

**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

## **Code of Conduct for Prohibition of Insider Trading**

### **Code of conduct for prevention of insider trading**

This Code of Conduct may be known as "Code of Conduct for Prohibition of Insider Trading" (herein after referred to as the "Code of Conduct"). This code has been made pursuant to Regulation 8 & 9 of the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time and may be modified by the Board of Directors of the Company from time to time.

This Code has been designed to enhance the standards of governance and to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 made effective from 15th May, 2015.

### **CODE APPLICABILITY**

This Code shall be applicable to all the Directors / Officers / Designated employees, present and future.

### **THE CODE**

#### **Compliance**

#### **Officer**

Company Secretary of the Company as the Compliance Officer for the purpose of this Code of Conduct.

The Compliance officer shall be liable 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board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 per the case;

The compliance officer shall maintain a record of the insiders together with any changes made in the list of insiders.

The compliance officer shall help all the employees in addressing any clarifications regarding the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and the company's code of conduct.

The Compliance Officer shall report on insider trading to the Board and to the Chairman of the Audit Committee on annual basis.



### **UPSI and Confidential Information's Preservation of Confidentiality**

Insiders and their immediate relatives shall not communicate, provide, or allow access to any unpublished price sensitive information, pertaining to a company or securities listed or proposed to be listed, to any individual including other insiders except where such communication is in furtherance of genuine legal purposes, execution of duties or discharge of legal function.

Price Sensitive Information is to be handled on a "need to know" basis, i.e., No Price Sensitive Information shall be communicated to any individual except in furtherance of the insider's genuine legal purposes, execution of duties or discharge of his legal function.

No individual shall procure from or cause the communication by any insider of unpublished price sensitive information, pertaining to a company or securities listed or proposed to be listed, except in furtherance of genuine legal purposes, execution of duties or discharge of legal function.

Notwithstanding anything contained in this regulation, an unpublished price sensitive information may be communicated, provided, allowed access to or procured, pertaining to a transaction that will:-

entail 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;

not attract 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 atleast two trading days prior to the proposed transaction being effected in such form as the board of directors may determine.

All information shall be handled within the Company on a need-to-know basis and no UPSI shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his legal obligations.



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

The Company has put in place policies and procedures (hereinafter referred as Chinese Walls) to manage UPSI and prevent the inadvertent spread and misuse of UPSI. Chinese Walls are designed to curb on passing of UPSI.

Employees, who are in possession of UPSI, have a responsibility to ensure that UPSI should not be shared or disclosed to any persons except their legal obligations. All non- public information directly / indirectly received by any employee should immediately be reported to the head of the department.

Management shall ensure that appropriate policies, procedures and physical arrangements are implemented for the relevant businesses and that these are complied with by all affected employees. Local policies should address not only the maintenance of Chinese Walls and how these implemented and controlled but also procedures for crossing the wall. The establishment of Chinese Walls is not intended to suggest that within Insider Areas material, Confidential Information can circulate freely. Within Insider Areas, the 'need to-know' policy is fully in effect.

Confidential Information / UPSI shall be kept with adequate security.

**The road map of trading - Trading Plan**

An insider shall be entitled, at his 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 with such plan.

Such trading plan shall:

- (i) not entail commencement of trading on behalf of the Insider earlier than six months from the public disclosure of the plan;
- (ii) not entail trading 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 issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected 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
- (vi) not entail trading in securities for market abuse



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

The Compliance Officer shall review such trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

The trading plan once approved shall be irrevocable and the Insider 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 any UPSI in possession of the Insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such UPSI becomes generally available information so as to avoid a violation of sub-regulation (1) of regulation 4.

Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

A notional window shall be used as an instrument of monitoring trading by Designated Persons. The Compliance Officer should close trading window when he determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI. Such closure shall be imposed in relation to such securities to which such UPSI relates. During closure of notional window, Designated Persons and their immediate relatives shall not trade in securities when the trading window is closed.

**Price sensitive information's misuse prevention**

All directors/officers and designated employees of the company shall be subject to trading restrictions as mentioned below.

**The window period and trading window closure**

The trading window shall be closed 9 days prior to UPSI is unpublished.

During closure of trading window, Designated Persons shall not trade in the securities of the Company.



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

After taking into account various factors including UPSI in question becoming generally available and being capable of assimilation by the market, the Compliance Officer shall determine timing of re-opening of the trading window however in any event it shall be forty-eight hours after the information becomes generally available.

The trading window shall also be applicable to any individual having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the Company.

All directors/officers/designated employees of the company shall conduct all their dealings in the securities of the Company only when the trading window is open and shall not deal in any transaction involving the purchase or sale of the company's securities during the periods when trading window is closed or during any other period as may be specified by the Company from time to time.

**Trade's Pre-clearance**

If the trading window is open, any Designated Person shall trade in Securities of the Company subject to pre-clearance by the Compliance Officer. However, no Designated Person shall be entitled for pre-clearance of any proposed trade if such Designated Person is in possession of UPSI even if the trading window is open.

Designated Person who proposes to execute trade in Securities of the Company shall submit an application duly filled and signed to the Compliance Officer. The format of application is annexed as Annexure "A".

Before approving any trades, the Compliance Officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

The Compliance Officer shall confidentially maintain a list of such securities as a "restricted list" which shall be used as the basis for approving or rejecting applications for preclearance of trades.

The Compliance Officer shall approve / reject pre-clearance application within four days in Annexure "B".

Designated Person shall execute pre-cleared trade within seven trading days from approval and shall report his trade details to Compliance Officer in Annexure "C" within 2 trading days from the trade. In case non-trading, Designated Person shall report his decision of non-trading along with reasons to Compliance Officer in Annexure "C".



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

In case of non-execution or failure in executing trade within seven trading days, Designated Person shall be required to take fresh pre-clearance for the trades to be executed in Annexure "A" again for further execution of trade.

Designated Person who is allowed to trade shall not execute a contra trade within next six months from previous transaction. The Compliance Officer is empowered to grant relaxation from strict application of such constraints for reasons to be recorded in writing without violating the Regulations. If contra trade is 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 Securities and Exchange Board of India for credit to the Investor Protection and Education Fund maintained for investors benefits.

**The Fair Disclosure Code**

UPSI which will impact on price of Security shall be promptly disclosed to general public.

UPSI shall be not be disseminated selectively but it should be disseminated uniformly and universally.

Compliance Officer shall be a chief investor relations officer to deal with dissemination of information and disclosure of UPSI.

The Company shall give appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities.

The following practice shall be complied while meeting with analysts, institutional investors and other investor relations conferences:

No UPSI shall be shared with them and only information available in public domain shall be shared.

Any of the designated company official shall remain present during meeting with them.

Transcripts or records of proceedings of meeting with them shall be placed on website of the Company within 30 days from meeting.

All UPSI shall be handled on a need-to-know basis.



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

**Disclosure by Certain Individuals**

**Initial Disclosure**

Every promoter, key managerial personnel, director, Designated Person of the company shall disclose his holding of securities as on May 15, 2015 to the Company within 30 days from May 15, 2015 in Annexure "D".

Every person on appointment as a key managerial personnel or a director of the Company or once becoming a promoter shall disclose his holding of Securities as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter, as the case may be.

**Continual Disclosure**

Every promoter, director and Designated Person of the Company shall disclose to the Company the number of such Securities bought or sold within two trading days of such transaction if the value of the Securities traded, whether in one transaction or a sequence of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000.

The company shall notify the details of such trading to the stock exchange on which the securities are listed within two working days of receipt of the disclosure or from becoming aware of such information.

**Annual Disclosure**

Every promoter, director and Designated Person of the Company shall disclose their shareholding on annual basis in time span of 60 days from end of company's every fiscal year.

**Breaching of code of conduct and penal action**

Any Designated person who traverse and violate the Code of Conduct shall be penalised and shall also be subject to disciplinary action by the Company, such as wage freeze, suspension etc. to name a few. The Company shall immediately inform Securities and Exchange Board of India regarding any breach of the Code of Conduct.

The action by the company shall not take away the right of SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

**FORMATS AND ANNEXURE:**

**Annexure A**

**Pre Clearance Application format**

To,

Compliance Officer

Subject: Pre clearance application for dealing in company's securities.

Dear

Sir,

Apropos of Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Insiders, I \_\_\_\_\_, \_\_\_\_\_ (Designation & Dept.) of the Company, would like to purchase / sale \_\_\_\_\_ equity shares of the Company as per details furnished below:

Sr No	Particular	Details
1	No. of Securities held as on application date	
2	DP & Client ID / Folio No.	
3	No./Value of Securities to be purchased / sold	
4	Name of person who proposed to trade	

I hereby also confirm and declare that I am not in possession of any UPSI.

In case if I have access to or received any UPSI, after the signing of this application but before executing trade for which approval is sought, I shall inform the Compliance Officer about the same and shall completely refrain from dealing in the Securities until such UPSI becomes publicly available. Thereafter I will submit fresh application for executing a trade.

Further, I declare that I have not violated any provision of the Code of Conduct. I also undertake to submit report on trade within 2 days from date of execution of trade or submit a 'Nil' report if no trade was executed.

Post approval, I shall execute a trade within 7 trading days from of the receipt of approval trade failing which I shall seek pre-clearance again for the same.

Yours faithfully,

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

(Name)

(Date)



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

Annexure B

**Format for Pre- Clearance Approval / Rejection**

Date:

To, Name:

Designation:

Dear Sir / Madam,

Apropos of your Application cum Undertaking for Pre-clearance dated \_\_\_\_\_, we would like to inform you that your application to purchase / sale \_\_\_\_\_ equity shares of the Company is hereby approved / rejected. Now, you can execute your trade within 7 trading days i.e. \_\_\_\_\_.

Further, you are required to submit a report your trade details within two trading days from trade. Or In case, no trade was executed, you are required to submit a 'Nil' report. In case, you do not execute a trade before \_\_\_\_\_, you shall submit a fresh preclearance application before executing any transaction in the Securities of the Company.

Thanking you,

Yours faithfully,

For, Goenka Business & Finance Limited

Compliance officer



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

Annexure C

**Format for transaction / trade report**

To,

Compliance Officer

Dear Sir,

Pursuant to approval of pre-clearance dated \_\_\_\_\_, I have executed a trade / transaction on \_\_\_\_\_ (date). The detail of said trade / transaction is as under

Name	No. of shares bought or sold	Avg. gross price per share	DP ID & Client ID / Folio No.

Further I enclose herewith copy of Contract Note for your ready reference.

I declare that the above information is correct and that no provision of the Code of Conduct has been violated while executing aforesaid trade / transaction. I also declare that I have complied with the requirements of minimum period of 6 months for entering into an opposite transactions in respect of said Securities.

Or

According to approval of pre-clearance dated \_\_\_\_\_, I have not executed a trade / transaction due to \_\_\_\_\_ (reason of non-trading).

I will take fresh pre-clearance for trades as and when I propose to trade in Securities of the Company.

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

Designation:

Date:



**GOENKA BUSINESS & FINANCE LTD**

**CIN:L67120WB1987PLC042960**

Annexure D

**Format for initial disclosure**

**Date:**

To,

Compliance Officer

**Sub: Initial Disclosure of Securities**

Dear Sir,

Pursuant to Code of Practices Procedure and Conduct to Regulate, Monitor and Report Trading by Insiders, I, \_\_\_\_\_, \_\_\_\_\_ (Designation & Dept.) of the Company hereby submit the following details of securities held in the Company as on May 15, 2015 being date of Regulations taking effect.

Name	Relationship	DP ID / Client ID / Regd Folio No	No of securities
Self			
Relatives – others with relations			

Signature

Name

Designation:

