



INSIDER TRADING POLICY

1. OBJECTIVE

The Securities and Exchange Board of India (“SEBI”) vide its insider trading regulations prohibits any company’s directors, Employees and other “insiders” from engaging in securities trading on the basis of unpublished price sensitive information. Clause 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 requires every market intermediary to formulate a code of conduct to regulate, monitor and report trading by its employees towards achieving compliance with these regulations. Accordingly, PNB Investment Services Ltd(the “Company” or “PNBISL”) has adopted Employee Securities Trading Code (**hereinafter referred to as ‘the Code’**), **that applies to all Designated Employees, Directors of the Company and their Immediate Relatives.**

2. PREAMBLE

- a) The Code should be complied with both in letter and spirit.
- b) No special dispensation would be granted under this Code, except as expressly stated herein.
- c) Any lapse or non-compliance of the Code would be viewed seriously and may render the Designated Employee liable for disciplinary action which can include wage freeze, suspension, etc.
- d) Action by the Company shall not preclude SEBI from taking any action under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- e) The Code is subject to review from time to time, in order to comply with the regulatory requirements and industry standards.
- f) The Company has sought an informal guidance from SEBI by way of an Interpretive Letter under SEBI Informal Guidance Scheme, 2003 regarding SEBI (Prohibition of Insider Trading) Regulations, 2015. SEBI vide its guidance letter dated November 25, 2016 has advised that the contra trade restrictions shall not be applicable to PNBISL or its employees while trading in securities of listed companies where no connection, possession or access to Unpublished Price Sensitive Information (UPSI) is envisaged.

3. SCOPE OF THE CODE

The Code shall apply to trading by all Designated Employees, Directors and their Immediate Relatives in all primary as well as secondary market transactions in Securities (as defined hereunder) listed or proposed to be listed in India.

The onus of reporting/compliance for all trading in Securities by a Designated Employee/Director for or on account of their Immediate Relatives is on the Designated Employee /Director.

4. DEFINITIONS

- a) **“Compliance Officer”** means the officer appointed/designated by the Company as Compliance Officer.
- b) **“Designated Employee”** means and includes, all employees who are at the services of PNBISL including employees on deputation, contract staff and whole -time director of the Company. Employees who are at the payroll of PNBISL but are posted or deputed in some other organization will not fall in the ambit of this Code.
- c) **“Director”** means and includes, all directors of the Company including directors nominated by PNB. However, for the purposes of this Code, the term “Director” would not include whole-time director.
- d) **“Immediate Relative”** means a spouse of the Designated Employee, and includes parent, sibling, and child of such Designated Employee or of the spouse, any of whom is either dependent financially on such Designated Employee, or consults such Designated Employee in taking decisions relating to trading in securities. For the purpose of clarity it is mentioned that spouse of a Designated Employee is always considered as Immediate Relative irrespective of whether the spouse have independent source of income.
- e) **“Securities”** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or any modification thereof except units of a mutual fund. For the purpose of clarity it is mentioned that “securities” include—
 - i. shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
 - ii. derivative;
 - iii. units or any other instrument issued by any collective investment scheme to the investors in such schemes;
 - iv. security receipt as defined in clause (zg) of section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - v. any certificate or instrument (by whatever name called), issued to an investor by any issuer being a special purpose distinct entity which possesses any debt or receivable, including mortgage debt, assigned to such entity, and acknowledging

beneficial interest of such investor in such debt or receivable, including mortgage debt, as the case may be;

- vi. Government securities;
- vii. such other instruments as may be declared by the Central Government to be securities; and
- viii. rights or interest in securities;

f) "**Trading**" means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.

g) "**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 the following: –

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement.

5. COMPLIANCE OFFICER

- a) The Compliance Officer of the Company appointed as per Regulation 28A of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 shall be designated as the compliance officer to administer the Code.
- b) The Compliance Officer shall report to the Board of Directors if he/she observes that there has been violation of the Code.
- c) The Compliance Officer shall be responsible for setting forth policies & procedures and for monitoring adherence to the rules for preservation of Unpublished Price Sensitive Information as also for granting approval for undertaking trades and for overall implementation of the Code; under the overall supervision of the Board of the Directors of the Company
- d) The Compliance Officer/Compliance Team shall also assist all the Designated Employees by providing clarifications regarding SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's Code.

- e) The Compliance Officer shall maintain the Restricted List in strict confidentiality.
- f) The Compliance Officer shall maintain records of all declarations by the Designated Employees in an appropriate form for a minimum period of five years.

6. PRESERVATION OF PRICE SENSITIVE INFORMATION

- a) Any Unpublished Price Sensitive Information obtained in the course of handling assignments should be kept confidential by the Designated Employees associated with the assignments, and should not be disclosed to any other person, directly or indirectly, except as required in the ordinary course of business on a “need to know” basis or as required under any law. In other words, price sensitive information should be disclosed only to those within the Company who need the information in discharge of their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
- b) Moreover, no Designated Employee shall procure any Unpublished Price Sensitive Information, while handling an assignment, except in furtherance of legitimate purposes, performance of duties of the assignment or discharge of legal obligations.

7. PREVENTION OF MISUSE OF PRICE SENSITIVE INFORMATION

- a) All files containing confidential information relating to any client shall be kept secure by the Designated Employees. Computer files must have adequate security of login and password, etc.
- b) **Chinese Wall:** All Product/Business Groups/Verticals shall be called "Inside Areas" and Non Product/Support Groups shall be called "Public Areas". Designated Employees of the Product/Business Groups are strictly prohibited from communicating any information, which is of a price sensitive nature and is unpublished, to Designated Employee (s) of the "Public Areas" and/or to any other Designated Employee(s) in other Product Groups. In case it becomes utmost necessary to communicate information of price sensitive nature to a Designated Employee in the “Public Areas”, proper Wall Crossing procedures as mentioned in the Chinese Wall Policy of the Company will need to be carried out.
- c) Designated Employees shall not use Unpublished Price Sensitive Information to buy or sell Securities of any type and in any manner, whether for their own account, their Immediate Relatives’ account, Company’s account or client's account.

8. PRE-CLEARANCE OF TRADES

All Designated Employees of the Company who intend to trade in the Securities on behalf of themselves or their Immediate Relatives shall pre-clear the transaction as per the procedure described hereunder:

- a) Designated Employees, who wish to buy or sell Securities, will make a request through e-mail/in writing as per Annexure E /the online platform provided by the Company to the Compliance Officer in respect of the Security they wish to trade in.

- b) However pre-clearance approval need not be obtained for trading in non-convertible debt instruments (bonds, debentures, Government securities etc.) by the Designated Employees and/or their Immediate Relatives upto **a threshold limit of Rs. 1,00,00,000/- (Rupees One Crore only)** in a financial year.
- c) When a request is received from any Designated Employee, the Compliance Officer will approve transactions relating to Securities of companies not included in the current

Restricted List.

In absence of the Compliance Officer, the Chief Operating Officer will approve the pre-clearance requests. Such pre-clearance will be valid only for seven days. If the trade is not completed within this period, the pre-clearance will have to be sought again.

- d) The Designated Employees requesting for a pre-clearance shall provide declarations to the effect that the Designated Employee is not in possession of any Unpublished Price Sensitive Information. The Compliance Officer shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- e) Any trading in Securities by the Compliance Officer would require prior approval from the Managing Director & CEO, and in his absence, from the COO.

10. RESTRICTED LIST

- a) In order to monitor Chinese Wall procedures and to prohibit trading in client companies' stocks, based on inside information, the Company will maintain a list of companies/securities called "Restricted List".
- b) The name of any incorporated company or other body corporate (listed or proposed to be listed) will be put on the Restricted List where the Company (PNBISL) is handling any assignment and is privy to Unpublished Price Sensitive Information. The names of such companies will be included in the Restricted List at the time of creation of the Lead.
- c) If any Business Group/Vertical is in early stages of negotiations with a listed entity and has access to Unpublished Price Sensitive Information or has signed a Confidentiality and/or Non-Disclosure Agreement to obtain Unpublished Price Sensitive Information, Lead shall be immediately created so that the name of such company will be put on the Restricted List.
- d) The name of the company will be deleted from the Restricted List upon creation of the ACN
- e) The Restricted List itself is highly confidential and will be maintained by the Compliance Officer. Names of companies in the Restricted List and whether a specific company appears in the Restricted List will not be disclosed by the Compliance Officer.
- f) When any company is on the Restricted List, trading in Securities of such company by Designated Employees in secondary market will be blocked / dis-allowed at the time of pre-clearance.

- g) Designated Employees will be allowed to subscribe to the Securities in the primary market (IPO, FPO, Rights Issue, etc.), based on the offer document, subject to other restrictions. Designated Employees will also be allowed to purchase Securities during an Offer for Sale (OFS) through the Stock Exchange Mechanism where floor price is announced on the previous day. However where floor price is given to the Designated Stock Exchange in a sealed envelope this exemption is not available.

11. OTHER RESTRICTIONS

- a) Designated Employees and their Immediate Relatives shall execute their orders within seven days, after pre-clearance is given. If the trade is not executed either in part or full within seven days after securing pre-clearance, the reasons for not doing the trade should be recorded by the Designated Employees.
- b) As matter of prudence, Designated Employees and their Immediate Relatives shall not execute any contra trade within a period of one month. For the sake of understanding, it is clarified that if a Designated Employee purchases a security he will have to hold it at least for one month from the date of purchase. In case a Designated Employee sells a security he is not allowed to purchase that security for a period of at least for one month from the date of sale.
- c) This holding period shall also apply to purchases in primary market transactions. In such cases, the holding period would commence from the date the Securities are actually allotted.
- d) In case any sale of Securities is necessitated by personal emergency, the holding period may be waived by the Compliance Officer at his sole discretion, after recording reasons in writing in this regard provided that such relaxation doesn't violate the Code. However, Designated Employees are prohibited from selling Securities even in cases of personal emergencies, if such Securities are appearing in the current Restricted List. "Emergency" refers to exceptional circumstances resulting in grave financial difficulty, which call for sale of Securities as the only reasonable course of action.

12. APPLICATION OF THE CODE TO THE DIRECTORS (APART FROM WHOLE-TIME DIRECTOR) OF THE COMPANY.

The Code is applicable to all the Directors on the Board of Directors of the Company (including the Directors nominated by PNB). The Directors would need to ensure compliance with the following:

- a) Directors are bound to maintain confidentiality of all price sensitive information and not pass on such information directly or indirectly by way of making recommendation for the purchase or sale of securities.
- b) Directors should not use price sensitive information to buy or sell securities of any sort whether for their own account, their Immediate Relatives account, organization/firms account or a client's account.

- c) Directors, who wish to buy or sell Securities either on behalf of themselves or their Immediate Relatives, will make a request through e-mail/in writing as per Annexure E to the Compliance Officer in respect of the Security they wish to trade in.
- d) However pre-clearance approval need not be obtained by the Directors upto the following **threshold limits:**
 - i. **Rs. 3,00,00,000/- (Rupees Three Crore only)** in a financial year, in respect of trading in equity shares and other convertible securities by the Directors and/or their Immediate Relatives
 - ii. **Rs. 3,00,00,000/- (Rupees Three Crore only)** in a financial year, in respect of trading in non-convertible debt instruments (bonds, debentures, Government securities etc.) by the Directors and/or their Immediate Relatives
- e) When a request is received from any Director, the Compliance Officer will approve transactions relating to Securities of companies not included in the current Restricted List. In absence of the Compliance Officer, the Chief Operating Officer will approve the pre-clearance requests. Such pre-clearance will be valid only for seven days. If the trade is not completed within this period, the pre-clearance will have to be sought again.
- f) Orders for which pre-clearance has been obtained are to be executed within seven days. If the order is not executed within seven days after approval is given, clearance for the transaction should be obtained again.
- g) Directors and their Immediate Relatives shall not execute any contra trade within a period of one month. For the sake of understanding, it is clarified that if a Director purchases a security he/she will have to hold it at least for one month from the date of purchase. In case a Director sells a security he/she is not allowed to purchase that security for a period of at least for one month from the date of sale.
- h) Reporting requirements as described hereunder would also apply to Directors and their Immediate Relatives.

13. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES

All Designated Employees and Directors of the Company are required to forward / submit in system, the following details of their Securities transactions, from time to time, as described herein below, to the Compliance Officer:

a) At the time of Joining the Company

- i. List of Immediate Relatives (Annexure A). The list should be updated as and when there is a change of Immediate Relative.
- ii. List of Securities held by the Employees and their Immediate Relatives along with the Undertaking regarding trading in Securities (Annexure B)

b) Half Yearly Submission, within 30 days from the end of every Half year (Submission through e-mail or in writing or the online platform provided by the Company)

- i. Half Yearly Statement of Transactions (Purchase/Sale of Securities) (for Self and Immediate Relatives) (Annexure C)

c) Annual Submission, within 30 days from the end of every financial year (Submission through e-mail or in writing or the online platform provided by the Company)

- i. Annual Statement of Holdings (for Self and Immediate Relatives) (Annexure D)

d) Reporting on Continues basis:

- (i) Employees are required to report the trade executed by them or their immediate relatives within 10 days from the date of Pre-clearance.
- (ii) Employees are also required to report the securities obtained through primary market issuance like IPO, FPO, OFS and Rights Issues.
- (iii) Employees are required to update the change in securities held by them or their immediate relatives, pursuant to any corporate actions like bonus, buy-back, de-listing, merger, demergers, or anything acquired as gifts or through inheritance.

Annexures provided in this Code are the specimen formats of disclosures to be submitted and for reference purpose only; employees are required to do the actual reporting in the system available from time to time.

The Compliance Officer shall place before the top management on a monthly basis, all details of preclearance for trading in Securities undertaken by Designated Employees of the Company.

14. PENALTY FOR CONTRAVENTION OF THE CODE OF CONDUCT

- a) Any Designated Employee who trades in Securities or communicates any information or counsels any person on trading in Securities, in contravention of the Code, may be penalised and appropriate action may be taken by the Company.
- b) Any Designated Employee of the Company who violates the Code may also be subject to disciplinary action by the Company, which may include monetary penalty, wage freeze, suspension/termination, etc.
- c) Further, all employees should make note that as per the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, any profits made through contravention of the Regulations are liable to be disgorged.
- d) The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

- e) In case it is observed by the Board of Directors of the Company that there has been a violation of this Code by any Designated Employee, then the Board of Directors of the of the Company shall inform the same to SEBI.

ANNEXURE A

**LIST OF IMMEDIATE RELATIVES
TO BE SUBMITTED AT THE TIME OF JOINING THE COMPANY**

Sub: List of Immediate Relatives *

Please note that, as of date, my relatives are: Name of the Immediate Relative	Relation to the Designated Employee/Director

ANNEXURE B

**UNDERTAKING REGARDING TRADING IN SECURITIES
TO BE SUBMITTED WITHIN SEVEN DAYS OF JOINING THE COMPANY**

1. Name of the Designated Employee/Director _____

2. Designation and Group/Division _____

I hereby undertake that:

I shall maintain confidentiality of any information obtained while working in the Company and I would continue to abide by this obligation even after I leave the Company.

I shall not communicate any such information, that may come to my knowledge in the course of my work, to any other person either within or outside the Company, except in the ordinary course of business or under any laws. I shall not trade in Securities, either on my behalf, or on behalf of any Immediate Relative(s), based on any Unpublished Price Sensitive Information.

I shall not counsel or procure any person to trade in Securities of any company on the basis of Unpublished Price Sensitive Information.

I shall not indulge in speculation or frequent buying and selling of Securities.

I undertake to obtain pre-clearance from the Compliance Officer, prior to undertaking any transaction in Securities.*

I note to furnish details of all trading in Securities made by me.

I hereby declare the particulars of the Securities held by me (either on my own account or on account of my Immediate Relatives) as on date, i.e. Name of the Designated Employee or Immediate Relatives *(Please refer to the definition of Immediate Relatives in the Code)	Name of the Company	Nature of Security	Quantity

Signature of the Designated Employee/Director:

Name of the Designated Employee/Director:

Date:

Notes:

ANNEXURE C

HALF YEARLY STATEMENT OF TRANSACTIONS (PURCHASE/SALE OF SECURITIES)

TO BE SUBMITTED WITHIN 30 DAYS FROM THE END OF EVERY HALF YEAR

1. Name of the Designated Employee/Director: _____

2. Designation and Group: _____

3. Employee No.: _____

Details of Securities purchased and sold during the half year ended' (either on the Designated Employee's /Directors own account or on any Immediate Relative's account)

Purchase:

Name of the Company	Nature of Security	Quantity	Value	Date of Trading

IPO/FPO/Rights/OFS:

Name of the Company	Nature of Security	Quantity	Value	Date of Trading

Sale:

Name of the Company	Nature of Security	Quantity	Value	Date of Trading

I hereby declare that, while entering into the above transactions, I was fully aware of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, and any other rules/notifications/circulars issued by SEBI or any other regulatory authority from time to time.

I further declare and affirm that, while entering into the above transactions, I did not possess nor had access to any Unpublished Price Sensitive Information about the Securities.

I confirm that I have obtained pre-clearance from the Compliance Officer, prior to undertaking the transactions in Securities reported above.*

Further, I hereby undertake that:

I shall maintain confidentiality of any information obtained while working in the Company and I would continue to abide by this obligation even after I leave the Company.

I have not traded in Securities on the basis of any Unpublished Price Sensitive Information coming to my knowledge in the course of my professional assignment(s) or otherwise in the Company, in my name or in the name of any Immediate Relative.

I shall not communicate any such information that may come to my knowledge in the course of my work, to any other person either within or outside the Company, except in the ordinary course of business or under any laws. I shall not trade in Securities, either on my behalf, or on behalf of any Immediate Relative(s), based on any Unpublished Price Sensitive Information.

I shall not counsel or procure any person to trade in Securities of any company on the basis of Unpublished Price Sensitive Information.

I shall not indulge in speculation or frequent buying and selling of Securities.

Signature of the Designated Employee/Director:

Name of the Designated Employee/Director:

Date:

Notes:

*In case of Directors of the Company (apart from whole-time director) and their Immediate Relative, this restriction shall apply to the extent applicability of the Code to them.

ANNEXURE D

ANNUAL STATEMENT OF HOLDINGS

TO BE SUBMITTED WITHIN 30 DAYS FROM THE END OF EVERY FINANCIAL YEAR.

1. Name of the Designated Employee/Director:_____

2. Designation and Group:_____

3. Employee No.:_____

I hereby declare the particulars of Securities held by me (*either on my own account or on account of my Immediate Relatives*) as on 31st March,....., as under:

Name of the Company	No. of Securities held as on April 1,	No. of Securities purchased during the year	Date of Transaction	No. of Securities sold during the year	Date of Transaction	No. of Securities held as on March 31,

I hereby declare that the information above is true and correct to the best of my knowledge.

Yours faithfully,

Signature of the Designated Employee/Director:

Name of the Designated Employee/Director:

Date:

Note:

ANNEXURE E

PRE-CLEARANCE OF TRADE

To

The Compliance Officer,
PNB Investment Services Ltd

Name of the Designated Employee/Director: _____

Designation & Group: _____

Employee No.: _____

Name of Security to be purchased/sold: _____

Type of Instrument: _____

Type of Trade viz. Buy or Sell: _____

Trade on behalf of Self, Spouse, Children, etc.: _____

Quantity: _____

Value: _____

Details of Depository with whom the Designated Employee/Director/Immediate Relative has an Account:

I hereby undertake as under:

I do not possess or have access to any Unpublished Price Sensitive Information about the Securities to be traded till the time of signing this undertaking.

In case I have access to or receive any such information after signing this undertaking but before execution of this trade, 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 client company till such time as the information becomes public.

I have not contravened the Code of Conduct on prevention of insider trading, as notified by the Company from time to time.

I have made full and true disclosure in the matter

I confirm that I will keep this request for pre-clearance and its outcome (or any other communications) in pursuance of the same, as highly confidential.

I will not execute any contra trade in this Security within a period of one month.

Signature of the Designated Employee/Director:

Name of the Designated Employee/Director :

Date:

APPROVED /REJECTED **

COMPLIANCE OFFICER

DATE:

Note: -

Where this request is approved, the approval is valid for seven days.

ANNEXURE F

TRADING IN SECURITIES BY SPOUSE THROUGH OTHER BROKER

Name of the Designated Employee	
Employee No.	
Designation and Group	
Name of Spouse	
Name of Broker	

I hereby confirm that all other restrictions of the Code i.e. preclearance approval, adherence to minimum holding period, reporting requirements etc. will be adhered to by my spouse.

I also confirm that I will submit to the Company a copy of the half-yearly statement of the trading account of my spouse held with the broker mentioned above.

Yours faithfully,

Signature of the Designated Employee

ANNEXURE -G

REASONS FOR NOT EXECUTING TRADE AFTER PRE-CLEARANCE

The Compliance Officer,
PNB Investment Services Ltd.

Name of the Designated Employee/Director: _____

Designation & Group: _____

Employee No.: _____

Name of Security for which pre-clearance was sought: _____

Type of Instrument: _____

Type of Trade viz. Buy or Sell: _____

Trade on behalf of Self, Spouse, Children, etc.: _____

Quantity: _____

Value: _____

Details of Depository with whom the Designated Employee/Director/Immediate Relative has an Account: _____

I hereby mention the reasons for not undertaking the trade as was approved in the pre-clearance:

Moreover, I undertake as follows:

I did not possess nor had access to any Unpublished Price Sensitive Information upto the time of signing this undertaking in respect of the Securities for which pre-clearance was sought.

I understand that it was my duty to inform you in case I have received any Price Sensitive Information in respect of the Securities for which pre-clearance was sought.

I have not contravened the Code of Conduct on prevention of insider trading, as notified by the Company from time to time.

I have made full and true disclosure in the matter.

Signature of the Designated Employee/Director:

Name of the Designated Employee/Director:

Date:

REASONS APPROVED /REJECTED

COMPLIANCE OFFICER

DATE: Note: -