GOYAL ASSOCIATES LIMITED

POLICY ON CODE OF CONDUCT FOR BOARD OF DIRECTORS & SENIOR MANAGEMENT OF GOYAL ASSOCIATES LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS & SENIOR MANAGEMENT OF GOYAL ASSOCIATES LIMITED

1. Introduction

1.1. This Code of Conduct ("the Code") shall be called 'Code of Conduct for Board of Directors and Senior Management of Goyal Associates Limited' (hereinafter referred to as "the Company").
1.2. The Code has been framed in compliance with the regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

2. Definition & Interpretation:

2.1. The term "Board Members" shall mean Directors on the Board of Directors of the Company.
2.2. In the Code, words importing the masculine shall include feminine and words importing singular shall include the plural or vice versa.

3. Applicability:

3.1. The code shall be applicable to:
(a) the Directors and
(b) the Senior Management Personnel shall mean the Senior Management as defined under the Regulation 16(1)(d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time and include the following:

The officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and Company Secretary and the Chief Financial Officer the persons identified and designated as key managerial personnel, other than the board of directors, by the listed entity.

4. Key Requirements:

4.1. The Board Members and Senior Management Personnel must act within the authority conferred upon them and in the best interests of the Company and observe the following code of conduct:

A. Honesty & Integrity –

The Directors and Senior Management personnel shall conduct their activities with honesty, integrity and fairness. They shall act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. Directors shall act in the best interests of the Company and fulfill the fiduciary obligations.

B. Conflict of Interest –

The Directors and Senior Management personnel shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company. In case there is likely to be a conflict of interest, he/she should make full disclosure of all facts and circumstances thereof to the Board of Directors and the approval of the Board is required to be obtained.

C. Other Directorships –

The Company feels that serving on the Board of Directors of other Competitor companies may raise substantial concerns about potential conflict of interest and therefore, all Directors must report / disclose such relationships to the Board on an annual basis.

D. Confidentiality of Information –

Any information concerning the Company's business, its customers, suppliers etc., which is not in the public domain and to which the Directors and Senior Management personnel have access or possess such information must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law.

E. Protection of Assets –

Directors and Senior Management personnel must protect the Company's assets and information and shall not use these for personal use, unless approved by the Board.

F. Periodic Review –

Once in every year or upon revision of this Code, every Director must accord consent to comply and the Senior Management personnel must give an undertaking for compliance of the same. New Directors shall accord their consent while joining the Board and New Senior Management personnel shall give an undertaking at the time when their employment begins.

The aforesaid consent or undertaking shall be in line with **"*Confirmation-I*"** attached herewith.

5. Code for Independent Directors:

The Independent Directors, in addition to the compliance with this Code, shall also comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this Code and enclosed as **"*Annexure – I*"**.

6. Enforcement of Code of Conduct:

6.1. Each Board Member and Senior Management Personnel shall be accountable for complying with the Code.

6.2. Penalty for breach of the Code by Senior Management Personnel / the Board members shall be determined by the Audit Committee of the Board of Directors.

7. Amendment(s) of the Code:

The Code may be amended from time to time by the approval of the Board of Directors of the Company.

Confirmation – I

To Date:
The Board of Directors
Goyal Associates Limited

401, Phoenix Complex,
Waghodia Road, Vadodara,
Gujarat, 380019Dear Sirs,

Sub: Confirmation of compliance with the Code of Conduct for Board and Senior Management as per regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

I, (Name of Director/ Senior Management Personnel), (Designation) of Goyal Associates Limited , do hereby confirm that I have read and understood the Code of Conduct applicable to the Board of Directors and Senior Management of the Company and that to the best of my knowledge and belief, I have complied with the requirements of this Code during the preceding financial year (mention previous year) and / or I affirm that I will comply with the requirements of this Code during the current financial year (mention current year).

(Signature)
(Name of Director/ Senior Management Personnel)
(Designation)
(DIN, if any)

Annexure – I

GOYAL ASSOCIATES LIMITED

CODE FOR INDEPENDENT DIRECTORS

This Code is a guide to professional conduct for independent directors and the independent directors are expected to adhere to these standards and fulfill their responsibilities in a professional and faithful manner.

This Code shall form part of the Code of Conduct for Board of Directors and Senior Management.

I. Guidelines of professional conduct

The independent directors are expected to maintain the following guidelines/ standards while conducting their professional duty.

1. Independent directors shall uphold ethical standards of integrity and probity in the interests of the Company;
2. They shall act objectively and constructively while exercising their duties;
3. They shall exercise their responsibilities in a bona fide manner in the interest of the Company;
4. They shall devote sufficient time and attention to their professional obligations for informed and balanced decision making;
5. They shall not allow any extraneous considerations that will vitiate their exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
6. They shall not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
7. They shall refrain from any action that would lead to loss of their independence;
8. They shall immediately inform the Board where circumstances arise which makes them lose their independence;
9. They shall assist the Company in implementing the best corporate governance practices.

II. Role and functions

1. The independent directors shall help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
2. They shall bring an objective view in the evaluation of the performance of board and management;
3. They shall scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
4. They shall satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
5. They shall safeguard the interests of all stakeholders, particularly the minority shareholders;
6. They shall balance the conflicting interest of the stakeholders;
7. They shall determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
8. They shall moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

III. Duties

1. The independent directors shall undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
2. They shall seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
3. They shall strive to attend all meetings of the Board of Directors and of the Board committees of which they are members;
4. They shall participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. They shall strive to attend the general meetings of the Company;
6. Where they have concerns about the running of the Company or a proposed action, they shall ensure that these are addressed by the Board and, to the extent that they are not resolved, they shall insist that their concerns are recorded in the minutes of the Board meeting;
7. They shall keep themselves well informed about the Company and the external environment in which it operates;
8. They shall not unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. They shall pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company;
10. They shall ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. They shall report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. They shall while acting within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
13. They shall not disclose confidential information including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

IV. Manner of appointment:

(1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
(2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
(3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfils the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.
(4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out :
(a) the term of appointment;

(b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
(c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
(d) provision for Directors and Officers (D and O) insurance, if any;
(e) the Code of Business Ethics that the company expects its directors and employees to follow;
(f) the list of actions that a director should not do while functioning as such in the company; and
(g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
(5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
(6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

V. Re-appointment

1. The re-appointment of independent director shall be on the basis of report of performance evaluation.

VI. Resignation or Removal

1. An independent director may resign from his office by giving a notice in writing to the Company and to the Registrar of Companies in the manner and in accordance with the provisions of section 168 of the Companies Act, 2013 ("the Act").

2. An independent director may be removed from his office in accordance with the provisions of section 169 of the Companies Act, 2013.

VII. Separate meetings

1. The independent directors shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management of the Company;
2. All the independent directors shall strive to be present at such meeting;
3. Such meeting shall:
(a) review the performance of non-independent directors and the Board as a whole;
(b) review the performance of the chairperson of the Company, taking into account the views of executive directors and non-executive directors;
(c) assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

VIII. Performance Evaluation

The evaluation of independent directors shall be done by the entire board of directors which shall include -
(a) performance of the directors; and
(b) fulfillment of the independence criteria as specified in these regulations and their independence from the management:

Provided that in the evaluation, the directors who are subject to evaluation shall not participate.

IX. Training Programme

The independent directors shall attend the training programme as may be organized by the Company in order to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

X. Adherence to the Applicable Laws

1. The independent directors shall adhere to the provisions of the Companies Act, 2013 to the extent and as may be applicable to them.
2. They shall comply with the provisions of the SEBI (LODR) regulations, 2015.
3. They shall comply with the Code of Conduct for Board of Directors and Senior Management.
4. They shall comply with the Code of Business Ethics of the Company.
5. They shall comply with all the laws to the extent and as may be applicable to the Company.
6. They shall give a declaration that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and regulation 16(1)(b) of the SEBI (LODR) regulations, 2015 as amended from time to time in the format as given in **'*Declaration - I*'** at the first meeting of the Board in which they participate as directors and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect their status as an independent director.
7. They shall from time to time furnish to the Company such declarations, disclosures, statements as may be required to be furnished by the Directors under the relevant laws.
8. An independent director shall be held liable in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently with respect to the provisions contained in the Companies Act, 2013 and the SEBI (LODR) regulations, 2015.

Declaration – I

To Date:
The Board of Directors
Goyal Associates Limited

401, Phoenix Complex,
Waghodia Road, Vadodara,
Gujarat, 380019

Dear Sirs,

Sub: Declaration to act/ continue as an Independent Director in pursuance of the provisions of Section 149 of the Companies Act, 2013 and regulation 16(1)(b) of SEBI (LODR) regulations, 2015

I, (Name of Independent Director), Director of Goyal Associates Limited , do hereby declare that:
(a) I am a person of integrity and possess relevant expertise and experience;

(b) *(i)* I am or was not a promoter of the Company or its holding, subsidiary or associate company or member of the promoter group of the listed entity;
(*ii*) I am not related to promoters or directors in the Company, its holding, subsidiary or associate company;

(c) Apart from receiving director's remuneration, I do not have / had pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the three immediately preceding financial years or during the current financial year;

(d) None of my relatives:

a) is holding securities of or interest in the Company, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-up capital of the Company, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;
b) is indebted to the Company, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
c) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
d) has any other pecuniary transaction or relationship with the Company, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company or their promoters, or directors in relation to points (a) to (d) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to

time, whichever is lower.

(e) Neither myself nor any of my relatives —

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company or any company belonging to the promoter group of the Company in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed;

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed, of—

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;

(iii) holds together with my relatives two percent or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts or corpus from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company; or

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company.

(f) I possess appropriate balance of skills, experience and knowledge in fields / disciplines related to the Company's business;

(g) I am not less than 21 years of age.

(h) I am not a non-Independent Director of another company on the Board of which any non-Independent Director of Company is an Independent Director.

Signature_____(Name of Director)
(Designation and DIN, if any)