

CODE OF PRACTICES AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

{Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 & Schedule A}

The Securities and Exchange Board of India had promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “**Regulations**”) on January 15, 2015. As per Regulation 8 read with Schedule A of the Regulations, every listed company is required to frame a **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information** (hereinafter referred to as the ‘**Code**’) in order to disseminate ‘Unpublished Price Sensitive Information’ (hereinafter referred to as ‘**UPSI**’) universally and not selectively by such companies.

Insider: means any person who is a connected person or in possession of or having access to unpublished price sensitive information.

Promoter: shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirement) Regulations 2018 or any modification thereof.

Trading : means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

Unpublished Price Sensitive Information: means any information, relating to a company or its securities, directly or indirectly, that is not generally available, which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, including but not restricted to, information relating to the following: –

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) Changes in key managerial personnel.

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.

Takeover Regulations: means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

Trading Day: means a day on which the recognized stock exchanges are open for trading.

4. PRACTICES AND PROCEDURES:

The following Principles of Fair Disclosure for the purposes of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” shall be strictly followed by the Company (Gujarat Foils Limited) with immediate effect:-

- a) The Company shall promptly disclose to the public “unpublished price sensitive information” (UPSI) disclosed by or on behalf of the Company or its connected persons, directors, officers, employees, consultants, advisers, or any other person who has access to such information.

- c) The Company shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available to all/public.

POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

{PURSUANT TO Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018}

This policy, as a part of Code of Fair Disclosure and Conduct formulated under Regulations 8 OF SEBI (Prohibition of Insider Trading) Regulation 2015 will be known as “Policy for Determination of Legitimate Purpose” and the said Policy is prepared in accordance with Regulations 3(2A) of SEBI (Prohibition of Insider Trading) (Amendment), Regulation, 2018.

UPSI is in the nature of information relating to the Company, directly or indirectly, of precise nature that can have an impact on the prices of the securities of the Company if made public.

Till the UPSI becomes a generally available information, UPSI can be shared only on a need-to-know basis and for legitimate purpose and not to evade or circumvent the prohibitions of the Regulations.

It will be considered as exception for the purpose of procuring unpublished price sensitive information (UPSI) relating to the Company or its listed securities or proposed to be listed securities, if any.

Hence, the objective of this policy is to identify ‘Legitimate Purposes’ for performance of duties or discharge of legal obligations.

"Legitimate Purposes" shall mean sharing of UPSI in the ordinary course of business by an Insider

INSIDER: Any person in receipt of UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" for purpose of these regulations and due notice shall be given to such persons (Insiders) to maintain confidentiality of such unpublished price sensitive information in compliance with these regulations.

DIGITAL DATABASE:

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 UPSI is shared under Regulation 3 along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such database shall be maintained with adequate internal controls and checks, such as time stamping, audit trails, etc. to ensure non-tampering of the database.

The Compliance Officer shall maintain record of the details of the recipients including their PAN, Address etc. of UPSI on legitimate purpose including the following:

- a. Whether the concerned UPSI is required to be shared and why the information is required by the recipient?
- b. Who had shared the UPSI and whether he was authorised to do so?
- c. ~~Whether the Compliance Officer was intimated before any disclosure of UPSI?~~

Annexure - B

POLICY FOR PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION {Under Regulation 9A of SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018}

The SEBI (Prohibition of Insider Trading) (Amendment), Regulations, 2018 has formulated written policies and procedures for enquiry 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 enquiries.

The Board of Directors of **Gujarat Foils Limited** have laid down this policy for procedure of enquiry in case of leak of UPSI.

The objective of the Policy is to strengthen the internal control system to prevent leak of UPSI shall and to restrict and prohibit the practice of sharing of UPSI, with the un-authorized person, which originates from within the company and which affects the market price of the Company as well as loss of reputation and investors' / financiers' confidence in the company.

Definition:

'Audit Committee' shall mean Committee of the Board of the Company constituted pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Chief Investor Relation Officer ("CIO") shall mean the Compliance Officer of the Company appointed by the Board of Director under Securities and Exchange Board India (Listing Obligations and Disclosure Requirements) Regulations, 2015

'Designated Persons' shall cover all employees whether contractual or otherwise, persons / entities stated under Regulation 9(4) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and other connected persons as defined under Regulation 2(d) of the SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018

'Immediate relative' shall include persons defined under Regulation 2(f) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018

'Leak of UPSI' shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

‘Unpublished Price Sensitive Information’ (UPSI) shall cover informations stated under Regulation 2(n) of SEBI (prohibition of Insider Trading) (Amendment) Regulations, 2018

Applicability: This policy shall apply to all designated persons and immediate relative of designated persons and persons in possession of or having access to unpublished price sensitive information.

DUTIES OF CHIEF INVESTOR RELATIONS OFFICER:

Oversee the Compliance of this policy and Report the incident of actual or suspected leak of UPSI to the Securities and Exchange Board of India and the Stock Exchanges and co-ordinate with and disclose the relevant facts of the incident of actual or suspected leak of UPSI to the Enquiry committee.

CONSTITUTION OF ENQUIRY COMMITTEE:

The Board of Directors or any Committee authorized by them in this behalf, shall constitute a committee to be called as “Enquiry Committee”. The Enquiry Committee shall consist of minimum 3 (three) Members which shall include Managing Director, Chief Financial Officer and Chief Investor Relation Officer and any other officer of the Company as may be mutually decided by the members of the Committee.

DUTIES OF ENQUIRY COMMITTEE:

The Enquiry Committee shall be responsible:-

- (a) To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any; and
- (b) To authorize any person to collect necessary support material; and
- (c) To decide disciplinary action thereon.

PROCEDURE FOR ENQUIRY IN CASE OF LEAK OF UPSI:

On becoming aware of suo moto or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any promoter, director, key managerial person, Insider, employee, designated person, support staff or any other known or un-know person, the CIO after informing the same to the Managing Director or Chief Financial Officer of the Company, shall follow the below mentioned procedure in order to enquire and/or investigate the matter to ensure:-

(a) Preliminary Enquiry:

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry is to ascertain the truth

The Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI shall submit his/her report to the Enquiry Committee within 7 days from the date of his appointment on this behalf.

(c) Disciplinary Action:

The Disciplinary action(s) shall include, wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Members of the Committee.

AMENDMENT

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.