

GOOD FORTUNE CAPITALS PVT. LTD PMS
Prevention of Insider Trading Policy

1. Table of Contents

Sr. No.	Particulars	Pg. No.
1	Introduction	3
2	Requirement	3
3	Purpose	5
4	Scope	5
5	Definitions	6
6	Applicability	9
7	Compliance Officer	9
8	Disclosures	10
9	Permissible Trades / Non-Permissible Trades	10
10	Procedures for approving trades	11
11	Chinese Wall Procedure	11
12	Restricted / Grey List	12
13	Maintenance of Records	13
14	Compliance with the Policy	14
15	Penalty for contravention of Policy	14
16	Structured digital database	14
17	Report to the Board	14
18	Specific Guidance	15

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

1. Introduction

This Policy shall ensure compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) and SEBI (Portfolio Managers) Regulations, 2020. Intermediaries are required to take a number of measures to fortify their internal control mechanisms, including fixing various responsibilities on the Directors and the Compliance Officer.

2. Requirements

The PIT Regulations mandates that:

- a) An intermediary shall formulate a Code of Conduct, to regulate, monitor and report trading by their designated persons and immediate dependent relative of designated persons towards achieving compliance with these regulations, adopting the minimum standards set out in Schedule C to these regulations, without diluting the provisions of these regulations in any manner. The standards set out in the are addressed by such code of conduct
- b) An Intermediary shall identify and designate a Compliance Officer to administer the code of conduct and other requirements under these regulations.
- c) The Directors or such other analogous person of the entity has put in place adequate and effective system of internal controls to ensure compliance with the requirements given in these regulations to prevent insider trading.
- d) The Intermediary shall review compliance with the provisions of these regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

This Policy sets standards to ensure that personal investment activities of employees and Directors of GFC are conducted in compliance with applicable laws and regulations and that conflict of interest related to personal investment activities are avoided or managed appropriately.

Minimum Standards for Code of Conduct for Intermediaries and Fiduciaries to Regulate, Monitor and Report Trading by Designated Persons:

The code of conduct is required to regulate, monitor and report trading by the designated persons and their immediate relatives, by adopting the minimum standards set out in this policy:

All employees shall adhere to the policy w.r.t their trading of non-designated as well as designated persons and their immediate dependent relatives including disclosure of personal trading accounts; minimum holding periods; prohibitions on transactions that pose conflict of interest, transactions when in possession of confidential or Unpublished Price Sensitive Information (UPSI), pre-clearance of employee transactions based on pre-set parameters as specified from time to time by compliance and application of appropriate Restricted List where applicable, etc.

3. Purpose

GFC is a SEBI registered Portfolio Manager and is subjected to certain laws and/or regulations and code of conduct governing the personal trading of securities by designated persons and their immediate relatives. In order to ensure that all employees' personal investments are conducted in compliance with the applicable rules and regulations and are free from conflicts of interest, GFC has established limitations on personal trading. This policy describes the global minimum requirements and restrictions related to personal securities transactions.

This Insider Trading Policy is enforced to maintain the highest ethical standards of personal dealing in securities to whomsoever it is applicable.

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

What does this policy cover?

This policy outlines the personal account trading procedure to be followed and highlights the additional provisions with respect to employees and directors.

4. Scope

This policy applies to all the Employees and Directors of GFC for any investment / trading activities and highlights additional applicable provisions. The underlying principle is the minimum standards for Employees / Designated Persons to be followed while investing in their personal accounts.

All Managers who monitors personal trading of employees are responsible for:

- discharging their managerial duties with due care and diligence,
- immediately escalating any behaviour of their subordinates against this policy if observed, to the compliance team/officer

5. Definitions

a) Accounts subject to this policy

“Accounts” refers to all ‘Employee Personal Trading Account’:

- That are associated with Management of Portfolio or have information on Investment advice given to clients
- in which an employee or has the power of attorney holder, directly or indirectly, to make or influence investment decisions including family and / or other special purpose investment vehicle disclosed and approved by the Compliance Officer.

b) Designated Persons / Designated Employees:

- Directors
- All Employees associated with Management of Portfolio or have information

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

on Investment advice given to clients.

- All Head of Departments as per the Organisation Structure.
- Such other person or persons as the Compliance Officer may specify to be covered by this Code on the basis of their role and function in the Company

c) Non-Designated Employees:

All other Employees other than the designated persons/ Designated employees of GFC.

d) Dependent Immediate Relative:

Dependant spouse of the person, dependent children and dependent parents.

e) Securities:

"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and shall include only those securities of listed entities or any modification thereof except units of a mutual fund;

f) 'Generally Available Information' means information that is accessible to the public on a non-discriminatory basis;

g) Unpublished Price Sensitive Information:

"unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to financial results, dividends, change in capital structure, mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions, changes in key managerial personnel etc.

h) Material Non-Public Information:

A classification of employees that in the normal conduct of their job

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

responsibilities are likely to receive or be perceived to be aware of or receive material non-public information concerning the company's clients.

i) Insider:

An "Insider" means any person who is:

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

j) Contra trade

a) "Contra Trade" means a trade or transaction which involves buying or selling any number of shares of any listed Company and within 7 days trading or transacting in an opposite transaction involving sell or buy following the prior transaction.

b) The 'contra-trade' restrictions as described under below Clause 5 (j) hereafter shall not apply to Exchange Traded Funds (ETF), Mutual Funds (MF), Initial Public Offering (IPO), Follow-on Public Offering (FPO), Buy Backs, Currency, Commodities, Debt Instruments, INDICES and Offer for Sale (OFS).

k) 'Leak of UPSI' shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof.

Explanation: It covers the instances where the UPSI has been shared by a person to any person, association, body, firm, agency, society, entity or to a group thereof except in compliance with applicable law.

l) Company means GFC PMS

m) otherwise mentioned explicitly.

Interpretation of certain words and expressions:

Words and expressions not defined in this Code shall have the same meaning as contained in the Regulations, as amended from time to time. All other Definitions shall be read as per SEBI Insider Trading Regulations as amended from time to time.

6. Applicability

This policy outlines the personal account trading procedure to be followed and highlights the additional provisions with respect to employees and directors. These procedures apply to employees and directors as well as their immediate relatives.

7. Compliance Officer

A Compliance Officer who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under the 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 implementation of the codes specified under the SEBI Regulations under the overall supervision of the Board

The Compliance Officer under this Policy shall be responsible for:

- Setting forth policies, procedures, enforcing compliance to the rules for the preservation of Price Sensitive Information;
- Responding to all inquiries relating to this Policy
- Reviewing, Monitoring and either approving or denying proposed trades and the implementation of this Policy under the overall supervision of the Board of Directors of the Company
- Providing reports to the Chairman of the Audit Committee or other analogous body, if any, or to the Directors or head(s) of the organisation at such

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

frequency as may be stipulated by the Directors or head(s) of the organization but not less than once in a year.

- Providing copies of this Policy and other appropriate materials to all new Insiders.
- Revising the Policy as necessary to reflect changes in insider trading Rules and Regulations, or as otherwise deemed necessary or appropriate.

The Compliance Officer may designate one individual within the team who may perform the Compliance Officer's duties in the event that the Compliance Officer is unable or unavailable to perform such duties.

8. Disclosures

All Employees, Key Managerial Personnel, Directors and each of their Immediate dependent Relatives shall disclose their holding of securities by them.

9. Permissible Trades / Non-Permissible Trades

- a) Every employee is allowed to trade in IPO, Mutual Fund units, SIP investments and PMS .
- b) Every employee of the company whose name appears in the disclosure document (i.e., Directors & their relatives, key managerial personnel and grievance officer) can trade in securities within 7 days by obtaining preclearance by email from the compliance officer.
- c) Research analyst and portfolio manager, trader and its principal officer, to trade in their personal accounts in any securities within 7 days by obtaining preclearance by email from the compliance officer.
- d) Family members of employees are allowed to trade up to INR. 1 crore in individual securities.
- e) Sales and HR department employees are allowed to trade up to sum of Rs. 1 crore. To trade above INR 1 crore a preclearance of 7 days from the Compliance Officer by email is required.
- f) Employees are prohibited from profiting from the purchase and sale or sale and

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

purchase of the same (or equivalent) securities within 30 calendar days.

- g) All employees / their dependent relatives will have to Report their personal trading as well as holdings and transactions therein within 15 days from end of every quarter.
- h) Every person connected to GFC PMS are reminded that they are prohibited from trading, either personally or for the accounts of the Fund or other Clients, while in possession of material non-public information or communicating material non-public information to others in violation of the law.

10.Procedures for approving trades

- a) All requests for approval should be sent to the _____ of the Company marking a CC to the Compliance Officer at _____
Pre-clearance request should accompany prior approval of reporting manager.
- b) Any pre-clearance approval given shall be promptly forwarded to the Risk Management & Surveillance department by the Compliance Officer.
- c) Appropriate Authority shall consider such request and give final decision not later than 7 days requisition.
- d) In the absence of any response from the authority within 7 days the concerned person can proceed with the transaction and treat the same as deemed approval.
- e) The approval given by Appropriate Authority shall be valid for 7 days only.
- f) Any change or modification in the request will require fresh approval.
- g) Decision of the Appropriate Authority shall be final and binding on all.
- h) The Directors reserves the right to add, amend, modify this Code as and when it deems appropriate.
- i) Savings Clause: If any rules under the Code are in conflict with or inconsistent with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, then the SEBI (Prohibition of Insider Trading) Regulations, 2015 as modified/ amended in this Code.

11. Chinese Wall Procedure

- To prevent market abuse, a Chinese wall is an arrangement that requires information held by a person in the course of carrying on one part of its business to be withheld from, or not to be used for, persons with or for whom it acts in the course of carrying on another part of its business.
- Chinese walls are used to prevent insider dealings and conflicts of interests. Chinese walls are not only for bidding market participants to act but are also protecting them. This policy has been prepared in order to evidence usual procedures for complying with potential conflicts of interest scenarios that arise and could affect the impartiality of investment advisory and investment research prepared by research analysts.
- The employees shall be guided by the Conflict of interest policy adopted by the Company. The said Policy prescribes process with regards to how and when people shall be brought 'inside' on sensitive transactions.

12. Restricted/Grey List:

GFC shall maintain an updated list of Securities in which it is providing advice to clients called "Grey List".

13. Maintenance of Records

The Compliance Officer shall maintain records of:

- All the disclosures/declarations received from the Designated Persons and Non-designated persons and on behalf of their Immediate dependent Relatives for a period of eight years. All declarations/details of holding(s) or information of any kind provided by the employee through the software as may be designated from time to time for the purpose of compliance with this Policy, shall be deemed to be a declaration made under the provisions of this Policy.
- Employee should furnish name & PAN or any other identifier authorised by law on an

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

annual basis and as and when the information changes for immediate relatives with whom employees shares material financial relationship along with Phone and mobile numbers which are used by them. Additionally, names of education institutions from which designated persons have studied and past employment shall also be disclosed on a one-time basis.

14. Compliance with this Policy

An employee or Director will be held personally liable for any improper or illegal acts committed during the course of employment; non-compliance with this policy may be deemed to encompass one of these acts. Accordingly, one must read this policy and comply with the spirit and the strict letter of its provisions.

15. Penalty for contravention of Policy

Failure to comply may result in the imposition of serious sanctions, which may include, but are not limited to, the disgorgement of profits, suspension of personal trading privileges, referral to law enforcement or regulatory agencies or relieving of employee from his/her current responsibilities etc.

All employee who do not submit required declarations as per policy or who trade in securities or communicates any information or counsels any person for trading in securities or have violated any of the provisions of this policy will be penalised and appropriate action may be taken against them which may include disciplinary action by GFC in the form of suspension of trading, monetary penalty, wage freeze, warning, suspension, recovery, clawback etc. GFC reserves the right to inform SEBI or any other regulator on violation of this policy by an employee or director.

16. Structured Digital Database

GFC will maintain structured digital database under Regulation:

1. containing the names of such persons or entities with whom UPSI is shared.

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

2. It requires Designated Persons to disclose to GFC or related fiduciary, as the case may be, the names and Permanent Account Number (or any other identifier authorized by law) of (i) immediate relatives; and (ii) persons with whom such Designated Persons share a 'material financial relationship'.
3. Such databases shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database

17. Report to the Directors

The Compliance Officer shall place before the Directors on at least an annual basis, a Compliance Report, confirming that all the employees have complied with the Policy, along with the exception/violation report if any. In case of any material violation of this code, shall be intimated to SEBI promptly.

Please note that this document is a guiding manual amended as per SEBI (Prohibition of Insider Trading) Regulations 2015 therein and subject to amendment in case of any Notification issued by SEBI.

If at any point a conflict of interpretation/information between the Code and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/ directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

18. SPECIFIC GUIDANCE

A. Avoidance of Conflicts of Interest

1. In line with the Employee Code of Conduct, employees must not put their own interests ahead of the Company and its clients. Employees are prohibited from placing transactions in securities if this would (or be perceived to) create a conflict of interest between the employee and clients or the Company. Employees must also not seek to benefit in any way from their access to the Company or client information.

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

2. Employees must be mindful of this obligation, use best efforts to honour it, and report promptly to Compliance Officer, if any Company employee fails to meet this obligation.

B. Prohibition of Insider Trading:

3. In carrying out job responsibilities, employee must, at a minimum, comply with all applicable legal requirements and securities laws. An employee, may receive information about the Company, its clients or other parties that, for various reasons, must be treated as confidential. With respect to these parties, employees are not permitted to divulge to anyone (except as may be permitted by respective business and in accordance with approved procedures) proprietary information.
 - Unlawfully disclose the MNPI (Tipping) Employees cannot trade in a security if it would be reasonably foreseen that this could be perceived as Insider Trading
 - Employees cannot trade in a security if it would be reasonably foreseen that this could be perceived as Insider Trading.

C. Generally Prohibited Activities:

1. Tipping: - Providing material non-public information to another person who may trade or advise others to trade on the basis of that information is known as “tipping” and is illegal.

Therefore, no Insider may “tip” or provide MNPI concerning any Company to any person other than a director, officer or employee of the Company, and only if required as part of that Insider’s regular duties for the Company and authorized by the Compliance Officer.
2. Giving Trading Advice: - No Insider may give trading advice of any kind about any security to anyone, whether or not such Insider is aware of material non-public information about the Company, except that Insiders should advise other Insiders not to trade if such trading might violate the law or this Policy.
3. Trading in Securities of Other Companies: - An employee, may receive

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

information about the Company's clients or other parties that, for various reasons, must be treated as confidential. With respect to these parties, employees **are not** permitted to divulge to anyone (except as may be permitted by your business and in accordance with approved procedures) proprietary information. Employees must comply with measures in place to preserve the confidentiality of information. Hence, no Insider may, while in possession of material non-public information about any other public company gained in the course of employment with the Company, (a) trade in the securities of the other public company, (b) "tip" or disclose such material non-public information concerning that company to anyone, or (c) give trading advice of any kind to anyone concerning the other public company.

4. Prohibition of Market Manipulation: - Employees must not engage in, or attempt to engage in Market Manipulation or any kind of front running.

D. UPSI

There is no bright line test for determining whether particular information is material. Such a determination depends on the facts and circumstances unique to each situation, and cannot be made solely based on the potential financial impact of the information.

Unpublished Price Sensitive Information ("UPSI") means any information, which relates, directly or indirectly, to the Company or its securities, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities of the Company.

In general, information about the Company should be considered "material" if:

1. A reasonable investor would consider the information significant when deciding whether to buy or sell securities; or
2. The information, if disclosed, could be viewed by a reasonable investor as having significantly altered the total mix of information available in the

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

marketplace about the Company. Put simply, if the information could reasonably be expected to affect the price of the Company's stock, it should be considered material.

- It is important to remember that whether information is material will be viewed by enforcement authorities with the benefit of hindsight. In other words, if the price of the Company's stock changed as a result of the information having been made public, it will likely be considered material by enforcement authorities.
- While it is not possible to identify every type of information that could be deemed "material," the following matters ordinarily should be considered material:
 3. Financial performance, especially quarterly and year-end earnings or significant changes in financial performance or liquidity.
 4. Potential significant mergers and acquisitions or the sale of significant assets or subsidiaries.
 5. New major contracts, orders, suppliers, customers, or finance sources, or the loss thereof.
 6. Major discoveries or significant changes or developments in products or product lines, research or technologies.
 7. Significant changes or developments in supplies or inventory, including significant product defects, recalls or product returns.
 8. Stock splits, public or private securities/debt offerings, or changes in dividend policies or amounts.
 9. Significant changes in senior management.
 10. Actual or threatened major litigation or the resolution of such litigation.
 11. An imminent change in the Company's credit rating by a rating agency.
 12. The contents of forthcoming publications that may affect the market price of any security

Thus, detailing further UPSI includes, without limitation, information relating to the following:

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

- Financial results, financial condition, projections or forecasts;
- Dividends (both interim and final);
- Change in capital structure;
- Mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- Known but unannounced future earnings or losses;
- Significant corporate events, such as a pending or proposed acquisition or joint venture;
- Plans to launch new products or product defects that have a significant impact; Significant developments involving business relationships with customers, suppliers or other business partners;
- Changes in auditors as per statutory requirement or otherwise or auditor notification that the issuer may no longer rely on an audit report;
- Events regarding the Company's securities (such as repurchase plans, stock splits or changes in dividends, changes to the rights of security holders, public or private sales of additional securities or information related to any additional funding);
- Bankruptcies, receiverships or financial liquidity problems;
- Positive or negative developments in outstanding litigation, investigations or regulatory matters with significant impact on financial results; or
- Any changes to the Company's Board of Directors or the Company's key managerial personnel and key agreements with them;
- Any significant changes to the Company's capital structure.

The PIT Regulations prohibit the communication of UPSI to any person except in compliance with applicable law. Further, procuring any person to Trade in the securities of any company when in possession UPSI is also prohibited under the SEBI Regulations and the securities laws. Violations of the SEBI Regulations and the

GOOD FORTUNE CAPITALS PVT. LTD PMS

Prevention of Insider Trading Policy

securities laws subject Insiders to severe penalties including disgorgement proceedings & fines as per the applicable law.