

## **Procedure and Guidelines Governing Insider Trading**

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*Objective: Securities and Exchange Board of India (SEBI) notified 'SEBI (Prohibition of Insider Trading) Regulations 2015.*

In deference to the abovementioned Regulations B&A Ltd (hereinafter referred to as the Company), through its Board of Directors has formulated 'Procedure and Guidelines Governing Insider Trading' to lay down principles of fair disclosures adopted by the company for the purpose of dissemination of unpublished price sensitive information and standards for fair trading in shares of the company by Insiders and reporting thereon. SEBI has further notified SEBI (Prohibition of Insider Trading & Amendments) Regulations 2018 on 31<sup>st</sup> December 2018 which has brought certain changes in the Regulations. The Policy is upgraded by amending certain portions of the original policy to give effect to the changes in the Regulation.

The Guidelines have five separate sections. The first section deals with the definitions of words and phrases used in the code. Second section deals with the practice and procedure adopted by the Company for fair disclosure of unpublished price sensitive information and has been classified as 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company.' The third section aims to regulate, monitor and report trading by the employees and other connected persons of the company and has been collated as 'Code of Conduct of fair Trading by *Designated Persons* of the Company.' The fourth section deals with communication and amendment of the policies. And the fifth section comprises of format of disclosures required under the codes.

The 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company' has been made pursuant to Regulation 8 of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and hereinafter referred to as the "Regulations".

The 'Code of Conduct of fair Trading by Designated Persons of the Company' has been made pursuant to Regulation 9 of the Regulations. Both these revised codes will be effective from 12<sup>th</sup> day of February 2019 i.e. on which the Board of Directors has adopted these regulations.

These Codes will be applicable to Directors/Officers/Connected Person/Designated Employees of B&A Ltd and their relatives as defined herein and contravention of these Codes will attract such sanctions and disciplinary actions including wage freeze, suspension etc., as may be decided by the Board of Directors on case to case basis apart from the penalties under the Act' which the Securities and Exchange Board of India could impose upon the defaulter.

## I. Definition

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- (i) "Act" shall mean Securities and Exchange Board of India Act' 1992.
- (ii) "Board of Directors" means Board of Directors of B&A Ltd as constituted from time to time which will include any of its committees.
- (iii) "Companies Act" shall mean Companies Act' 2013.
- (iv) "Compliance Officer" means the Company Secretary for the time being of the Company or the Officer appointed by the Board of Directors of the Company for the purpose of these Codes and the Regulations.
- (v) "Connected Person" means any person who is or has during six months prior to any concerned act has been associated with the company directly or indirectly, in any capacity which allows such person access to unpublished price sensitive information or is reasonably expected to allow such access. This will include officials and offices of professional firms such as Auditors, accountancy, secretarial and law firms, credit rating agencies, analysts, etc., advising the company. All promoters of the company and promoters who are individuals or investment companies for intermediaries or judiciaries are deemed to be connected persons.
- (vi) "Designated Employees" shall mean all employees comprising of the top three tiers of the Company's management, all employees in the Finance, Secretarial and Legal Departments of the company and group companies and such other employees who may be so designated, from time to time, by the Company for the purposes of this Code and who may be able to have access to any 'price sensitive information' as defined in this Code or the Regulations. Top three tiers of the Company's management shall mean and include Directors, Executive Directors and departmental heads of finance, secretarial, legal, and production.
- (vii) "Generally available information" shall mean all information of the company and its securities which are not unpublished and are accessible to the general public on a non-discriminatory basis. This will include published price sensitive information by the company and any report or news concerning the company or its securities published in any print or electronic media by a person other than the company or its agents.
- (viii) "Immediate relative" means a spouse, parent, sibling and child of a Director, officer, designated employee or connected person of the company, any of whom is either dependent financially on him or consults him in taking decisions to trade in securities.
- (ix) "Investor Relations Officer" means a senior officer of the company who has been designated as such by the Board of Directors for the purpose of dealing with the dissemination of information and disclosure of unpublished price sensitive information.

(x) "*Insider*" means any designated employee or a connected person or an immediate relative who is in possession of or having access to unpublished price sensitive information.

(xi) "*Officer of the Company*" means any person as defined in Clause (59) of Section 2 of the Companies Act.

(xii) "*Price Sensitive Information*" means information pertaining to the Company or its securities, which affects or is likely to materially affect the price of securities of the Company. Explanation: The following shall be deemed to be price sensitive information: - Periodical financial results of the Company; Intended declaration of dividends (Interim and / or Final); Issue of Securities or Buy-back of Securities; Any major expansion plans or execution of new projects; Amalgamation, merger or takeover; Disposal of the whole or substantial part the whole of the undertaking; changes amongst key managerial personnel;

(xiiia) "relative" shall mean:

(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)

(xiii) "*Securities*" shall mean Equity (Ordinary) Shares for the time being and all other securities of the Company to be issued from time to time and listed /to be listed in any Stock Exchange.

(xiv) "*Stock Exchange*" shall mean Bombay Stock Exchange Ltd for the time being or any such stock exchange which is recognized by the Central Government or SEBI under Section 4 of Securities Contracts (Regulation) Act, 1956, where any security of the company gets listed.

(xv) "*Takeover regulations*" shall mean the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.

(xvi) "*Trade or Trading*" shall mean buying, selling, dealing, subscribing or agreeing to buy, sell or deal in any securities of the company. However, trade will not constitute off market transfers or transmissions due to execution of a gift or pursuant to orders of a court.

(xv) "*Trading Window*" means a trading period for trading in the Company's Securities as specified by the Company from time to time. All days shall be the Trading Period except those days specified in this Code hereunder.

*B&A Ltd*

(xvi) "*Unpublished Information*" means information pertaining to the Company or its securities which is not published in any print or electronic media and otherwise not made available to general public on a non-discriminatory basis by the Company or its Agents.

Words and phrases not specifically defined herein shall have the same meaning as defined under the Act, Companies Act, and the Regulations as amended from time to time.

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## II. Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company

1. No employee or officer or connected person of the company who is in possession of any price sensitive information shall communicate, provide or allow access to such information to any other person including other employee or officer or connected person who generally or reasonably is not expected to require such information for performance of his duties, except with the express permission of the Investor Relations Officer. However, such price sensitive information could be shared by such employee or officer or connected person for furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The legitimate purpose shall mean sharing of unpublished price sensitive information in the ordinary course of business by an employee or officers or connected person of the company with partners, collaborates, lenders, customers, suppliers, merchant bankers, legal advisers, auditors, insolvency, professionals, or advisor or consultants provided that such sharing do not evade the prohibition of the Regulations. The employee, officer or connected person shall give due notice to the person receiving such price sensitive information to maintain confidentiality of such information.

2. No employee or officer or connected person shall acquire or solicit any price sensitive information from any employee or officer or connected person unless required for performance of his duties.
3. The price sensitive information of the company should be handled as 'Need-to-Know' basis and access to confidential information is strictly restricted to those who have a proper requirement for the information consistent with his job-content. For this, information barriers ('Chinese Walls') which are designed to restrict information flows between different departments of the company is essential so that information can be used by only relevant personnel without any conflict of interest. For this purpose, the company has in place a secure and confidential database systems maintained within the company where only authorized personnel could access the relevant information. Further any secondary or tertiary report containing price sensitive information could be forwarded and used by any other department only with the authorization of the concerned departmental head. Further, workstations of employees of the secretarial, finance and legal department are separated from other departments to prevent encroachment of information.
4. The investor relations officer shall cause to make a clear demarcation between the generally available information and protected information of the company and inculcate among the employees dealing with price sensitive or protected information a sense of confidentiality. The investor relations officer shall cause to identity information channels within offices of all designated employees and workstations dealing with price sensitive or protected information and shall put a system to avoid any unauthorized access to all information.

The investor relations officer shall cause to take such steps as are necessary to preserve the confidentiality of price sensitive information of the company unless published. The Board of Directors in consultation with the company secretary shall ensure that a structured database is maintained containing the names of such persons or entities as the case may be with whom information is shared under the regulations along with Permanent Account Number or any other identifiers authorized by law. Such database shall be maintained with adequate internal controls and others such as time stamping and audit trails to cause non-tampering of the database. The designated persons shall be required to disclose such information as required to disclose such information as required by this provisions for the purpose of maintenance of the database. The Board of Directors shall cause a confidentiality agreement be signed or proper notice be served to all employee and persons who have access to unpublished price sensitive.

5. All designated employees should maintain absolute confidentiality on any unpublished price sensitive information and shall not disseminate any such information without express permission of the Board of Directors or an advice from the Compliance Officer.
6. The investor relations officer shall check the credibility of any unpublished price sensitive information and upon instruction, cause prompt public disclosure of unpublished price sensitive information. For example, the investor relations officer will cause to disseminate the financial results of the company promptly once these are approved by the Board of Directors and instructed to be published.
7. The investor relations officer shall disseminate all unpublished price sensitive information in all or any of the following platforms:
  - (a) By a letter, fax or email to the Corporate Relations Manager of the Stock Exchange requesting hosting the information in its official website.
  - (b) Hosting the information in the official website of the Company.
  - (c) Publishing information in such print or electronic media as instructed by the Board of Directors.
  - (d) In such other ways as instructed by the Board of Directors.
8. The investor relations officer shall make a prompt and fair response to any queries made by any investor on new report or information published by the company and addresses all queries or requests for verification made by any regulatory authority on any market rumors.

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9. The investor relations officer shall ensure that information shared with analysts of the company is not unpublished price sensitive information.
10. The investor relations officer shall promptly host reports given by the analysts of the company in the official website of the company.
11. In any instance, where any insider knowingly or unknowingly discloses any unpublished price sensitive information to any outsider or the investor relations officer has reasonable ground to believe that any unpublished price sensitive information is disclosed to any outsider, they will promptly bring this to the notice of the compliance officer to take such steps as are necessary to preserve the confidentiality of the information including requiring the outsider to sign a confidentiality agreement.

### III. Code of Conduct of Fair Trading by Designated Persons of the Company

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1. **Prohibited Trades:** No employee or officer of the company or their relative shall trade in securities of the company while they are in possession of any unpublished price sensitive information.
2. **Trading Window:** No designated employee his relatives shall trade in securities of the company when the *trading window* is closed. For the purpose of this code trading window will remain closed for a period beginning with the end of each quarter except the last quarter of any financial year and will open 48 hours of publication of quarterly financial results. Trading window will remain closed for the period beginning with the end of the financial year and will open 48 hours of publication of annual results of the company. The compliance officer in consultation with the Company Management may from time to time designate and announce intermittent closure of trading window.
3. **Preclearance of Trade:** No designated employee or his relatives shall trade in securities of the company exceeding Rs. 50,000 in value, or such higher amount as may be decided by the Board of Directors from time to time, without obtaining a *preclearance* from the compliance officer as provided in Annexure-I. However, such person shall not apply for pre-clearance of trades if he is in possession of unpublished price sensitive information even if the trading window is not closed. The compliance officer may seek declaration from the concerned person that he is not in possession of any unpublished price sensitive information. All pre cleared trades by a designated employee or his relatives have to be concluded within 7 days of preclearance and should be reported to the compliance officer by email or facsimile transmission promptly upon execution of the trade as per Annexure-II but in no event later than the next business day after the execution of such trade. Further no designated employee or connected person or their relatives shall execute a contra trade against pre cleared ones within a period of six months. The compliance officer is empowered to grant relaxation to preclearance or contra trade subject to the provisions of the Regulations but he will record the reasons in writing. The existence of the process of preclearance does not in any way obligate the compliance officer or the Board of Directors to approve any particular trades. The compliance officer may reject any trading requests at his sole and reasonable discretion. However, no preclearance is required where the trade is made pursuant to a trading plan formulated by the designated employee or their relative and approved by the Board of Directors.
4. **Trading Plan:** A designated employee or their relative may opt for a trading plan to avoid accusations of insider trading. Such trading plan should be in the form as provided in Annexure-III and set out the value of trades or number of securities in the company to be traded alongwith nature of trade and the intervals or dates within which the trades should be affected.



A trading plan shall entail trading in the company's securities for a period not less than 12 months and should be presented before the compliance officer at least 130 days prior to the commencement of trade. However, no trading plan will be made for the periods when trading window is closed for publication of quarterly and annual results.

The compliance officer shall check the trading plan to assess whether the plan would violate any of the regulations or the policy and shall be entitled to seek such express undertakings as may be necessary to ensure such assessment. The compliance officer shall notify the Board of Directors of the trading plan immediately after its receipt and subject to any comment received in this regard may approve the trading plan and inform the stock exchange where he approves such plan within two working days of the receipt of the trading plan. Once a trading plan is approved it becomes irrevocable and shall have to be mandatorily implemented without any deviation unless any unpublished price sensitive information which is in possession of the concerned person has not been made public during implementation of the plan. In such event the compliance officer shall confirm the postponement of the plan. All trades executed within trading plan should be reported to the compliance officer by email or facsimile transmission promptly upon execution of the trade but in no event later than the next business day after the execution of such trade. Further concerned employee or related person will not be entitled to initiate any other trade in company's securities outside the approved trading plan.

5. Disclosures: Every Director and Key Managerial Personnel of the company holding securities of the company shall disclose his holding in the company within 30 days of the regulations taking effect in such formats as may be prescribed. Further every person being appointed a Director or Key Managerial Personnel in the company shall disclose his holding of securities in the company within 7 days of such appointment in such formats as may be prescribed.
6. The Board of Directors should ensure that the professional firms like auditors, analysts and consultants who are deemed to be connected person should formulate code of conduct at their own to deal with disclosure of unpublished price sensitive information of the company and code for trading of the securities of the company.
7. Implementation: The compliance officer shall supervise the implementation of 'Code of Fair Disclosure of Unpublished Price Sensitive Information of the Company' and 'Code of conduct for Insiders of the Company' and will ensure that all price sensitive information of the company shall be handled within the Organisation on a need-to-know basis and such information shall not be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligation. The compliance officer shall report to the Board of Directors on implementation of the codes, any need for modification, or any contravention of the policy, on quarterly rests. The Board of Directors shall cause enquiry on becoming aware of any leak of unpublished price sensitive information or suspected leak of such information and initiate action thereof.

The Whistle Blower Policy of the company shall contain provision for employees to report instance of leak of unpublished price sensitive information. Every designated employee or key managerial person shall declare adherence to the codes and confirm it in writing before the board of directors annually.

#### IV. Communications and Amendments

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The 'Procedure and Guidelines Governing Insider Trading' will be communicated to each designated employee, connected person and directors by email or by hand and will be displayed in the website of the company.

The Board of Directors shall have the full authority to amend or modify these guidelines and waive any procedural requirements of the Policies subject to the guidelines issued by Securities and Exchange Board of India from time to time.

#### V. Annexures

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##### ACKNOWLEDGEMENT OF RECEIPT

I hereby acknowledge that I have received a copy by email of the '*Procedures and guidelines governing Insider Trading*' and agree to comply with its terms. I understand that violation of the Insider Trading laws and regulations may subject me to civil as well as criminal penalties and that violation of the terms of this Policy may subject me to disciplinary action by B&A Ltd.

**Annexure-I**

**Preclearance of Trades**

The Compliance Officer,  
B&A Ltd,  
113, Park Street,  
Kolkata- 700016

|                                |
|--------------------------------|
| <b>Internal Use</b>            |
| <b>Reced. Date &amp; time:</b> |
| <b>Sign:</b>                   |

From: (Name of the Insider)

Date:

I hereby notify that I intend to sell/purchase (cross out inapplicable words) \_\_\_\_\_(number) of equity shares in B&A Ltd on \_\_\_\_\_(date) on behalf of \_\_\_\_\_(indicate in whose name the shares will be registered).

In connection of the proposed trade, I hereby certify that:

1. I am not in possession of any 'unpublished price sensitive information' concerning B&A Ltd as defined in "Procedures and guidelines governing Insider Trading".
2. To the best of my knowledge, the proposed trade does not violate the trading restrictions of regulation 4 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

I understand that if I trade while possessing such information or in violation of such trading restrictions, I may be subject to civil and/or criminal penalties and may be subject to sanctions by B&A Ltd as set forth in the Policy.

Submitted By

\_\_\_\_\_(Signature)

\_\_\_\_\_- (Name)

\_\_\_\_\_(Title if signing on behalf

of any body corporate, partnership or other entity)

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Reviewed and approved/ disapproved on behalf B&A Ltd

\_\_\_\_Compliance Officer

\_\_\_\_\_Date

B&A Ltd

**Annexure-II**

**Confirmation of Trade**

The Compliance Officer,

Date:

B&A Ltd,

113, Park Street,

Kolkata- 700016

Dear Sir,

I confirm that the trade which was approved vide my application dated \_\_\_\_\_ for pre-clearance of trades/ trading plan (strike out which is not applicable) was completed on \_\_\_\_\_ by purchasing/selling (strike out which is not applicable) \_\_\_\_\_ nos. of equity shares of the company @ \_\_\_\_\_ per share.

Name:

Signature:

**Annexure- III**

Date:

The  
Compliance Officer,  
B&A Ltd,  
113, Park Street, 9<sup>th</sup> Floor,  
Kolkata- 700013

|   |
|---|
| Internal Use<br>Reced. Date<br>& time:<br><br>Sign: |
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**TRADING PLAN**

Pursuant to regulation 5 of SEBI (Prohibition of Insider Trading) Regulations 2015 I seek approval for the trading of the following equity shares of B&A Ltd during the period \_\_\_\_ to \_\_\_\_ as per details given below on behalf of \_\_\_\_\_(indicate in whose name the shares will be registered).

| Sr.No. | Nature of transactions (Buy/sell/subscribe) | No. of Shares | Date of purchase/sell/allotment | DP/BEN ID/folio no. where shares will be credited/debited | No of shares held in such account /folio after each transaction |
|--------|---|---------------|---------------------------------|---|---|
|        |   |               |                                 |   |   |
|        |   |               |                                 |   |   |
|        |   |               |                                 |   |   |
|        |   |               |                                 |   |   |
|        |   |               |                                 |   |   |

In connection of the trading plan, I hereby certify that:

- a. I will not entail commencement of trading earlier than six months from the public disclosure of the plan.
- b. I will not entail trading in the periods when the trading window is generally or specially closed.
- c. I will not trade in the company shares during this period other than those shares for which the plan is placed.
- d. I will mandatorily implement the trading plan without any deviation except in the event any unpublished price sensitive information of the company which is in my possession at the date of submission of the plan has not made public prior to any trades and in such event I will seek clearance from the compliance officer before commencement.
- e. To the best of my knowledge, the proposed trades do not violate the trading restrictions of regulation 4 and 5 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**Yours faithfully**

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| Internal use State: whether<br>Director/Officer/Designated employee/ relative |
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\_\_\_\_\_ (Signature)