

## **CODE OF CONDUCT**

### **Code of Conduct for the members of the Board of Directors and the senior management of Gujarat Metal Cast Industries Ltd**

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This code of conduct, hereinafter referred to as the `Code` has been framed with a view to comply with the provisions of Clause 49 Part 1(D) of the Listing Agreement, which, inter alia, provides that all persons covered therein must avoid conflict of interest between their private financial activities and their part in the conduct of business. This Code shall be applicable and will be strictly adhered to by the following personnel:

1. The Members of the Board of Directors of the Company and
2. All officers of the Company in the cadre of Sr. Managers and above will collectively be referred as `COC personnel`.

### **AFFIRMATION**

The `COC personnel` should sign the acknowledgement form at the end of this code and return the same to the **HR Department** indicating that they have received, read and understood and agree to comply with the Code. The said acknowledged copy of form will be kept in each `COC addressees` file. Each year `COC personnel` will have to sign and submit the said acknowledgement for their continued understanding of the Code.

### **REQUIREMENTS**

The Code requires the `COC personnel` to:

1. Act in accordance with the highest standards of honesty, integrity and fairness and expect the same in their relationships with others while maintaining a work and business climate fostering such standards;
2. Adhere to any applicable code of conduct on dealing in shares and any provisions for the avoidance of conflicts of interest stipulated in applicable terms and conditions of employment;
3. Excuse himself from making any decision about an issue at hand in which a conflict of interests arises or could arise and in such event, disclose in writing the relevant facts and explain the circumstances that create or could create the conflicts of interest to (a) the chairman of the company (b) chairman of the Audit Committee;
4. Avoid having any financial interest in works of or contracts awarded by a company forming part of or associated with, the company, subsidiary companies, associated or in supplies effected or services rendered to or by such a company and where this is unavoidable or immediate family members have such a financial interest, such interest shall be disclosed in writing in the same manner as set out in point (3) above;
5. Not seek or accept from third parties to his own advantage any favour in whatsoever form or howsoever described in connection with the business of the company, its subsidiary or associated company or in his duties (except for the acceptance of such things as: gifts of nominal value and working lunches, dinners and entertainment of reasonable value, frequency and duration, appropriate under the circumstances and subject always to the standards of point (1) above).

6. Nor hold positions or jobs or engage in outside businesses or other interests that adversely impact the performance of duties owed to the company, its subsidiary or associated companies or the interests of the same;
7. Avoid any relationship with a contractor or supplier that could compromise the ability to transact business on a professional, impartial and competitive basis or influence decisions to be made by the company, its subsidiary or associated companies.
8. Obey the applicable laws and regulations governing our business conduct worldwide.
9. Be honest, fair and trustworthy in all your activities and relationship with Gujarat Metal Cast Industries Ltd.
10. Strive to create a safe workplace and to protect the environment.
11. Through leadership at all levels, sustain a culture where ethical conduct is recognized, valued and exemplified by all employees.
12. Confidential information acquired in the course of one's work will not be used for personal advantage.
13. Achieve responsible use of and control over all assets and resources employed or entrusted.

## **OTHER CONDITIONS**

- **Conflict of Interest**

An officer's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

### Employment/Outside Employment

In consideration of employment with the Company, officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit officers from accepting simultaneous employment with suppliers, customers, developers or competitor's position. Additionally, officers must disclose to the Company's Audit Committee, any interest that they have that may conflict with the business of the Company.

### Outside Directorships

It is a conflict of interest to serve as a director of any Company that competes with the Company. Officers must first obtain approval from the Company's audit committee before accepting a directorship.

### Business Interests

If an officer is considering investing in any customer, supplier, developer or competitor of the Company, he or she must first take care to ensure that these investments do not compromise on their responsibilities to the Company. Our policy requires that officers first obtain approval from the Company's Audit Committee before making such an investment. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment; the officer's

ability to influence the company's decisions; his or her access to confidential information of the Company or of the other Company; and the nature of the relationship between the Company and the other Company.

#### Related Parties

As a general rule, Officers should avoid conducting Company Business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in laws. The Company discourages the employment of relatives of officers in positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g. an auditing or control relationship or a supervisor/ subordinate relationship).

#### Payment or gifts from others

Officers and business associates will not receive any gift in cash/kind from any of its suppliers/customers for any reason/occasion except gifts or sweets not exceeding Rs.500 (inclusive of packaging) on occasions like – Diwali, New Year etc.

#### Corporate Opportunities

Officers may not exploit for their own personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity.

#### Other Situations

If a proposed transaction or situation raises any questions or doubt, officers may consult the Company's audit committee.

#### **Reporting**

Each 'COC personnel' shall report breach of any non-compliance of this code to the Chairman of the Company also to Chairman of the Audit Committee in writing within a reasonable period of knowledge of notice of the breach.

#### **Accountability**

Each 'COC personnel' shall be held accountable for issues held under his control. Sanction in cases of breach shall be determined by the Chairman of the Company in consultation with the Chairman of the Audit Committee. Sanctions may include serious disciplinary action, removal from office and dismissal as well as other remedies, all to the extent permitted by law and as appropriate under the circumstances.

#### **Miscellaneous and Waivers**

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code is subject to modification.

The provisions of this Code can be amended and supplemented from time to time by resolutions of the Board of Directors of the Company. Amendment of any provision of this code must be approved in writing by the Company's Board of Directors and promptly disclosed on the Company's website.

No waiver of any provision of this Code shall be valid unless provided in writing by the Chairman of the Audit Committee with the prior approval of the Audit Committee.

**ACKNOWLEDGEMENT OF RECEIPT OF CODE OF ETHICS FOR  
PRINCIPAL EXECUTIVE AND MANAGERS**

I have received and read the Company's Code of ethics for the members of the Board and all officers in the cadre of Sr. Managers and above. I understand the standards and policies contained in the Code and understand that there may be additional policies or laws specific to my job. I agree to comply with the Code.

If I have questions concerning the meaning or application of the Code, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult the Secretarial Compliance Department and that my questions or reports to these sources will be maintained in confidence.

NAME AND SIGNATURE OF  
'COC personnel'

Date

Please sign and return back duplicate copy of this form to the Secretarial Compliance Department.