



POLICY ON INSIDER TRADING

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INTRODUCTION

1. Purpose

To adhere to compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 by ensuring that no insider:

- Either on his own behalf or on behalf of any other person, deal in securities of a Company listed on any stock exchange when in possession of any unpublished price sensitive information; or
- Communicate or counsel or procure directly or indirectly any unpublished price sensitive information to any person who while in possession of such unpublished price sensitive information shall not deal in securities.

2. Applicability

All the directors/ designated officers including KMP/ employees and their relatives and all other connected persons, auditors, consultancy firms, accountancy firms, analysts, law firms and all other person who are associated with the company in some fashion having access to unpublished price sensitive information.

3. Definitions

- **“Act”** means the Securities and Exchange Board of India Act, 1992.
- **“Board”** means the Board of Directors of the Company.
- **“Code”** or **“Code of Conduct”** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of trading by insiders of Aanchal Ispat Limited as amended from time to time.
- **“Company”** means Aanchal Ispat Limited.
- **“Compliance Officer”** means 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board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.1[Explanation –For the purpose of this regulation, “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];(d)"connected person" means,-(i)any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or 1Inserted by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (w.e.f. April 01, 2019)



- **“Connected Person”** means:
 - i. any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
 - ii. Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,
 1. an immediate relative of connected persons specified in clause (i); or
 2. a holding company or associate company or subsidiary company; or
 3. an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
 4. an investment company, trustee company, asset management company or an employee or director thereof; or
 5. an official of a stock exchange or of clearing house or corporation; or
 6. 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
 7. 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
 8. an official or an employee of a self-regulatory organization recognized or authorized by the Board; or
 9. a banker of the Company; or
 10. a concern, firm, trust, hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.
- **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis
- **“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.
- **“insider”** means any person who is:
 - i) a connected person; or
 - ii) in possession of or having access to unpublished price sensitive information;



- **"promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2[2018] or any modification thereof;
- **"promoter group"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof;
- **"proposed to be listed"** shall include securities of an unlisted company:
 - (i) if such unlisted company has filed offer documents or other documents, as the case may be, with the Board, stock exchange(s) or registrar of companies in connection with the listing; or
 - (ii) if such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the Companies Act 2013;
- **"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;
- **"specified"** means specified by the Board in writing;(k)**"takeover regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto;
- **"trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly ;
- **"trading day"** means a day on which the recognized stock exchanges are open for trading;
- **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; and
 - vi. Material events in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The SEBI Regulations prohibit the communication of UPSI to any person except as required under law. Further, procuring any person to Trade in the securities of any company on the basis of UPSI is also prohibited under the SEBI Regulations and the securities laws. Violations of the SEBI Regulations and the securities laws subject Insiders to severe penalties including fines and imprisonment.



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

4. Prohibition on communicating or procuring UPSI

An Insider shall not –

- communicate, provide, or allow access to any UPSI, relating to the Company or its securities, to any person including other insiders, except to the extent allowed by these Rules;
- procure from or cause the communication by an Insider of UPSI, relating to the Company or its securities;

Provided that nothing contained above shall be applicable when an UPSI is communicated, provided, allowed access to or procured:

- i. in furtherance of legitimate purposes, performance of duties or discharge of legal obligations pursuant to appropriate confidentiality and non-disclosure agreements being executed; or
- ii. in the event the Board of Directors direct or cause the public disclosure of UPSI in the best interest of the Company; or
- iii. within a group of persons if such persons have been identified and secluded within a “Chinese Wall” or information barrier by the Compliance Officer from the rest of the Company for a particular purpose or for a specified period of time in furtherance of legitimate purposes, performance of duties or discharge of legal obligations, and are subjected to, among other conditions, additional confidentiality obligations, information barriers designed to prevent exchanges of UPSI outside the “Chinese Wall”, and the execution of an undertaking by such persons to abstain and / or forego Trading during such seclusion or till the UPSI no longer constitutes UPSI.

5. Prohibition on Insider Trading

An Insider shall not, directly or indirectly, –

- Trade in securities that are listed or proposed to be listed when in possession of UPSI;
- Trade in securities of the Company except when the Trading Window is open and the Insider is not in possession of UPSI.

Provided the restriction in 4 (i) above shall not apply to:

- a) a transaction that is an off-market inter-se transfer between Promoters who were in possession of the same UPSI without being in breach of these Rules and both parties had made a conscious and informed trade decision; and
- b) Trades pursuant to a Trading Plan set up in accordance with these Rules.



6. Trading Window

- The Compliance Officer shall notify a 'trading window' during which the Designated Persons may Trade in the Company's securities after securing pre-clearance from the Compliance Officer in accordance with these Rules.
- Designated Persons and their immediate relatives shall not Trade in the Company's securities when the trading window is closed.
- The trading window shall generally be closed for all Insiders between the sixteenth 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 disclosure of such financial results.
- Additionally, the trading window shall be closed in particular for a Designated Person or class of Designated Persons when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer.
- The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.

7) Pre-clearance of Trading

- Designated Persons may Trade in the securities of the Company when the trading window is open, after obtaining approval of the Compliance Officer by submitting an application as per **Annexure 1** and an undertaking as per **Annexure 2**.
- The Compliance Officer shall not approve any proposed Trade by Designated Person if the Compliance Officer determines that such Designated Person is in possession of UPSI even though the trading window is open.
- The Compliance Officer may, after being satisfied that the application and undertaking are true and accurate, approve Trading by a Designated Person, on the condition that the Trade so approved shall be executed within seven trading days following the date of approval.
- The Designated Person shall, within two days of the execution of the Trade, submit the details of such Trade to the Compliance Officer as per **Annexure 3**. In case the transaction is not undertaken, a report to that effect shall be filed in the said form.
- If the pre-cleared Trade is not executed within seven trading days after the approval is given, the Designated Person must secure preclearance of the transaction again.
- A Designated Person who Trades in securities without complying with the pre-clearance procedure as envisaged in these Rules or gives false undertakings and/or makes misrepresentations in the undertakings executed by him/her while complying with the preclearance procedure shall be subjected to the penalties as envisaged in these Rules.



- Nothing in this rule shall apply to any Trade involving a value less than INR 500,000/- (Five Lakhs) or such other amount as may be specified by the Board of Directors from time to time (a “de minimis Trade”) provided the Designated Person is not in possession of UPSI while executing the de minimis Trade.

8. Additional trading restrictions on Designated Persons

- No Director or Key Managerial Personnel shall enter into derivative transactions in respect of the securities of the Company.
- All Designated Persons who Trade in the securities of the company shall not enter into an opposite transaction during the next six months following the prior transaction. In case of any contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the SEBI for credit to the Investor Protection and Education Fund administered by SEBI.

9. Trading Plan

- ✓ A Designated Person shall be entitled to formulate a Trading Plan that complies with the SEBI Regulations (a “Trading Plan”) and present it to the Compliance Officer for approval and public disclosure pursuant to which Trades may be carried out in his behalf in accordance with such plan.
- ✓ The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI Regulations and shall disclose the Trading Plan to the stock exchanges.
- ✓ The Trading Plan once approved shall be irrevocable and the Designated Person shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the Trading Plan. However, the implementation of the Trading Plan shall not be commenced, if at the time of formulation of the plan, the Designated Person is in possession of UPSI and the said information has not become generally available at the time of the commencement of implementation. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information. Further, the Designated Person shall also not be allowed to Trade in securities of the Company, if the date of Trading in securities of the Company, as per the approved Trading Plan, coincides with the date of closure of Trading Window announced by the Compliance Officer.

10. Penalty for Insider Trading

- An Insider who acts in contravention of these Rules shall be liable to have his services or relationship with the Company, as the case may be, terminated.
- Directors, Officers and employees of the Company who violate these rules shall be subject to disciplinary action by the Company, which may include wage freeze, suspension, ineligibility for future 8 | 19 participation in the Company’s stock option plans or termination.



- The SEBI or any other appropriate regulatory authority would also be informed of the violation of these Rules so that appropriate action may be taken.

11. Disclosure requirements

✓ **Initial Disclosure:**

- i. Every Promoter, Key Managerial Personnel, director of the Company and each of their Immediate Relatives shall disclose his holding of securities of the Company within thirty days of these Rules taking effect as per Form A set out in **Annexure 4**.
- ii. Every person on appointment as a Key Managerial Personnel or a director of the Company or upon becoming a Promoter shall disclose his / her and Immediate Relatives' holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as per Form B set out in **Annexure 5**.

✓ **Continual Disclosure:**

- i. Every Promoter, employee, director of the Company and each of their Immediate Relatives shall disclose as per Form C set out in **Annexure 6** to the Company the number of such securities acquired or disposed of within 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 INR 1,000,000/- (Ten lakhs).
- ii. The disclosure shall be made within two 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.

✓ **Disclosure to the Stock Exchange:**

The Compliance Officer shall notify the stock exchanges, particulars of the Trades, within two trading days of the receipt of the Continual Disclosure or from becoming aware of such information.

✓ **Disclosures by other Connected Persons:**

The Compliance Officer may, require any other Connected Person to disclose the holdings and trading in securities of the Company as per Form D set out in Annexure 7 at such frequency as he may determine.



12. Miscellaneous

- The Board of Directors shall be empowered to amend, modify, interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.
- The Compliance Officer shall provide the Audit Committee and the Board, on a quarterly basis, all the details of Trading in securities by the Designated Persons including any violations of the Rules.
- The Compliance Officer shall maintain (a) updated list of Designated Persons, (b) records of disclosures and pre-clearance applications and undertakings for a period of five years and (c) a confidential list of any 'restricted securities' to which the Compliance Officer may require Designated Persons to seek pre-clearance before Trading in such 'restricted securities'.
- The Company shall require all Connected Persons to formulate and adhere to a code of conduct to achieve compliance with these Rules. In case such persons observe that there has been a violation of these Rules, then they shall inform the Board of Directors of the Company promptly.

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ANNEXURE-1

SPECIMEN OF APPLICATION FOR PRE-DEALING APPROVAL

To,
The Compliance Officer,
Aanchal Ispat Limited,

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:

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

I enclose herewith the form of Undertaking signed by me.

Signature: _____

Name:

Date:



ANNEXURE- 2

UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

To,
The Compliance Officer,
Aanchal Ispat Limited,

I, _____, _____ of the Company residing at _____, am desirous of dealing in _____ * shares of the Company as mentioned in my application dated _____ for pre-clearance of the transaction.

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

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

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

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

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

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

Signature: _____

Name:

Date:



ANNEXURE- 3
FORMAT FOR DISCLOSURE OF TRANSACTIONS

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

To,
The Compliance Officer,
Aanchal Ispat Limited,

I hereby inform that I

1. have not bought / sold/ subscribed any securities of the Company
2. have bought/sold/subscribed to _____ securities as mentioned below on ____ (date)

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

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

Signature: _____

Name:

Designation:

Date:



ANNEXURE 4

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,
Aanchal Ispat Limited,

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

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

Signature: _____

Name:

Designation:

Date:



ANNEXURE 5

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,
Aanchal Ispat Limited,

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

Name, PAN No., CIN/DIN & address with contact nos	Category of Person (Promoters / KMP / Directors / immediate relatives / others etc)	Date of appointment of Director / KMP OR Date of becoming Promoter	Securities held at the time of becoming Promoter/appointment of Director/KMP		% of Shareholding	Open Interest of the Future contracts held at the time of becoming Promoter / appointment of Director / KMP		Open Interest of the Option Contracts held at the time of becoming Promoter/ appointment of Director/KMP	
			Type of Security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.		Number of units	Notional value in Rupees	Number of units	Notional value in Rupees

Signature: _____

Name:

Designation:

Date:



ANNEXURE 6

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

To,
The Compliance Officer,
Aanchal Ispat Limited,

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

Name, PAN No., CIN/DIN & addresses with contact nos	Category of Person (Promoters / KMP / Directors / immediate relatives / others etc)	Securities held prior to acquisition / disposal		Securities acquired / Disposed		% of Shareholding		Date of allotment advice / acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase / public rights / preferential offer / off market / Inter-se transfer etc.	Trading in derivatives (Specify type of contract, Futures or Options etc)		Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy	Sell	

Signature: _____

Name:

Designation:

Date:



ANNEXURE 7

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7(3) – Transactions by other connected persons as identified by the company]

To,
The Compliance Officer,
Aanchal Ispat Limited,

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

Name, PAN No./CIN/DIN, & address of connected persons, as identified by the company with contact nos.	Connection with the company	Securities held prior to acquisition / disposal		Securities acquired / Disposed		% of Shareholding		Date of allotment advice / acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition (market purchase / public rights / preferential offer / off market / Inter-se transfer etc.)	Trading in derivatives (Specify type of contract, Futures or Options etc) Exchange on which the trade was executed				Exchange on which the trade was executed
		Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Type of security (For eg. – Shares, Warrants, Convertible Debentures etc.)	No.	Pre transaction	Post transaction	From	To			Buy Value	Sell Number of units	Buy Value	Sell Number of units	
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Signature: _____

Name:

Designation:

Date:

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