

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

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### 1. INTRODUCTION

Trading in securities of a company by Designated Persons and their Immediate Relatives based on Unpublished Price Sensitive Information erodes the investors' confidence in the integrity of the management and is unhealthy for the capital markets. To put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework relating thereto, the Securities and Exchange Board of India ("SEBI") has notified the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended ("**Insider Trading Regulations**"). In compliance with Regulation 9 of the Insider Trading Regulations, the board of directors of SBFC Finance Limited has adopted this Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives ("**Insider Trading Code**" or "**Code**").

### 2. DEFINITIONS

"**Act**" means the Securities and Exchange Board of India Act, 1992 as amended from time to time.

"**Board**" shall mean the board of directors of the Company.

"**Company**" shall mean SBFC Finance Limited

"**Code**" or "**Code of Conduct**" means this "Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives" as amended from time to time.

"**Compliance Officer**" means any senior officer, designated so and reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the Insider Trading 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, monitoring of trades and the implementation of the codes specified under the Insider Trading Regulations under the overall supervision of the Board.

Explanation – For the purpose of this definition, "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.

"**Connected Person**" means:

- a) any person who is or has been during the six months prior to the concerned act been associated with the Company, in any capacity, directly or indirectly, including the following, that allows such person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access:
  - by reason of frequent communication with its officers; or
  - by being in any contractual, fiduciary or employment relationship;
  - by being a director, officer or an employee of the company; or
  - holds any position including a professional or business relationship whether temporary or permanent, with the Company.

b) Deemed to be a Connected Person: Without prejudice to the generality of clause (a) above, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established:

- A Relative of Connected Persons (defined under clause (a) above);
- A holding company or associate company or subsidiary company;
- An intermediary as specified in Section 12 of the Act or an employee or director thereof;
- An investment company, trustee company, asset management company or an employee or director thereof;
- An official of a Stock Exchange or of clearing house or corporation;
- 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;
- 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, as amended ("**Companies Act, 2013**");
- An official and/or employee of a self-regulatory organization recognized or authorized by the SEBI;
- A banker of the Company; or
- A concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his relative or banker of the Company, has more than 10%, of the holding or interest; or
- A firm or its partner or its employee in which a connected person is also a partner; or
- A person sharing household or residence with connected person

**"Contra Trade"** means a trade or transaction which involves buying or selling any number of Securities of the Company and within 6 months, trading or transacting in an opposite transaction involving selling or buying following the prior transaction.

**"Designated Persons"** means:

- a) Directors of the Company;
- b) Promoters of the Company;
- c) Chief Executive Officer and employees up to two levels below the Chief Executive Officer of the Company and its Material Subsidiary, if any, irrespective of their functional role in the Company or ability to have access to UPSI or functional heads of the different departments of the Company;
- d) Key Managerial Personnel;
- e) Employees in the Finance, Compliance, Audit, Risk, Strategy and Investor Relations departments of the Company and its material subsidiaries, if any, on the basis of their functional role or that have access to UPSI, designated from time to time;
- f) Any support staff of the Company such as IT staff or secretarial staff who have access to UPSI; and
- g) Any other person who on the basis of their role, seniority and function in the Company, is reasonably expected to have access to UPSI relating to the Company, as may be decided by the chairman/managing director/whole-time director/Compliance Officer of the Company, from time to time.

**"Generally Available Information"** means information that is accessible to the public on a non-discriminatory basis.

**"Insider Trading Regulations"** means Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.

**"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:

- a) Connected Person; or
- b) in possession of or having access to UPSI.

“**Key Managerial Personnel**” means person as defined in Section 2(51) of the Companies Act, 2013.

“**Legitimate Purpose**” shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of Insider Trading Regulations.

“**Promoter**” shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

“**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, as amended.

“**Material Subsidiary**” shall mean a subsidiary, whose turnover or net worth exceeds 10% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

“**Material financial relationship**” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a Designated Person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such Designated Person but shall exclude relationships in which the payment is based on arm’s length transactions.

“relative” shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

“**Securities**” shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956, as amended (“**SCRA**”) or any modification thereof.

“**Takeover Regulations**” means the Securities and Exchange Board India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.

“**Trading**” means and includes subscribing, redeeming, switching, buying, selling, dealing, or agreeing to subscribe, redeem, switch, buy, sell, pledge (including revocation or invocation thereof), deal in any securities, and “trade” shall be construed accordingly.

“**Trading Day(s)**” means a day on which the recognized stock exchanges are open for trading;

“**Stock Exchange**” means a recognised Stock Exchange as defined under clause (f) of Section 2 of the SCRA.

“**Unpublished Price Sensitive Information**” or “**UPSI**” 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 including but not restricted to, information relating to the following:

- a) Financial Results of the Company;
- b) Dividends (both interim and final);
- c) Change in capital structure;
- d) Acquisition, merger, de-merger, amalgamation, restructuring, scheme of arrangement, expansion of business, delisting, disposals, takeovers and such other transactions;

- e) Changes in Key Managerial Personnel; and
- f) Other matters as may be prescribed by SEBI/considered by the Compliance Officer to be price sensitive from time to time.

Words and phrases used in the Code and not defined hereinabove shall have the same meaning ascribed to such terms in the Act, the Insider Trading Regulations, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations notified thereunder. In case of any discrepancy between the Insider Trading Regulations and the terms defined herein, the meaning as ascribed to the term under the Insider Trading Regulations, shall prevail.

### 3. COMPLIANCE OFFICER

- a) The Compliance Officer is responsible for compliance of policies, procedures, monitoring adherence to the rules for the preservation of UPSI, monitoring of trades and the implementation of the codes specified in the Insider Trading Regulations under the overall supervision of the Board.
- b) The Compliance Officer shall maintain records of Designated Persons and any changes made to the list of Designated Persons, all the declarations submitted in the appropriate form given by the Designated Persons.
- c) The Compliance Officer shall ensure proper assistance to all the employees / directors of the Company in addressing any clarifications regarding the Insider Trading Regulations and this Code.
- d) The Compliance Officer shall implement punitive measures or disciplinary action prescribed for any violation or contravention of this Code.
- e) The Compliance Officer shall report to the Board and in particular, shall provide reports to the chairman of the audit committee, if any, or to the chairman of the Board at such frequency as may be stipulated by the Board, but not less than once in a year.
- f) The Compliance Officer shall perform all such duties as provided in the Insider Trading Regulations and as may be prescribed by SEBI, from time to time.

### 4. PRESERVATION OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”

- a) All UPSI is to be handled on a “need to know” basis, i.e. UPSI should be disclosed only to those within the Company who need the information to discharge legal obligations, perform their duties or for Legitimate Purposes and whose possession of such information will not give rise to a conflict of interest or likelihood of misuse of the information.

To prevent the misuse of confidential information, a Chinese Wall Procedure shall be used thereby separating those areas of the Company which routinely have access to UPSI (inside areas) from those who do not have such access (‘Public Areas’).

The employees in the inside areas shall not communicate any UPSI to any one in public area. Demarcation of various departments as ‘inside area’ may be implemented by the Compliance Officer, in consultation with the chief financial officer of the Company.

In exceptional circumstances i.e. in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations, any Designated Person may be permitted to ‘cross the wall’ and give UPSI to any person on a ‘need to know’ basis, under intimation to the Compliance Officer.

- b) No Insider shall communicate, provide, or allow access to any UPSI, relating to the Company or Securities, to any person including other Insiders except where such communication is in furtherance of Legitimate Purposes, performance of duties or discharge of legal obligations.
- c) No person shall procure from or cause the communication by any insider of UPSI, relating to the

Company or securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

- d) However, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction which:
  - i. entails an obligation to make an open offer under the Takeover Regulations where the Board is of the informed opinion that sharing of such information is in the best interests of the Company; or
  - ii. does not attract the obligation to make an open offer under the Takeover Regulations but where the Board is of the informed opinion that sharing of such information is in the best interests of the Company and the information that constitutes UPSI 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 may determine to be adequate and fair to cover all relevant and material facts.
- e) For the above purposes of clause (d) above, the Board 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 purpose of clause (d) above and shall not otherwise trade in Securities of the Company when in possession of UPSI.
- f) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.
- g) Persons who are brought inside on sensitive transactions/ UPSI shall be given prior notice and made aware of the duties and responsibilities attached to the receipt of such information, and the liability that attaches to misuse or unwarranted use of such information.

## 5. PREVENTION OF MISUSE OF “UNPUBLISHED PRICE SENSITIVE INFORMATION”

All Designated Persons and their Immediate Relatives shall be subject to Trading restrictions enumerated herein. As a general overriding rule, no Insider shall trade in Securities of the Company when in possession of UPSI. When a person who is in possession of UPSI, has traded in Securities, his trades would be presumed to be motivated by the knowledge and awareness of such information in his possession.

### a) Trading Plan:

An Insider shall be entitled to formulate a trading plan 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 trading plan. This gives an option to persons who may be perpetually in possession of UPSI to trade in Securities in a compliant manner.

### b) Trading plan shall:

- i. not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the trading plan;
  - ii. not entail Trading for the period between the 20<sup>th</sup> Trading Day prior to the last day of any financial period for which results are required to be announced by the Company of the Securities and the 2<sup>nd</sup> Trading Day after the disclosure of such financial results;
  - iii. entail Trading for a period of not less than 12 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.
- c) The Compliance officer shall review the trading plan to assess whether the trading plan would have any potential for violation of the Insider Trading 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 trading plan. Pre-clearance of trades shall not be required for a trade executed as per the approved trading plan.

- d) 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 at the time of formulation of the plan, the Insider is in possession of any UPSI and the said information has not become generally available at the time of the commencement of implementation of the trading plan. The Compliance Officer shall confirm that the commencement of the trading plan shall be deferred until such UPSI becomes generally available information so as to avoid violation of the Insider Trading Regulations. Further, the Insider 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.
- e) Upon approval of the trading plan, the Compliance Officer shall notify the plan to the Stock Exchanges on which the Securities are listed.
- f) The provisions regarding pre-clearance of trades, Trading window norms and restrictions on Contra Trade shall not be applicable for a trade executed as per an approved trading plan.
- g) The trading plan of the Compliance Officer, if any, shall be presented to the Managing Director & CEO of the Company for approval.

## 6. TRADING WINDOW AND PRE- CLEARANCE OF TRADES

- a) Trading window
  - i. Other than the period(s) for which the 'Trading window' is closed as prescribed hereunder, the same shall remain open for Trading in the Securities of the Company by the Designated Persons and their Immediate Relatives. Trading window will be closed from the end of every quarter till 48 hours after the declaration of financial results. The gap between clearance of accounts by the audit committee and the Board meeting should be as narrow as possible and preferably on the same date to avoid leakage of material information.
  - ii. In addition to the above, Trading window may be closed by the Company during such times in addition to the above period as it may deem fit from time to time including when the Compliance Officer determines that a Designated Persons or a class of Designated Persons can be reasonably expected to possess UPSI which in any event shall not be earlier than 48 hours after the UPSI is made public.
  - iii. No Designated Person and their Immediate Relatives shall trade in the Securities of the Company when the Trading window is closed.
  - iv. It shall be the responsibility of the Designated Persons to inform their Immediate Relatives of Trading window period closures.
  - v. The Trading window restrictions shall not apply in respect of transactions (a) specified in clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of the Insider Trading Regulations<sup>1</sup> and in respect of a pledge of shares for a *bona fide* purpose such as raising of funds, subject to pre-clearance by the Compliance Officer and compliance with the respective regulations made by SEBI; (b) which are undertaken in accordance with respective regulations made by SEBI such as acquisition by conversion of warrants or debentures, subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.
  - vi. The trading window restrictions contained in this clause shall also apply to Immediate Relatives in respect of which the concerned Designated Person shall be responsible for the compliance under this Code.
- b) Pre- clearance of Trades
  - i. All Designated Persons of the Company, who intend to trade in the Securities of the Company during

the trading window open period, and if the value of the Securities likely to be traded, whether in one transaction or a series of transactions, over any calendar quarter, aggregates to a traded value of Rs. 10,00,000 or above will have to make an application to the Compliance Officer in the prescribed form (**Form F**) given in this Code for pre- clearance of the transaction, indicating the estimated number of Securities that they intend to trade and such other details specified and also declare that the application is not in possession of UPSI.

<sup>1</sup> Note: Clauses (i) to (iv) and (vi) of the proviso to sub-regulation (1) of regulation 4 of the Insider Trading Regulations provide specify (i) off market transfer between insiders who were in possession of the same UPSI, subject to the conditions specified therein; (ii) transaction was carried out through the block deal window mechanism between persons who in possession of the UPSI, subject to the conditions specified therein; (iii) transaction in question was carried out pursuant to a statutory or regulatory obligation to carry out a bona fide transaction; (iv) transaction in question was undertaken pursuant to the exercise of stock options subject to the conditions specified therein; and (v) trades were pursuant to a trading plan set up in accordance with the Insider Trading Regulations. Please refer to the Insider Trading Regulations for further details.

- ii. Prior to approving any trades, the Compliance Officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI. The Compliance Officer shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- iii. In case the Compliance Officer intends to trade in the Securities of the Company (e), he/she will do so only with the approval of the Managing Director and CEO of the Company. In terms of the approval, the Compliance Officer shall execute the order in respect of the shares of the Company within 7 Trading days after the approval of pre- clearance is given, failing which, fresh clearance shall be obtained. Further the Compliance Officer shall inform the Company (in Form E) within 2 days of transaction / trading in shares of the Company / end of 7 trading days from pre-clearance approval the details of the shares traded along with shares not traded (in respect of which pre approval had been obtained). The Compliance officer shall follow the all the other restriction and compliances as applicable to a Designated Person under this policy.

## 7. OTHER RESTRICTIONS

Following additional restrictions shall apply wherein pre-clearance for the trade has been sought by Designated Persons:

- a) All the pre-approved trades shall in respect of the Securities of the Company be executed within seven Trading Days after the approval of pre-clearance is given, failing which, fresh pre-clearance for trades to be executed shall be obtained.
- b) The Designated Persons shall disclose to the Company in the prescribed Form (Form E) the number of Securities acquired or disposed of for which pre-clearances is obtained within two Trading Days of such transaction.
- c) The Designated Persons shall disclose to the Company in the prescribed Form (Form E) the number of Securities not traded including reasons for such decision for which pre-clearances was obtained within 2 Trading Days of transaction / Trading in Securities of the Company/ end of 7 Trading Days from pre-clearance approval.
- d) 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.
- e) 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, provided it is permitted by law for the time being in force.
- f) Any Designated person who is permitted to trade shall not execute a Contra Trade within six months. In case any Contra Trade is executed, inadvertently or otherwise, in violation of the restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund administered by SEBI under the Act. This shall not be applicable for trades done in



pursuance of a valid and approved trading plan and trades done pursuant to exercise of employee stock options.

- g) The Compliance Officer may be empowered to grant relaxation from strict application of such restriction, in the prescribed form (Form G), for reasons to be recorded in writing provided that such relaxation does not violate the Insider Trading Regulations.

## 8. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES

### a) Initial Disclosures

- i. Every person on appointment as a Director or Key Managerial Personnel of the Company or upon becoming a Promoter or member of the Promoter Group shall disclose his/ her 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 in the prescribed in **Form B**.
- ii. Every Designated Person shall disclose details like Permanent Account Number or any other identifier authorized by law, names of educational institutions from which they have graduated and names of their past employers for the following:  
(i) Immediate Relative; (ii) persons with whom such Designated Person(s) shares a material financial relationship; (iii) phone and mobile numbers which are used by them.

### b) Continual Disclosures

- i. Every Promoter, member of the Promoter Group, Designated Person and Director shall disclose to the Company, in the prescribed Form (**Form C**) 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 Rs. 10,00,000 (Rupees Ten Lakhs) or such other value as may be specified by the Compliance Officer, from time to time.
- ii. The disclosure shall be made within two Trading Days of: (i) the receipt of the disclosure, or (ii) from becoming aware of such information. Additionally, disclosure of any incremental transactions after any disclosure under this sub-clause, shall be made when the transactions effected after the prior disclosure cross the threshold specified in sub-clause (i) above.
- iii. Every Designated Person of the Company shall within 30 days of the beginning of every financial year, disclose to the Company in the Prescribed Form (**Form H**) prescribed details and the holding of such Securities as at the end of the financial year and the details each purchase / sale of shares or voting rights, as the case may be, the Securities during the financial year so ended. Any change in information provided earlier (other than holding of Securities) shall be informed within 30 days of such in Form H.
- iv. The Company may, at its discretion, require any other Connected Person(s) to make disclosure of holdings and Trading in Securities of the Company in the prescribed form (Form D) and at such frequency as may be determined by the Compliance Officer.
- v. Further, pursuant to SEBI circular SEBI/HO/ISD/ISD/CIR/P/2020/168 dated September 9, 2020, SEBI has implemented system driven disclosures (SDD) for member(s) of promoter group and Designated Person(s) in addition to the promoter(s) and director(s) of a company under Regulation 7(2) of the Insider Trading Regulations, with effect from October 1, 2020. Therefore, manual disclosure under this sub-clause is no longer mandatory from April 1, 2021.
- vi. System driven disclosures shall pertain to Trading in equity shares and equity derivative instruments i.e., futures and options of the Company by member(s) of promoter group and Designated Person(s) in addition to the promoter(s) and director(s) of the Company. The Company shall provide the information relating to member(s) of promoter group, directors and designated person(s) including their PAN number to the designated depository, which shall share the information including incremental changes with other depositories. The designated depository shall share the information with Stock Exchanges, thereby Stock Exchanges will identify the transactions carried out on their Trading system of the Company. If disclosure is triggered under the Insider Trading Regulations, the Stock Exchanges shall disseminate the same on their websites on T+2 day basis. The depositories and Stock Exchanges

shall make necessary arrangements such that the disclosures pertaining to the Insider Trading Regulations are disseminated on the websites of respective Stock Exchanges.

c) Disclosures by the Company to the Stock Exchange(s)

- i. The Compliance officer shall maintain records of all the declarations in the appropriate form given by Designated Persons for a minimum period of five years. Company can maintain disclosures in physical / electronic mode.

**9. DIGITAL DATABASE OF PERSONS WITH UPSI**

- i. The Board or head(s) of the organisation of every person required to handle UPSI shall ensure that a structured digital database is maintained containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under the Insider Trading Regulations along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.
- ii. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.
- iii. The Board shall ensure that such database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

**10. INTERNAL CONTROL SYSTEM**

Chief executive officer, managing director or the Company Secretary of the Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the Insider Trading Regulations, including:

- i. all employees who have access to UPSI are identified as Designated Person;
- ii. all the UPSI shall be identified and its confidentiality shall be maintained as per the requirements of the Insider Trading Regulations;
- iii. adequate restrictions shall be placed on communication or procurement of UPSI as required by the Insider Trading Regulations;
- iv. lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;
- v. periodic process review to evaluate effectiveness of such internal controls; and
- vi. all other relevant requirements specified under the Insider Trading Regulations shall be complied with;

**11. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT**

- a) Every Designated 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/ Immediate Relatives). Any Designated Person who trades in Securities or communicates any information for Trading in Securities, in contravention of this Code may be penalized and appropriate action may be taken by the Company.
- b) Any Person who violates the Insider Trading Regulations or this Code shall also be subject to disciplinary action by the Company, which would be determined by the Compliance Officer. The Compliance Officer may consult the Managing Director & CEO of the Company or Chairman of the Audit Committee or any other person, in this regard. The Compliance Officer is entitled to seek information from any person while investigating the alleged violation and may obtain outside legal or other professional advice as he/she considers appropriate.

- c) The Compliance Officer shall report all the breaches of this Code to the Audit Committee. In the event of a breach of the Insider Trading Regulations, the Company shall promptly inform the Stock Exchanges where Securities of the Company are traded, in such form and manner as may be specified by SEBI from time to time.
- d) Designated Persons who violate the Code may also be subject to disciplinary action by the Company, which may include wage freeze, suspension, recovery as may be determined by Company Secretary / Managing Director / Board. Any amount collected under this shall be remitted to SEBI for credit to the Investor Protection and Education Fund (“IPEF”) administered by SEBI under the Act.
- e) As per Regulation 4(2) of SEBI (Investor Protection and Education Fund) Regulations, 2009, such amounts shall be credited to the IPEF through the online mode or by way of a demand draft (DD) in favour of SEBI – IPEF payable at Mumbai. The bank account details of SEBI – IPEF for online transfer is given below:

<b>Name of Beneficiary</b>	SEBI – IPEF
<b>Bank Name</b>	Bank of India
<b>Bank Branch</b>	Bandra Kurla Complex (BKC)
<b>Account Number</b>	012210210000008
<b>IFSC Code</b>	BKID0000122

## 12. DISCLOSURES

This Code and any amendment thereof will be published on the Company’s official website and formulation and publication of the same shall be confirmed to the Stock Exchange(s) where the Securities of the Company are listed.

## 13. POLICY REVIEW

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 / amendment in accordance with applicable laws as may be issued by relevant statutory, governmental and regulatory authorities, from time to time.

## 14. AMENDMENTS

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant statutory, governmental and regulatory authorities are not consistent with the provisions or annexures laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.

**FORM B**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a director/KMP/ Promoter/ Member of Promoter Group]**

Name of the company: \_\_\_\_\_

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 No., CIN/DIN & address with contact nos.	Category of Person (Promoter/member of Promoter Group/ 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 e.g. – Shares, Warrants, Convertible Debentures, Rights entitlements 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, as amended.

**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

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES



Date:

Place:

Signature :

Name :

Designation :

**Annexure to Form B**

Name

Employee Code :

Sr. No.	Particulars	Name	PAN & Address	Phone and mobile number used by persons	No. and % of total Shareholding	Whether financially dependent or consults you for trading decisions (Y/N)
1.	Spouse					
2.	Father					
3.	Mother					
4.	Son					
5.	Daughter					
6.	Brother					
7.	Sister					
8.	Name of persons with whom material financial relationship* is shared					

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED  
PERSONS AND THEIR IMMEDIATE RELATIVES



*\*“material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding 12 months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.*

**FORM C**  
**SEBI (Prohibition of Insider Trading) Regulations,**  
**2015 [Regulation 7 (2) read with Regulation 6(2) –**  
**Continual disclosure]**

Name of the Company:

ISIN of the Company:

**Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person, Director of a listed company, and immediate relatives of such persons and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/ DIN, & address with contact nos.	Category of Person (Promoter/member of the promoter group/designated person/ Director s/immediate relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public / rights / preferential offer / off market/ Inter-se transfer, ESOPs, etc)	Exchange on which the trade was executed
		Type of security For e.g. – Shares, Warrants, Convertible Debentures, Rights	No. and % of shareholding	Type of security (For e.g. – Shares, Warrants, Convertible Debentures, Rights	No.	Value	Transaction Type (Buy/ Sale/ Pledge / Revocation)	Type of securities (For e.g. – Shares, Warrants, Convertible	No. and % of Shareholding	From	To			

CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS AND THEIR IMMEDIATE RELATIVES



		Entitlements etc.)		Entitlements Etc.)			Invoke )	Debentures , Rights Entitlements Etc.)						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(I) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended.  
Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relatives of such persons 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.

Name:  
Signature:  
Designation:

Date:  
Place:



**FORM D**  
**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**Regulation 7(3) – Transactions by other connected persons as identified by the Company**

Name, PAN, CIN/DIN, & address with contact nos. of other connected persons as identified by the Company	Connection with Company	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice/ acquisition of shares/ sale of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market/public / rights/ preferential offer / off market/ Inter-se transfer, ESOPs. etc.)	Exchange on which the trade was executed
		Type of security For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlements etc.)	No. and % of shareholding	Type of security (For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlements Etc.)	No.	Value	Transaction Type (Buy/ Sale/ Pledge/ Revoke/ Invoke)	Type of security (For e.g. – Shares, Warrants, Convertible Debentures, Rights entitlements Etc.)	No. and % of Shareholding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

**Note:** “Securities” shall have the meaning as defined under Regulation 2(1)(I) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended  
Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives by other connected persons as identified by the company**

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

Name:

Signature:

Date:

Place:

**FORM E**

**FORM FOR DISCLOSURE OF EXECUTION/NON-EXECUTION OF TRANSACTIONS**

[as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Clause 7(b), 7(c), 8(b) of Code of Conduct to regulate, monitor and report trading by Insiders]

(To be submitted within two days of transaction / trading in securities of the Company/end of 7 trading days from pre-clearance approval)

To  
The Company Secretary/Compliance Officer  
SBFC Finance Limited  
Unit No. 103, 1st Floor, C&B Square, Sangam Complex,  
Andheri Kurla Road, Village Chakala,  
Andheri (East) Mumbai - 400 059

Pre-Approval Reference No.: \_\_\_\_\_

With reference to trading approval granted by the Company to me on \_\_\_\_\_ ,

(A) I hereby inform that I have bought/sold/subscribed \_\_\_\_\_ EQUITY SHARES of the Company for Rs. \_\_\_\_\_ each amounting to Rs. \_\_\_\_\_ on \_\_\_\_\_.

In connection with the aforesaid transaction, please find attached copy of the proof of executing the said transaction:

I hereby undertake to preserve the original copy of the above mentioned document for a period of 5 years and produce to the Compliance Officer/Securities Exchange Board of India, if required in future.

(B) I hereby inform that I have not traded \_\_\_\_\_ Shares of the Company (Reason \_\_\_\_\_)

Signature :

Name and designation:

Date :

**FORM F**  
**FORM FOR PRE-CLEARANCE OF TRANSACTIONS:**

[as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Clause 6(b)(i)&(ii) of Code of Conduct to Regulate, Monitor and Report trading by Insiders]

To  
The Company Secretary/Compliance Officer  
SBFC Finance Limited  
Unit No. 103, 1st Floor, C&B Square, Sangam Complex,  
Andheri Kurla Road, Village Chakala,  
Andheri (East) Mumbai - 400 059

I intend to sell / purchase securities of the Company, as follows:

Sr. No.	Name of the applicant	
1.	Designation	
2.	Department	
3.	Employee Code No.	
4.	Number and value of securities in the Company held as on date Folio No. / DP ID and Client ID	
5.	Nature of proposed trading	a) Purchase in the open market b) Sale of securities c) Off-Market deal d) Other
6.	Proposed date of trading in securities	
7.	No. of Shares / Debentures proposed to be dealt. Folio No. / DP ID and Client ID where the securities will be credited /debited	..... Nos.
8.	Price at which the transaction is Proposed	
9.	Current Market Price (as on the date of application)	

I hereby apply for the pre-clearance of the transaction(s) referred above. In relation to the above trading, I undertake that:

- That I do not have any access nor have I received any "Price Sensitive Information" up to the time of signing this undertaking.
- That in case I have access to or receive "Price Sensitive Information" after the of this undertaking but before the execution of the transaction I shall inform the Compliance Officer of the change in my position and that I would completely refrain from trading in the securities of the Company till the time such information

becomes public.

- iii. That I have not contravened the Code of Conduct (Insider Trading) for prevention of insider trading as notified by the Company from time to time.
- iv. That I have made a full and true disclosure in the matter.
- v. That I will go ahead with the transaction only after receiving the required clearance.
- vi. That I will execute the order in respect of the securities of the Company within 7 Trading days after the approval of pre- clearance is given, failing which, fresh clearance shall be obtained.
- vii. That I shall inform the Company (in Form E) within 2 days of transaction / trading in securities of the Company/end of 7 trading days from pre-clearance approval the details of the securities traded along with securities not traded (in respect of which pre approval had been obtained).

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

Date :

Place :

**FORM G**

**APPLICATION FOR WAIVER OF MINIMUM HOLDING PERIOD**

[As per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Clause 7(g) of Code of Conduct to Regulate, Monitor and Report trading by Insiders]

To

The Company Secretary/Compliance Officer  
SBFC Finance Limited  
Unit No. 103, 1st Floor, C&B Square, Sangam Complex,  
Andheri Kurla Road, Village Chakala,  
Andheri (East) Mumbai - 400 059

Through: Department Head

Dear Sir,

I request you to grant me waiver of the minimum holding period of 6 months as required under the Company's' Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives, with respect to \_\_\_\_\_ securities of the Company held by me/ (name of family dependent)/jointly acquired by me on\_\_(date). I desire to deal in the said shares because of the under-mentioned emergency [mention reasons in brief along with supporting documents]

Thanking you

Your faithfully,

Name of Applicant

Designation :

Employee Code No.:

(Signature)

Date:

**FORM H**  
**ANNUAL DECLARATION**  
[Regulation 8(b)(iii) of Code of Conduct to Regulate, Monitor and Report trading by Insiders]

To  
The Company Secretary/Compliance Officer  
SBFC Finance Limited  
Unit No. 103, 1st Floor, C&B Square, Sangam Complex,  
Andheri Kurla Road, Village Chakala,  
Andheri (East) Mumbai - 400 059

ISIN of the Company:

Financial Year Ending:

**Details of Holding as at the end of the financial year:**

Name, PAN, CIN/ DIN & address with contact nos.	Category of Person (Promoters/ Promoter Group)	Securities held at the end of financial year		
		Type of security (For e.g. – Shares, Warrant, Convertible Debentures etc.)	No. and % of total Shareholding	Value
1	2	3	4	5

**Details of change in holding during the financial year:**

Name, PAN, CIN/DI N, & address with contact nos.	Category of Person (Promoter s/ KMP/ Directors/ Immediat e Relative to/ others. etc.)	Securities held prior to acquisition/disposal	Securities acquired/Disposed	Securities held post acquisition/disposal	Date of allotment advice/ acquisitio n of shares/ sale of shares specify	Date of intimatio n to compan y	Mode of acquisition / disposal (on market/publi c/ rights/ preferential offer / off market/ Inter-se transfer, ESOPs, etc.)

		Type of security For e.g. – Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (For e.g. – Shares, Warrants, Convertible Debentures Etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoke/ Invoke)	Type of security (For e.g. – Shares, Warrants, Convertible Debentures Etc.)	No. and % of Shareholding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

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

**Details of trading in derivatives by other connected persons as identified by the company**

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)	

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

Designation:

Date:

Place:



**Annexure to Form H**

Name

Employee Code:

Sr. No.	Particulars	Name	PAN & Address	Phone and mobile number by such person	No. and % of total Shareholding	Whether financially dependent or consults you for trading decisions (Y/N)
1.	Spouse					
2.	Father					
3.	Mother					
4.	Son					
5.	Daughter					
6.	Brother					
7.	Sister					
8.	Name of persons with whom material financial relationship* is shared					

*\*“material financial relationship” shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding 12 months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.*