

# **GARWARE HI-TECH FILMS LIMITED**

(Formerly known as Garware Polyester Limited)

**CODE OF CONDUCT TO REGULATE, MONITOR AND  
REPORT TRADING BY DESIGNATED PERSONS AND  
THEIR IMMEDIATE RELATIVES IN SECURITIES OF  
THE COMPANY**

**CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT  
TRADING BY DESIGNATED PERSONS AND THEIR IMMEDIATE  
RELATIVES IN SECURITIES OF THE COMPANY**

**[Under Regulation 9(1) of the SEBI (Prohibition of Insider Trading)  
Regulations, 2015]**

**INTRODUCTION:**

The Securities and Exchange Board of India (“SEBI”) has, in order to protect the interests of investors in general and to put in place a framework for prohibition of insider trading in securities of a company and to strengthen the legal framework thereof, issued the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“the Regulations”) pursuant to the powers conferred on it under section 30 of the Securities and Exchange Board of India Act, 1992 (“SEBI Act”). The Regulations came into force with effect from 15<sup>th</sup> May 2015 and the same are applicable to all companies whose shares are listed on any recognized stock exchange.

The Regulations provide that every listed company shall frame (a) Code of Conduct, to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons and (b) Code of Practices and Procedures for fair disclosure of unpublished price sensitive information, towards achieving compliance with the Regulations.

This document embodies (a) the Code of Conduct for regulating, monitoring and reporting of trades by designated persons and immediate relatives of designated persons of Garware Hi-Tech Films Limited (Formerly known as Garware Polyester Limited) (“Company”) and (b) the code of practices and procedures for fair disclosure of unpublished price sensitive information, as provided for under the Regulations. All Designated Persons and immediate relatives of designated persons, as defined in the Code shall be governed by this Code.

**1. DEFINITIONS:**

- a. "**Act**" means the Securities and Exchange Board of India Act, 1992 and includes any statutory modifications or amendments thereto from time to time in force;
- b. "**Board**" means the Board of Directors of the Company;
- c. "**Code**" means this Code of Conduct for regulating, monitoring and reporting of trading in securities of the Company by designated persons and their immediate relatives or other ‘Insiders’ of the Company under the Regulations and any modifications/ amendments made thereto from time to time;
- d. "**Company**" means Garware Hi-Tech Films Limited (Formerly known as Garware Polyester Limited);

- e. **“Compliance Officer”** means any Senior Officer, designated so and reporting to the Board or head of the Company in case Board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the 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 the Regulations under the overall supervision of the Board or the head of the Company. Company Secretary of the Company has been designated as the Compliance Officer.
- f. **"Connected Person"** means
- i. any person who is or has during the six months prior to the concerned act has 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.
  - 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 1(f)(i); or
    - b) a holding company or associate company or subsidiary company; or
    - c) an intermediary as specified in section 12 of the SEBI 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 the 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 (10%), of the holding or interest.
- g. **"Dealing in Securities"** means an act of subscribing to, buying, selling or

agreeing to subscribe to, buy, sell or deal in the securities of the Company either as principal or agent.

- h. "**Designated Persons(s)**" shall include:
- i. All the Directors of the Company;
  - ii. Key Managerial Personnel's (KMP) of the Company;
  - iii. Every Promoter / Promoter Group of the Company;
  - iv. Every employee in the grade of General Manager and above;
  - v. Every employee in the finance, accounts, secretarial and legal department as may be determined and informed by the Compliance Officer; and
  - vi. Any other employee as may be determined and informed by the Compliance Officer from time to time.
- Immediate Relatives of the abovementioned persons
- i. "**Director**" means a member of the Board of Directors of the Company;
- j. "**Employee**" means every employee of the Company including the Directors in the whole time employment of the Company;
- k. "**Financially Literate**" shall mean 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. "**Informant**" shall have the meaning assigned to it under the Regulations or any statutory modification thereof for the time being in force.
- o. "**Insider**" means any person, who is,
- i. a connected person; or
  - ii. in possession of or having access to unpublished price sensitive information.
- p. "**Key Managerial Person**" means person as defined in section 2(51) of the Companies Act, 2013.
- q. "**Legitimate Purpose**" shall include sharing of unpublished price sensitive information in relation to the following:
- i. sharing of information in the ordinary course of business;
  - ii. sharing of information in performance of duty(ies);
  - iii. sharing of information in discharge of legal obligation(s);

- iv. sharing of information upon a, subpoena, direction or order of a court or tribunal of competent jurisdiction;
  - v. sharing of information pursuant to any requirement of legal process, regulation or governmental order, decree in compliance with applicable laws, rules or regulations;
  - vi. sharing of information with auditors viz. internal auditors, statutory auditors, cost auditors, tax auditors or secretarial auditors in relation to audit or for obtaining any certifications or any other services;
  - vii. sharing the information with partners, customers, collaborators and suppliers on a need to know basis for entering into contracts or other business prospects which necessitates the same;
  - viii. sharing of information for the purposes of obtaining regulatory licenses and approvals;
  - ix. sharing of information for the purpose of obtaining various credit facilities or loans, giving guarantees or providing security from/to banks, financial institutions or other lenders;
  - x. sharing of information with merchant bankers including their counsels and advisors in relation to issue of any Securities, debentures, American Depository Receipts/Global Depository Receipts, convertible instruments, or Qualified Institutional Placements;
  - xi. sharing of information with legal advisors or counsel on a need to know basis in relation to any litigation, representations or registering of any intellectual property rights or in relation to obtaining any opinion or advisory services;
  - xii. sharing of information with consultants on a need to know basis in relation to obtaining any opinion or advisory services;
  - xiii. sharing of information with insolvency professionals or other advisors or consultants on a need to know basis in any other important matters of the Company;
  - xiv. sharing of information arising out of business requirements such as acquisitions, mergers, divestments, rights issue or any other transaction(s)/ corporate action(s) where an insider (s) needs to share information with the promoters /controlling shareholders or other persons for the implementation of transaction;
  - xv. possible investment/disinvestment in a new venture/existing undertaking;
  - xvi. any event or information as prescribed under Part A of Schedule III under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time; and
  - xvii. any other purpose as the Board may determine for sharing of information on need to know basis depending upon the transaction.  
Provided that, sharing of Unpublished Price Sensitive Information as aforesaid shall not be carried out to evade or circumvent the prohibitions laid down under the Regulations.
- r. **"Promoter" & "Promoter Group"** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or

any modification thereof;

- s. "**Regulations**" shall mean the SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- t. "**Securities**" shall have the meaning assigned to it under the Securities Contracts (Regulations) Act, 1956 or any modification thereof except units of a mutual fund;
- u. "**Specified Persons**" means the Designated Persons; the Insiders and their immediate relatives' are collectively referred to as Specified Persons;
- v. "**Takeover Regulations**" means the SEBI ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- w. "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;
- x. "**Trading Day**" means a day on which the recognized Stock Exchange are open for trading;
- y. "**Trading window**" means the period during which Trading in the Securities of the Company is permitted by those governed by this Code;
- z. "**Unpublished Price Sensitive Information**" means any information, relating to the Company or its securities, directly or indirectly, that is not generally available, which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:
  - i. Declaration of financial results(quarterly, half yearly and annual);
  - ii. Declaration of dividends(interim and final);
  - iii. change in capital structure;
  - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
  - v. changes in key managerial personnel.
- aa. "**Voluntary Information Disclosure Form**" shall have the meaning assigned to it under the Regulations or any statutory modification thereof for the time being in force.

Words and expressions used and not defined in these regulations but defined in the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made there under shall have the meanings respectively assigned to them in those legislations.

## **2. ROLE OF COMPLIANCE OFFICER:**

The Compliance Officer shall be responsible under the overall supervision of the Board of Directors for the following:

- a. Report on insider trading to the Board of Directors of the Company and in particular, shall provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at the end of every quarter at the immediately held meeting of Audit Committee and Board of Directors in respect of Trading in Securities of the company by the Designated Persons and their immediate relatives, the trading plans and pre-clearances as approved by the Compliance Officer.
- b. Compliance of policies, procedures, and maintenance of records.
- c. Monitor adherence to the Rules for the preservation of Unpublished Price Sensitive Information.
- d. Maintain records of the Designated Persons and any changes in it.
- e. The Compliance Officer shall provide guidance and clarifications sought by the Designated Persons and assist all employees in addressing any clarifications regarding the SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendments thereto and this Code.
- f. The Compliance Officer shall discharge other functions and duties as prescribed in the Code.
- g. Compliance Officer will inform SEBI & the Stock Exchange of any violation of the code.

## **3. PRESERVATION OF PRICE SENSITIVE INFORMATION:**

All information shall be handled within the Company on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of his legal obligations. Unpublished price sensitive information may be Communicated, provided, allowed access to or procured, in connection with a transaction which entails:

- i) an obligation to make an open offer under the takeover regulations where the Board of Directors of the Company is of informed opinion that the proposed transaction is in the best interests of the Company;
- ii) not attracting the obligation to make an open offer under the 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.

However, the Board of Directors shall require the parties 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 and shall not otherwise trade in securities of the Company when in possession of unpublished price sensitive information.

- a. **Chinese Wall Procedures:** To prevent the misuse of confidential information, the Company shall separate those areas of the Company which routinely have access to confidential information, considered “inside areas” from those areas which deal with sale/marketing/investment advise or other departments providing support services, considered “public areas”. The employees in the inside area shall not communicate any price sensitive information to any one in public area. In exceptional circumstances employees from the public areas may be bought “over the wall” and given confidential information on the basis of “need to Know” criteria, under intimation to the Compliance Officer.
- b. **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.
- c. **Limited access to confidential information:** Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.
- d. **Prevention of misuse of Unpublished Price Sensitive information:** Designated Persons and immediate relatives of Designated Persons in the Company shall be governed by an internal code of conduct governing dealing in securities.

#### 4. TRADING PLAN:

An insider or a Designated Person who may be perpetually in possession of Unpublished Price Sensitive Information shall have an option 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 behalf in accordance with such plan. **Such trading Plan shall:**

- a. not entail commencement of trading on behalf of the Insider or Designated Persons or their Immediate Relatives earlier than six months from the public disclosure of the trading plan;
- b. not entail trading in Securities of the Company for the period between the twentieth 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 such financial results;
- c. entail trading for a period of not less than twelve months;



- d. not entail overlap of any period for which another trading plan is already in existence;
- e. set out either the value of trades to be effected in the Securities 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
- f. not entail trading in securities for market abuse.
- g. The Compliance Officer shall review the Trading Plan to assess whether the plan would have the potential for violation of the Code or the Regulations and shall be entitled to take express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the trading plan as per provisions of the Regulations.
- h. The Trading Plan once approved shall be irrevocable and the Insider or the Designated Person or their Immediate Relatives 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 Insider 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 at the time of commencement of implementation and in such event, the Compliance Officer shall confirm that the commencement ought to be deferred until such Unpublished Price Sensitive Information becomes generally available.
- i. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.
- j. Once trading plan has been approved by the Compliance Officer, pre – clearance shall not be required for any trades in accordance with the Trading plan.. Further, trading window norms and restriction on contra trade shall not be applicable for trades carried out in accordance with the trading plan approved by the Compliance Officer.

**5. TRADING WINDOW AND WINDOW CLOSURE:**

- a. The trading window shall be, inter alia, closed as prescribed under listing regulations or any amendment thereof during the time the unpublished price sensitive information is published.
- b. When the trading window is closed, the Specified Persons shall not trade in the Company's securities during such period.
- c. All Specified Persons 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 the trading window is closed, as referred in the clause (e) below or during any other period as may be specified by the Company from time to time.
- d. The Compliance Officer shall intimate the closure of trading window to all the designated employees of the Company 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.

- e. 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 reopening of the trading window, however in any event it shall not be earlier than forty-eight hours after the information becomes generally available.
- f. The trading window shall also be applicable to any person having contractual or fiduciary relation with the Company such as Auditors, Accountancy Firms, Law firms, Analysts, Consultants, etc., assisting or advising the Company.

## 6. PRE- CLEARANCE OF TRADES:

All Specified Persons, who intend to deal in the securities of the Company when the trading window is opened and if the value of the proposed trades is Rs. 10,00,000 (Rupees Ten Lakhs) (market value) or more should pre-clear the transaction. 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 and hence he shall not be allowed to trade. The pre-dealing procedure shall be hereunder:

- a. An application may be made in the prescribed Forms (**Annexure 3 & Undertaking – Annexure 4**) to the Compliance officer indicating the estimated number of securities that the Specified Employee 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. The application is to be filed along with Statement of Holding in Securities of the Company at the time of pre-clearance as per (**Annexure 5**)
- c. The **Undertaking** shall be executed in favour of the Company by such Specified Person incorporating, inter alia, the following clauses, as may be applicable:
  - i. That the Specified Person does not have any access or has not received "Unpublished Price Sensitive Information" up to the time of signing the undertaking,
  - ii. That in case the Specified Person has access to or receives "Unpublished 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 and
  - iv. That he/she has made a full and true disclosure in the matter.
- d. All Specified Persons shall execute their order in respect of securities of the

Company within 7 (seven) trading days after the approval of pre-clearance is given. Thereafter a fresh pre-clearance will be needed for the trades executed in excess of Rs. 10,00,000/- (Rupees ten Lakhs) as per the requirements of Clause 6.a hereof. The Specified Person shall file within 2 (two) trading days of the execution of deal, the details of such deal with the Compliance Officer in the prescribed form (copy enclosed as **Annexure 6**). In case the transaction is not undertaken, a report to that effect shall be filed.

- e. If the order is not executed after obtaining pre-clearance from the Compliance Officer, the concerned Designated Person shall intimate the same along with reasons thereof to the Compliance Officer within 2 (two) trading days after the expiry of 7 (seven) trading days from the date of pre-clearance by the Compliance Officer.
- f. All Specified 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. For example: If 'X' or any of his Immediate Relatives buy Securities of the Company on January 1, 2019, then 'X' and his Immediate Relatives shall not sell any Securities of the Company until July 1, 2019 and vice versa.
- g. The Compliance Officer may grant relaxation from strict application of such restriction on an application made in this behalf by the concerned Designated Person and after recording in writing the reasons in this regard; provided that such relaxation does not violate the Regulations.
- h. The Compliance officer shall confidentially maintain a list of such Securities as a restricted list which list shall be used as the basis for approving or rejecting applications for pre-clearances of trades.
- i. All Specified Persons shall also not take positions in any derivative transactions in the shares of the Company at any time. 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. In case of Subscription in the primary market (initial public offers), the above mentioned entities shall hold their investments for a minimum period of 30 days. The holding period would commence when the securities are actually allotted.
- j. The Compliance Officer may waive off the holding period in case of sale of securities in personal emergency after recording reasons for the same. However, no such sale will be permitted when the Trading window is closed.

## **7. REPORTING AND DISCLOSURE REQUIREMENTS:**

All Directors/Officers/Designated Persons shall be required to forward the following details of their Securities transactions including the statement of dealing in the securities of Immediate Relatives to the Compliance Officer:

- a. All holdings in securities of that Company by Designated Persons at the time of joining the Company. (**Annexure 1**)
- b. Trading in derivatives of Securities of that Company and the traded value of the

derivatives, if any

- c. Annual statement by designated persons of all holdings in Securities as on March 31 as per format prescribed by the Company. **(Annexure 2)**

## **8. DISCLOSURE OF CLOSE PERSONAL RELATIONSHIPS AND MATERIAL FINANCIAL RELATIONSHIPS**

wherein Designated persons shall disclose name, educational Institution, PAN or equivalent identification, Phone/Mobile/ Cell numbers on an annual basis and as and when the information changes of themselves and of the followings:- (a). Immediate Relatives and (b).Persons with whom such designated persons share a material financial relationship  
Material Financial Relationship: Means a relationship where one person is a recipient of any kind of payment during the preceding 12 months equivalent to at least 25% of such payer's annual income; Excludes - payment based on arm's length transactions.

The Compliance Officer shall maintain records of all the declarations in the appropriate form given by the directors/ Officers / designated Persons for a minimum period of five years.

The disclosures to be made hereunder shall include those relating to trading by such person's Immediate Relatives, and by any other person for whom such person takes trading decisions.

## **9. 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.
- c. The disclosures made under this Code shall be maintained for a period of five years.

## **10. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:**

### **I. Initial Disclosure:**

- a. Every Promoter / Member of Promoter Group / Key Managerial Personnel / Director of the Company, within thirty days from the date on which the Regulations come into force, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the Form - A prescribed by SEBI. (Copy enclosed as Annexure 7).
- b. Every Promoter / Member of Promoter Group / Key Managerial Personnel / Director of the Company, shall within 7 (seven) days of such appointment or becoming a promoter shall disclose the details of Securities held by him or her in

the Form - B prescribed by SEBI. (Copy enclosed as Annexure 8).

## **II. Continual Disclosure:**

- a. Every promoter, member of promoter group, designated person and director of the Company shall disclose to the Company 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. Ten lakhs in Form C 1 prescribed by SEBI. (copy enclosed as Annexure 9).
- b. The disclosure shall be made within 2 working days of:
  - i.the receipt of intimation of allotment of shares, or
  - ii.the acquisition or sale of shares or voting rights, as the case may be.

## **11. DISCLOSURE BY THE COMPANY TO THE STOCK EXCHANGE(S):**

- a. Within 2 days of the receipt of intimation under clause 10.II, the Compliance Officer shall disclose to all Stock Exchanges on which the Company is listed, the information received in the same **Form - C** prescribed by SEBI. **(Copy enclosed as Annexure 10)**.
- b. The Compliance officer shall maintain records of all the declarations in the appropriate form given by the Directors / Officers / designated employees for a minimum period of five years.

## **12. Disclosure by Other Connected Persons:**

The Company may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with these regulations. **(Copy enclosed as Annexure 11)**.

## **13. DISSEMINATION OF PRICE SENSITIVE INFORMATION:**

- a. No information shall be passed by Specified Persons by way of making a recommendation for the purchase or sale of securities of the Company.
- b. Disclosure/dissemination of Price Sensitive Information with special reference to analysts, media persons and institutional investors.

## **14. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT:**

- a. Every Specified 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 Specified Person who trades in securities or communicates any information for

trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company.

- c. Specified 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 ESOPs 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.

#### **15. PROTECTION OF INFORMANTS THAT SUBMIT A VOLUNTARY INFORMATION DISCLOSURE FORM**

In the event any Informant, who is an employee of the Company, submits a Voluntary Information Disclosure Form to SEBI in accordance with Chapter IIIA of the Regulations, the Company shall not discharge, terminate, demote, suspend, threaten, harass, directly or indirectly or discriminate against such employee irrespective of whether the information is considered or rejected by SEBI or he or she is eligible for a Reward under the Regulations, by reason of:

- a. filing a Voluntary Information Disclosure Form under the Regulations;
- b. testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or
- c. breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with SEBI in any manner.

For the purposes of this paragraph, 'employee' shall mean any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under the Regulations and is a director, partner, regular or contractual employee, but does not include an advocate.

#### **16. STRUCTURED DIGITAL DATABASE:**

The Company shall maintain a structured digital database for maintaining the nature of unpublished price sensitive information and the names of persons or entities with whom information has been shared under Regulation 3 of the Regulations and the names of such persons who have shared the information along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such digital database shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

#### **17. POLICY REVIEW AND AMENDMENTS:**

The Board reserves the power to review and amend this Code from time to time. All provisions of this Code would be subject to revision or amendment in accordance

with the applicable law as may be issued by relevant statutory, governmental or regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Code, and then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder. Other provisions/restrictions as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015 or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed/complied.

**18. ENQUIRES / CONSULTATION:**

Any person to whom this Code applies, and who has a doubt as to interpretation of any clause of the code, should at all times consult the Compliance Officer.

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## Annexure - 1

### INITIAL DISCLOSURE BY DESIGNATED PERSONS

Date:

To,  
The Compliance Officer,  
Garware Hi-Tech Films Limited  
(Formerly known as Garware Polyester Limited)  
Garware House, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057

Name of the Designated Person	
Employee No.	
Grade	
Department	
Location	

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Garware Hi-Tech Films Limited Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, I hereby declare that I have the following Immediate Relatives:

Sr. No.	Name of the Immediate Relative	Relationship with the Designated Person
	(name of the spouse)	
	(name(s) of children below 21 years)	
	(name(s) of other immediate relatives)	

I hereby declare that I / my Immediate Relative do/does not hold Garware Hi-Tech Films Limited Securities as on date **or** Hold(s) Garware Hi-Tech Films Limited Securities as per the details given below:

Name of Holder	*First of Joint Holder	Folio No. (Physical Form)	No. of Securities	DP ID / Client ID (Electronic Form)	No. of Securities



I hereby undertake to approach the Compliance Officer for pre-trading approval in case of any proposed trading (buying/selling/subscribing/acquiring) in Garware Hi-Tech Films Securities in respect of the above mentioned holders.

I hereby declare that the above details are true, correct and complete in all respects.

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

Name & Designation : \_\_\_\_\_

\* Indicate "F" where the named holder is the first holder of the securities and "J" where he/she is the joint holder of the Securities

**Annexure - 2**

**ANNUAL DISCLOSURE OF HOLDINGS BY DESIGNATED PERSONNEL'S**

To,  
The Compliance Officer  
**Garware Hi-Tech Films Limited**  
Garware House,  
50-A, Swami Nityanand Marg,  
Vile Parle (East),  
Mumbai – 400 057

I. Details of the Designated Person

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

PAN : \_\_\_\_\_

Other Identifier Type & No : \_\_\_\_\_

No. of Equity Shares held as on @date of declaration@ : \_\_\_\_\_

Telephone/Mobile No. : \_\_\_\_\_

Qualification(s) & Educational Institution(s) : \_\_\_\_\_

Name(s) of Past Employer(s) : \_\_\_\_\_

II. Details of Immediate Relatives / Persons with Material Financial Relationship:

<b>Name of Immediate Relatives / Persons with Material Financial Relationship</b>	<b>Relation-ship</b>	<b>PAN</b>	<b>Telephone / Mobile No.</b>	<b>No. of Equity Shares held as on @date of declaration@</b>

In compliance of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as mentioned in Code of Conduct of the Company, I, \_\_\_\_\_ hereby undertake/declare that:

1. I/my Immediate Relative(s) any of whom is either dependent financially on me or consults me in taking decisions relating to trading in securities have not executed intra day contra trade or intra week contra trade in the securities of the Company.
2. I/my Immediate Relative(s) have not contravened the Company's Code as notified by the Company from time to time.
3. I have made full and true disclosure in the matter.

Signature:

Name: \_\_\_\_\_

Date:

**Annexure – 3**  
**SPECIMEN APPLICATION FOR PRE-DEALING APPROVAL**

Date:

To,

The Compliance Officer,  
**Garware Hi-Tech Films Limited**  
Mumbai – 400 057

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 / subscription of equity shares of the Company as per details given below:

<b>No.</b>	<b>Particulars</b>	
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 purchased / sold / subscribed	
8	Price at which the transactions is	

	proposed	
9	Current market price (as on date of application)	
10	Whether the proposed transaction will be Purchase / sale / subscription.	
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.

I declare that the order for buying / selling shall be executed within 7 (Seven) days after the approval is granted to me and an intimation of the same will be given to the Compliance Officer within 2 (Two) Working Days thereof.

I further declare that if the order for buying/selling has not been executed within 7 (Seven) days after the approval is granted to me, and further intend to trade in securities, than a fresh approval will be taken in that behalf.

Yours faithfully,

\_\_\_\_\_  
**(Signature of Employee)**

**Annexure – 4**

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

To,  
The Compliance Officer,  
Garware Hi-Tech Films Limited (ISIN: \_\_\_\_\_)  
Garware House, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of trading 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 any unpublished price sensitive information up to the time of signing this Undertaking.

In the event that I have access to or receive any unpublished price sensitive information 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 trading in the securities of the Company until such information becomes public.

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

In the event of this transaction being in violation of the Rules or the applicable laws, (a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons, (b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and (c) I authorize the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

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

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

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

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

Name:

Date:

**Annexure – 5**  
**STATEMENT OF HOLDING DISCLOSURE FORM**

Date: \_\_\_\_\_

1. DETAILS OF HOLDING OF “DESIGNATED PERSON HELD IN HIS/HER NAME

Nature and No. of Securities held	*Folio No./Client ID & DP ID No.	Nature of Transaction for which approval is sought	Nature and No. of Securities to be dealt	Approximate market Value (Rs)

2. DETAILS OF SECURITIES HELD BY IMMEDIATE RELATIVES(S)

Name, PAN No. & address of relative	Relationship	Nature & No. of Securities held	*Folio No. / Client ID & DP ID No.	Nature of Transaction for which approval is sought	Nature and No. of Securities to be held	Approximate market value (Rs)

\* I/We declare that I/We shall not enter into a contra trade\*\* in the Securities of the Company during the next 6 months following the last trade.

\* I/ We further declare that the above disclosure is true and correct.

Signature:

Name:

Designation:

Employee Code & Department:

\* Strike out whatever is not applicable

\*\* Contra trade means if you buy share on particular date, you can't sell any share of the Company for next 6 months from the last purchase. Similarly, you can't purchase shares for next 6 months from last sale.



**Annexure – 6**  
**DISCLOSURE OF TRANSACTIONS**

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

To,  
The Compliance Officer,  
Garware Hi-Tech Films Limited (ISIN: \_\_\_\_\_)  
Garware House, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057

I hereby inform that I

- have not bought/sold/subscribed any securities of the Company
- Have bought/sold/subscribed to \_\_\_\_\_ securities as mentioned below on \_\_\_\_\_ (date)

(strike out whichever is not applicable)

Name of holder	No. of securities traded	Brought / sold/ subscribed	DP ID/ Client IID / Folio No.	Price (Rs)

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

Signature:

Name:

Designation:

Employee Code & Department:

Date:

Place:

**Annexure – 7****Form A**

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
(Regulation 7(1)(a) read with Regulation 6(2))

To,  
The Compliance Officer,  
Garware Hi-Tech Films Limited (ISIN: \_\_\_\_\_)  
Garware House, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057  
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, CIN/DIN & address with contact nos.	Category of Person (Promoters/ KMP /Directors / Immediate relative to / Others etc	Securities held as on the date of regulation coming into force		% of Shareholding
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	
1	2	3	4	5

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

**Details of Open Interest (OI) in derivatives of the company held by Promoter, Key Managerial Personnel (KMP), Director and other such persons as mentioned in Regulation 6(2)**

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		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Signature:

Name & Designation:

Date:

Place:

**Annexure – 8****Form B**

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015  
(Regulation 7(1)(b) read with Regulation 6(2))

To,  
The Compliance Officer,  
Garware Hi-Tech Films Limited (ISIN: \_\_\_\_\_)  
Garware House, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057  
ISIN of the company: \_\_\_\_\_

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

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No	
1	2	3	4	5	6

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

**Details of Open Interest (OI) in derivatives on the securities of the company held on appointment of KMP or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group.			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group.		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options

Signature:

Name & Designation:

Date:

Place:



		nts, Conve rtible Deben tures etc.)		nts, Conve rtible Deben tures etc.)			Pledg e / Revo ke/ Invo ke)	nts Conve rtible Deben tures etc.)						
1	2	3	4	5	6	7	8	9	10	11	1 2	13	14	15

**Note:**

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

*(ii) Value of transaction excludes taxes/brokerage/any other charges*

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

**Note:**

In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Signature:

Name & Designation:

Date:

Place:



		nts, Conve rtible Deben tures etc.)		nts, Conve rtible Deben tures etc.)			Pledg e / Revo ke/ Invo ke)	nts Conve rtible Deben tures etc.)						
1	2	3	4	5	6	7	8	9	10	11	1 2	13	14	15

**Note:**

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

*(ii) Value of transaction excludes taxes/brokerage/any other charges*

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

**Note:**

In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Signature:

Name & Designation:

Date:

Place:





		ts, Conver tible Debent ures etc.)		ts, Conver tible Debent ures etc.)			Pledg e / Revo ke/ Invok e)	ts, Conver tible Debent ures etc.)						
1	2	3	4	5	6	7	8	9	10	11	1 2	13	14	15

**Note:**

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

*(ii) Value of transaction excludes taxes/brokerage/any other charges*

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

**Note:** *In case of Options, notional value shall be calculated based on Premium plus strike price of options.*

Signature:

Name & Designation:

Date:

Place: