLEARANCE OF TRADES IN COMPANY'S SECURITIES

The Compliance Officer,
GMM Pfaudler Limited
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

Dear Sir,

I intend to Trade in the Securities of the Company as per the particulars furnished below:

Name(s) of the persons for whom the transaction is to be executed	
PAN No.	
Relationship with the applicant	
No. of shares covered by the transaction	
Nature of transaction for which approval is sought	
Depository ID No.	
Particulars of the broker through whom the transaction is to be executed	Name: Address: Phone No.:

*- strike out whichever is not applicable

I hereby confirm/ undertake:

- To maintain confidentiality of all 'Unpublished Price Sensitive Information' that may come into my possession in the discharge of my duties with the Company;
- Not to pass on such information to any person directly or indirectly by way of making a recommendation for the purchase or sale of securities of the Company based on the same;
- To report to the Compliance Officer, any non-public information that may be directly received by me;
- That I am not in possession and/or I do not have any access to 'Unpublished Price Sensitive Information' up to the date of signing this undertaking;
- That in case I have access to or receive 'Unpublished Price Sensitive Information' after the signing of this undertaking but before the execution of the transaction, I will inform the Compliance Officer of the change in my position and that I will completely refrain from trading in the securities of the Company till such time such information becomes generally available in public domain.
- That I have not contravened the GMM Pfaudlers' Code of Conduct for Prevention of Insider Trading as notified by the Company from time to time; and
- That I have made full and true disclosure in the matter.

I request you to kindly pre-clear the above transaction at the earliest.

Thanking you,
Yours faithfully,

Signature : _____
Name of the Applicant : _____
Employee Code : _____
Contact No. : _____

Date:



Department

: -----

Place:



ANNEXURE C
DISCLOSURE OF COMPLETION OF TRADE

The Compliance Officer,
GMM Pfaudler Limited
Vithal Udyognagar,
Anand – Sojitra Road,
Karamsad – 388325

Dear Sir,

Sub: Confirmation of date of completion of transaction

I hereby confirm that the transaction for Trading in the shares of the Company for which, pre-clearance was granted on _____, was completed on _____ by purchasing*/ selling*/ _____ (any other) _____ (nos.) equity shares of the Company.

OR

Sub: Reporting of failure to execute transaction

I hereby declare that the approval for Trading in the shares of the Company for which, pre-clearance was granted on _____, was not completed within 7 (seven) days of receipt of the pre-clearance, due to _____. I shall obtain fresh pre-clearance in the event I wish to execute the said trade again.

Thanking you,
Yours faithfully,

Signature : _____

Name of the Applicant : _____

Employee Code : _____

Contact No. : _____

Date:

Department : _____

Place:

*- strike out whichever is not applicable



Document Control

All changes to the process document can be made only by the Document Owner.

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3	Jan 30, 2019	2 nd Amendment
4	August 12, 2021	3 ^d Amendment
5	November 3, 2022	4 th Amendment
6	February 6, 2025	5 th Amendment