

**ANANDRATHI**

**ANAND RATHI WEALTH LIMITED**

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

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## **1. PREAMBLE:-**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI Regulations") came into force on 15<sup>th</sup> May, 2015 and provides the legal and regulatory framework for prohibiting the communication and procurement of Unpublished Price Sensitive Information ("UPSI") related to listed companies in India and insider trading in their securities.

The Board has adopted this Code of Conduct for Prevention of Insider Trading (the "Code"), to regulate, monitor and report trading in securities and handling of Unpublished Price Sensitive Information ("UPSI") related to the Company or its securities, pursuant to the SEBI Regulations. The objective of the Code is to lay down guidance for Designated Persons and their Immediate Relatives, to understand their obligations under the SEBI Regulations, including the procedures to be followed at the time of trading in the securities of and dealing with UPSI related to the Company or its securities. The Code also defines the responsibilities of various stakeholders for ensuring compliance with the SEBI Regulations.

Every Designated Persons has a duty to safeguard the confidentiality of all such information obtained in the course of his work at the Company. No Person may use his position or knowledge during his employment/association with the Company to gain personal benefit or to provide benefit to any third party. All the securities transactions should be conducted in accordance with these guidelines and in such manner so as to avoid actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility.

This Code is in addition to the SEBI Regulations, and the Designated Persons and their Immediate Relatives should be aware of and comply with the provisions of the SEBI Regulations and this Code.

## **2. OBJECTIVES OF THE CODE & POLICY:-**

- a. To ensure compliance and adherence to the guidelines prescribed under SEBI PIT 2015.
  - b. To ensure that Designated Persons of Anand Rathi Wealth Limited("the Company") do not take undue advantage of any confidential information including but not limited to price-sensitive information that they may possess in respect of any company/security
  - c. To prevent legal, business and ethical conflicts which an Designated Persons may encounter during his/her employment in the Company, and to safeguard against the misuse of proprietary or confidential information.
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- d. To permit Designated Persons to deal in their personal account without misusing their freedom and to deal in such manner, that may not cause the difficulty, disadvantage of the Clients of the Company, or contrary to any of the SEBI Regulations, circulars, and guidelines issued from time to time regarding it.
- e. To prevent Designated Persons to deal in securities in advance of a substantial client order.
- f. This Code is intended to discourage Designated Persons from engaging in personal trading on a scale or of a kind that would distract them from discharging their responsibilities to the Company.
- g. To guide the Designated Persons in maintaining a high standard of probity that one would expect of them in a position of responsibility.
- h. To also address actual or potential conflict of interest arising from dealings or trading of securities by Research Analysts employed by the Company in respect of those companies on which Research Report is prepared/ issued. The resolution of conflict of interest promotes objective and reliable research that reflects an unbiased view of the research analyst and prevents the use of research reports or research analyses to manipulate the securities market.

### 3. **IMPORTANT DEFINITION:-**

- (a) "**Act**" means the Securities and Exchange Board of India Act, 1992
  - (b) "**Board**" means the Securities and Exchange Board of India;
  - (c) "**Company**" means Anand Rathi Wealth Limited.
  - (d) "**Compliance Officer**" means any senior officer, designated so and reporting to the board of directors or head of the organization in case board is not there, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations and who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the board of directors of the company or the head of an organization, as the case may be;
  - (e) "**Connected person**" means,-
    - (i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship between himself and the company whether temporary or
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permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established, :-

- (a) An immediate relative of connected persons specified in clause(i); or
  - (b) A holding company or associate company or subsidiary company; or
  - (c) An intermediary as specified in section 12 of the Act or an employee or director thereof; or
  - (d) An investment company, trustee company, asset management company or an employee or director thereof; or
  - (e) An official of a stock exchange or of clearing house or corporation; or
  - (f) A member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or
  - (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2(72) of the Companies Act, 2013; or
  - (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
  - (i) a banker of the company; or
  - (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten percent of the holding or interest;
- (f) **Contra trade** means a trade or transaction which involves buying or selling any number of shares of the Company and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.
- (g) **“Dealing in Securities or Trading ”** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any Securities including the Securities of the Company, and "trade" shall be construed accordingly.
- (h) **“Designated Persons(s)” means and includes :—**
1. Directors of the Company
  2. Key Managerial Personnel of the Company and its' subsidiaries
  3. Promoter and Promoter Group of the Company
  4. Employees—
    - a) Upto two levels below Directors/Managing Director/Executive Director/Chief Executive Officer of the Company and its subsidiaries, irrespective of their functional role in the Company or ability to have access to Unpublished Price Sensitive Information;
    - b) Support Staff of the Company such as accounts, finance and taxation department, Secretarial Staff, IT staff, legal and Compliance departments, who have access to the UPSI.
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- c) Other Employees of the Company and material subsidiaries designated on the basis of their functional role or access to UPSI.

The Compliance Officer is empowered to amend and finalise the broad categories or individuals to be covered as Designated Persons under the Code in consultation with the Chairman/Managing Director/Whole-time Director.

- (i) **"Financially literate"** means a person who has the ability to read and understand basic financial statements i.e. balance sheet, profit and loss account, and statement of cash flows;
- (j) **"Fiduciaries"** refers to professional firms such as auditors, accountancy firms, law firms, analysts, consultants, banks etc., assisting or advising the company.
- (f) **'Front Running'** means any transaction of purchase/sale of a security carried out by an employee whether for self or for any other person, knowing fully well that the Company intends to purchase/sell the same security for its business activity(ies)/operation
- (g) **"Generally available information"** means information that is accessible to the public on a non-discriminatory basis.
- (h) **"Immediate Relative"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities.
- (i) **"Insider"** means any person who is:
  - i) A connected person; or
  - ii) In possession of or having access to unpublished price sensitive information (UPSI);
- (j) **"Key Managerial Personnel"** means key managerial personnel as defined in the Companies Act, 2013 and includes
  - (a) Chief Executive Officer;
  - (b) Managing Director;
  - (c) Manager;
  - (d) Company Secretary;
  - (e) Whole-Time Director;
  - (f) Chief Financial Officer.
- (k) **"Legitimate Purpose"** shall include sharing of unpublished price sensitive information in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of Insider Trading Regulations.
- (l) **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.

- (m) **"Promoter group"** shall have the meaning assigned to it under the SEBI (Issue of Capital and Disclosure Requirements) regulation 2018 or any modification thereof;
- (n) **"Proposed to be listed"** shall include securities of an unlisted company:
  - (i) if such unlisted company has filed offer documents or other documents ,as the case may be, with the board, stock exchange(s) or registrar of companies in connection with the listing or
  - (ii) is such unlisted company is getting listed pursuant to any merger or amalgamation and has filed a copy of such scheme of merger or amalgamation under the companies act 2013;
- (o) **"Regulations"** means SEBI (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Research Analysts) Regulations, 2014 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003.
- (p) **"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.
- (q) **'Self Dealing'** means trading in the securities based on information which is price sensitive in nature and to which an employee has access to such information by virtue of his office or position.
- (r) **"Specified"** means specified by the Board in writing.
- (s) **"Takeover Regulations"** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and any amendments thereto.
- (t) **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly.
- (u) **"Trading day"** means a day on which the recognized stock exchanges are open for trading;
- (v) **"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, delisting, disposals and expansion of business and such other transactions;
  - v. changes in key managerial personnel

**(w) Interpretation of Certain Words and Expressions:**

Words denoting the singular shall include the plural and vice-versa and words denoting masculine gender shall include reference to feminine or neuter gender. Words and expressions used and not defined in this code but defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act,

1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislation.

4. **APPLICABILITY OF CODE AND INTERNAL TRADING POLICY:-**

This Code is applicable to–

1. Promoters and Directors of the Company and its subsidiaries
2. Employees of the Company and its subsidiaries (including external resources appointed), Connected Persons, Insiders, the Designated Persons and their Immediate Relatives.
3. Such other person as may be specified by the Compliance Officer, from time to time.

New Employees/ Directors shall be bound by this Code from the date of their joining ARG.

The applicability shall be dependent on the role and responsibilities of the Directors and employees vis-à-vis management and operations of the Company.

5. **NON APPLICABILITY OF INTERNAL TRADING POLICY:-**

Nothing contained in this Policy shall apply to the following investments:

- (i) Fixed deposits with banks/financial institutions/companies, life insurance policies, provident funds (including public provident fund), investment in savings schemes such as National Savings Certificates, National Savings Schemes, Kisan Vikas Patra, schemes launched by Pension Fund Regulatory Authority, or any other similar investment.
- (ii) Gold, silver, real estate, paintings, antiques, etc., where there is no likely conflict between the interest of ARG and the interest of the Employees/Directors.
- (iii) Units of mutual fund schemes and other collective investment schemes and PTCs where there is no likely conflict between the interest of ARG and the interest of the Employees/Directors
- (iv) Government securities, corporate fixed deposits, commercial papers, money market instruments and treasury bills

6. **COMPLIANCE OFFICER:-**

- (i) The Compliance Officer shall be responsible for setting for the policies and procedures and monitoring adherence to the rules for the preservation of unpublished price sensitive information, maintaining database containing details of Designated Persons and details of such persons/entities with whom UPSI is shared, pre-clearing of all Designated Persons and their immediate relatives trades, monitoring of trades and implementation of this Code under the overall supervision of the Board of the Company.
- (ii) The Compliance Officer shall maintain the list of Designated Persons and shall keep the list updated at all times in respect of any change in the Designated Persons due

to appointment/resignation/transfer etc. of the Designated Persons.

- (iii) The Compliance Officer shall assist all Designated Persons, Insiders of the Company in addressing any clarification regarding Regulations mentioned above and the Company's Code and Policy.
- (iv) The Compliance Officer shall in consultation with the Chairman and/or Managing Director and the Board specify prohibited period (i.e. closure of the Trading Window) from time to time and make announcement/s thereof ensuring that prohibited period is intimated to all concerned before the commencement of the said period.
- (v) The Compliance Officer shall implement punitive measures or disciplinary action prescribed for any violation or contravention of this Code.
- (vi) Any instance which leads to a suspicion regarding "insider trading" will be informed to the Board of Directors and/or Audit Committee.

7. **CONFIDENTIALITY:-**

All non-public information relating to any client or activities of the client are strictly confidential and shall not be disclosed orally or in writing or electronically, directly or indirectly to anyone other than as required by the Regulator/Government/Court.

8. **PRESERVATION OF UNPUBLISHED PRICE SENSITIVE INFORMATION:-**

- (i) Designated Persons shall not use, communicate, provide, or allow access to Unpublished Price Sensitive Information, related to Company or its securities or to buy or sell securities of any sort, whether for their own account, their immediate relative's account or client's account, except where such communication is in furtherance of the Designated Person/Insider's legitimate purposes, performance of duties or discharge of legal obligations or as permitted in the Regulations.
  - (ii) Unpublished Price Sensitive Information is to be handled on a "Need-To-Know" basis, i.e., it should be disclosed only to those within the Company who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
  - (iii) Designated persons shall not trade in Securities of the Company directly or indirectly, either on his / her own behalf, or on behalf of any other person, when in possession of Unpublished Price Sensitive Information, except in compliance with the provisions of this Code or SEBI Regulations. Provided that exercise of stock options under the Company's Employee Stock Option Scheme ("ESOS") shall not be considered as trading / purchase of the Securities of the Company except for disclosure requirements as specified in SEBI Insider Trading Regulations.
  - (iv) Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.
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- (v) No employee shall pass on information to anybody inducing him to buy/sell securities of the Company..
- (vi) However, UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction which:
  - i. entails an obligation to make an open offer under the takeover regulations where the Board of the Company is of informed opinion that the proposed transaction is in the best interests of the Company; or
  - ii. does not attract the obligation to make an open offer under the takeover regulations but where the Board of the Company is of the informed opinion that the proposed transaction is in the best interests of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction being effected in such form as the Board may determine to be adequate and fair to cover all relevant and material facts.
- (vii) For the above purposes, the Board shall require the parties to execute agreements to contract confidentiality and non-disclosure obligations on the part of such parties and such parties shall keep information so received confidential, except for the purpose of this clause and shall not otherwise trade in securities of the Company when in possession of UPSI.
- (viii) The Designated Persons should not take advantage of any Unpublished Price Sensitive information that they may have about any company.
- (ix) Designated Persons should ensure that all transactions in the securities of the Company are conducted consistent with these guidelines.

9. **DIGITAL DATABASE:-**

Every Designated Person or his/her Immediate Relative who is in receipt of UPSI regarding the Company or its Securities pursuant to legitimate purpose or on a need-to-know basis or in any other manner as provided in this Code or the SEBI Regulations, are required to provide the details including, their name, PAN and other details as may be required to maintain Company's digital database. Such data shall be maintained with adequate time stamping and audit trails to avoid tampering.

10. **MECHANISM FOR PREVENTION OF INSIDER TRADING AND HANDLING OF UPSI:-**

The Company shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in SEBI Regulations.

The Audit Committee of the Company shall review compliance of the Code pursuant to SEBI Insider Trading Regulations, atleast once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively. Internal Auditor shall investigate and submit the report to Audit Committee once in a year assessing the

adequacy and effectiveness of such internal controls.

11. **CHINESE WALL:-**

- (i) To prevent the misuse of confidential information the organization has adopted a 'Chinese Wall' policy which separates those departments of the company which routinely have access to confidential information, considered "Sensitive Departments" from 'Public Departments'
- (ii) **Sensitive Departments** includes-
- Investment Banking Department
  - HNI Department

- Merchant Banking Department
- Research Department
- Institutional Equity
- Equity Research
- PWM Advisory
- Technical Research (Commodity)
- Company Secretarial
- Legal
- Compliance
- Accounts, Finance, Taxation
- Equity/Derivative Dealing Department
- Risk Department
- Settlement Department
- Depository

Departments other than above shall be considered as “**Public Departments**”

- (iii) The Employees in the ‘Sensitive Department’ shall not communicate any Price sensitive information to anyone in public department.
- (iv) The employees in sensitive departments are physically segregated from employees in public departments.
- (v) Demarcations of the various departments as sensitive departments are implemented by the Company.
- (vi) Access of employees to the Offices/Departments of the various group companies are defined according to their functions and are governed & monitored accordingly.
- (vii) In exceptional circumstances, employees from the public departments may be brought “over the wall” and given confidential information on the basis of “need to Know” criteria, under intimation to the Compliance Officer.

## 12. **TRADING PLANS:-**

- A. Insider shall be entitled to formulate a trading plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
  - B. Such trading plan shall:-
    - i. not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
    - ii. not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
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- iii. entail trading for a period of not less than twelve months;
  - iv. not entail overlap of any period for which another trading plan is already in existence;
  - v. set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
  - vi. not entail trading in securities for market abuse.
- C. Prior to approving any trading plan, the Compliance Officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- D. The Compliance Officer shall also properly monitor trades of the Insider, as per the trading plan, in order to ensure that such trading plan does not entail trading in securities for market abuse.
- E. The trading plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.
- F. Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.
- G. Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the compliance officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

**13. ORGANISATION GUIDELINES/CONDITIONS OF EMPLOYMENT:-**

- i. It is incumbent upon every Designated Person to bring to the notice of the Compliance Officer, any apparent/suspected violation of this Code by any Employee / Director/ Connected Person. The informer's identity will be kept confidential by the Management.
  - ii. Designated Persons are responsible for ensuring that their Relative(s) and entity(ies) in which Designated Persons is interested or whose investment decisions are controlled by the Designated Persons are informed about this Code and Policy.
  - iii. The Company reserves the right to restrict any Designated Person from Dealing in Securities of the Company without assigning any reason where the Company believes that such restriction is necessary in the interest of the Company or in order to prevent possible conflicts of interests.
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- iv. Any Designated Person who communicates any Price Sensitive Information to or counsel in trading in Securities to any person whether a client of the Company or not, in contravention of this Code is liable for appropriate disciplinary action by the Company.

14. **HOLDING PERIOD:-**

- i. All Designated Persons shall hold their investments for a minimum period of 6 months.
- ii. The Holding Period shall apply to subscription in the primary market (IPOs/FPO/OFS). In the case of IPOs / OFS, the Holding Period would commence from the date of allotment of Securities.
- iii. In case the sale of securities is necessitated by personal emergency, the compliance officer may waive the holding period after recording in writing his or her reasons in this regard. An application for waiver of holding period shall be made to the Compliance Officer in **Form 'B'**. Format of Form B is given in **Annexure 2**.

15. **CODE OF CONDUCT FOR TRADING :-**

i. **Trading Window for dealing in Company's Securities:-**

- 1) Designated Persons shall not Trade in the Company's securities when the trading window is closed.
  - 2) For declaration of financial results (periodical or final), the trading window shall be closed from the first day from close of quarter till 48 hours i.e. 48 hours after the unpublished price sensitive information becomes generally available.
  - 3) Additionally, the trading window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons can reasonably be expected to have possession of UPSI, for such periods as determined by the Compliance Officer. Designated Person or class of Designated Persons will receive a notification on such special trading window closure periods. The trading window may be re-opened after closure, not earlier than 48 hours after the UPSI in question becomes generally available.
  - 4) Trading window restrictions shall not be applicable for exercise of ESOPs and for execution of trades in adherence to pre-approved trading plans.
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16. **PROVISIONS APPLICABLE TO DESIGNATED PERSONS:-**

- i. Designated Persons including their immediate relatives can enter into one transaction or a series of transactions in the securities of the Company for an aggregated traded value of up to Rs. 10 (ten) lakhs in a calendar quarter, without obtaining any pre-clearance for the transactions, subject to the satisfaction of the following conditions:
  - a. The trading window is open; and
  - b. The Designated Persons are not in possession of any UPSI.
- ii. Designated Persons including their immediate relatives who intends to trade in the securities of the Company when the trading window is open and if the value of securities proposed to be traded exceeds Rs.10 Lakhs, in a calendar quarter, should pre-clear the transaction, after obtaining approval of the Compliance Officer by submitting an application as per **Annexure-1**.
- iii. The Compliance Officer, for his / her own securities transaction, must apply to the MD/WTD/CEO. In these guidelines, in the case of the Compliance Officer's own transactions for purchase or sale of securities or disclosure or any other related matter, the term "Compliance Officer" wherever it appears, should be read as "CEO/MD/WTD."
- iv. An application for pre-clearance of trade may be made in **Annexure-1** to the Compliance Officer along with an undertaking (UT) in favour of the Compliance officer as per the format of Pre-clearance application given in **Annexure-1**.
- v. The Compliance officer shall consider and give his decision at the earliest but not later than 24 hrs.
- vi. Approval for the pre-clearance request shall be granted after verifying adherence to this Code and Policy.
- vii. In exceptional circumstances consent may not be given if the Compliance officer is of the opinion that the proposed deal is on the basis of possession of any unpublished Price sensitive information. There shall be no obligation to give reasons for any withholding of consent.
- viii. The approved pre-clearance requests must be executed within seven trading days of approval (inclusive of the date of approval) failing which the fresh pre-clearance would be needed for the trades to be executed.
- ix. Designated Persons shall submit the details of their personal securities transactions including that of their Immediate Relatives effected for purchase/sale of securities within 7 calendar days from the date of the transaction (inclusive of the date of the transaction) in **Annexure-3** to the Compliance Officer. In case the transaction is not undertaken, a report to that effect shall be filed in the prescribed **Annexure-4**.
- x. Designated person who is permitted to trade shall not execute a contra trade within six month following the prior transaction.
- xi. All Designated Persons who buy or sell any number of Securities of the Company shall not enter into a contra trade i.e. sell or buy any number of Securities of the Company during the next six months following the prior transaction.

- xii. Undertaking a contra trade in securities acquired through buy back offers, open offers, rights issues, further public offer, bonus offers, exit offers etc, as permitted by SEBI Regulations shall be permitted.
- xiii. In case the approved trade is not executed within the specified period, the Designated Person shall have to seek a fresh pre-clearance, if he requires to execute such trade.
- xiv. Decisions not to trade after securing pre-clearance, need to be reported to the Compliance Officer with justification.

17. **PROVISIONS APPLICABLE TO EMPLOYEES OTHER THAN DESIGNATED PERSONS:-**

- i. All employees (except Designated Persons) need not obtain prior approval for transacting in a security of the Company.

18. **REPORTING REQUIREMENT:-**

**A. Declaration by Interns:**

Interns engaged in Sensitive departments shall submit declaration and undertaking on adherence to the Regulations and Code in Format given in **Annexure 5** within 7 days from the date of appointment.

**B. Initial Disclosures by Employee/Key Managerial Personnel/Directors/ Promoter or member of Promoter Group:**

Every person on appointment as Designated Person /Key Managerial Personnel/ Director on the Board of the Company or upon becoming Promoter or member of Promoter Group shall disclose–

- Name and Permanent Account Number of
    - a) Immediate relatives
    - b) Persons with whom he/ she shares a material financial relationship
    - c) Phone, mobile, and cell numbers which are used by them
- The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such designated person but shall exclude relationships in which the payment is based on arm's length transactions.*
- Names of educational institutions from which he/ she have studied and names of their past employers.
  - Details of Depository and Broking account
  - holding of securities (including holding of immediate relative) as on the date of appointment.

Above disclosures shall be made in '**Form B**' to the Compliance Officer within 7 days from the date of appointment or becoming the promoter. Process and format of Disclosure is given in **Annexure-6**.

In case of any changes in above details, Employee/ Key Managerial Personnel/Director/ Promoter/member of Promoter Group shall disclose such changes to the Compliance Officer.

**C. Continual Disclosures:**

Every promoter, member of the promoter group, designated person and director of the Company shall disclose to the company the number of such securities of the Company acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, exceeds the threshold of Rs.10 Lakhs in a calendar quarter. The disclosure shall be in the format given in **Annexure-7 – Form-C**.

The Company will notify to the Stock Exchanges of such disclosures, within 2 trading days of receipt.

**D. Annual Disclosures by Designated Persons:**

All designated persons on annual basis shall disclose–

- Name and Permanent Account Number of
  - a) Immediate relatives
  - b) Persons with whom he/ she shares a material financial relationship
  - c) Phone, mobile, and cell numbers which are used by them

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

- Annual Holding statement of all holdings in securities (including holding of immediate relative), as at March 31 within 30 days i.e. by April 30.
- Above disclosures shall be made in ‘**Annexure-8-Form D**’ to the Compliance Officer.

**E. Exit Disclosure:**

Every Employee shall submit declaration in ‘**Annexure 9 - Form E**’ at the time of resignation/termination as on the last date of working.

**19. INQUIRY (PREVENTION OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION)**

Employees can raise concerns against any leak /suspected leak of unpublished price sensitive information or unethical use of unpublished price sensitive information in accordance with the Informant mechanism of SEBI or under the procedure prescribed under Company’s Whistle Blower Policy.

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Retaliation for reporting suspected violations is strictly prohibited under this Code and the Company's whistle blower policy. Employee who reports alleged violations of insider trading laws will be protected against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination to such employee.

The Company shall initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information. In case of leak of any unpublished price sensitive information of the Company, the Investigating Officer will undertake the procedure as provided under the whistle blower policy of the Company.

Further the same shall be reported to the Audit Committee/Board, as required, stating the nature of leak, inquiries undertaken and results of such inquiries.

20. **RECORDS MANAGEMENT:-**

- (i) The Compliance Officer shall maintain a record of all requests for pre-clearance regarding the purchase or sale of a security, including the date of the request, the name of the Designated person, the details of the proposed transaction and whether the request was approved or denied and waivers given, if any, and its reasons.
- (ii) The disclosures, preclearance and other related documents as per this policy shall be maintained by the Company, for a minimum period of five years.

21. **MISCELLANEOUS PROVISIONS:-**

- a) Any Designated Person in any doubt as to the interpretation of this Policy should consult the Compliance Officer. All information provided by an Designated Person will be held in confidence and will be shared only on a need to know basis in the event of a perceived problem.
- b) Any request/queries/concerns shall be sent at "[csarwsl@rathi.com](mailto:csarwsl@rathi.com)"
- c) Every Designated Person shall be accountable and responsible for abiding by the terms and conditions of the Policy including but not limited to making necessary disclosures in respect of himself and his immediate relatives. Failure to make relevant disclosures in respect of the investments of the immediate relatives shall be treated as contravention of the Code by the concerned Designated Person.
- d) The Board of Directors shall be empowered to amend, modify, and interpret these Rules and such Rules shall be effective from such date that the Board may notify in this behalf.

22. **AMENDMENT TO THE POLICY:-**

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Code or Employee Trading Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Code and Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

23. **PENALTY FOR CONTRAVENTION:-**

- (a) Any Designated Person who acts in contravention of this Policy may be penalized and appropriate action may be taken against him by the Company.
- (b) Any Designated Person who violates this Code shall also be subject to disciplinary action by the Company, which may include wage/ salary freeze, suspension, withholding of promotions, in-eligibility for future participation in ESOPs etc. after giving reasonable opportunity to them to show-cause.
- (c) The action by the Company shall not preclude Board from taking any action in case of violation of Regulations.
- (d) In case the Company observes that there has been a violation of these Regulations, the Company shall inform Board promptly.

\*\*\*\*\*

## Annexure 1

### APPLICATION CUM UNDERTAKING FOR PRE-CLEARANCE OF TRADE

To  
The Compliance  
Officer,  
Anand Rathi Wealth Limited,  
Mumbai

I, the undersigned, hereby seek your approval to Trade in the Securities of Anand Rathi Wealth Limited as per details given below:

Sr. No.	Particulars	Remarks
1.	Name	
2.	Designation	
3.	PAN Number	
4.	DP ID / Client ID	
5.	Nature of Transaction – Purchase / Sale	
6.	Number of Securities proposed to be purchased / sold	
7.	Value of Securities proposed to be purchased / sold (approx.)	
8.	Tel. No.	
9.	Email	

#### **UNDERTAKING**

I hereby undertake and confirm:

- a) that I do not have any access or have not received Unpublished Price Sensitive Information up to the time of signing this undertaking.
  - b) that in case I obtain access to or receive any Unpublished Price Sensitive Information after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I would completely refrain from dealing in the Securities of the Company till the time such information becomes public.
  - c) that I have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
  - d) that I have made a full and true disclosure in this application.
-

e) that I shall execute my order within seven trading days of approval (inclusive of the date of approval). If the order is not executed within seven trading days from the approval, I undertake to obtain pre-clearance for the transaction again.

f) that I will not execute any opposite transaction for 6 (six) months from the date of last transaction, as per the code.

Signature:

Date:

Name:

Employee No:

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*(To be provided by Compliance Officer)*

**PRE-CLEARANCE ORDER**

We are glad to inform you that your request for dealing in \_\_\_\_\_ (numbers) Equity Shares of the Company comprised in your application dated \_\_\_\_\_ is approved.

Please note that the said transaction must be completed within seven trading days of approval (inclusive of the date of approval) i.e. on or before \_\_\_\_\_. If you fail to complete the transaction within the stipulated period, you will be obliged to make an application for the pre-clearance of the said transaction a fresh.

Please also ensure that securities traded are in compliance of Code of Conduct for Prevention of Insider Trading & Internal Employee Trading Policy and does not amount to contra-trade.

\_\_\_\_\_  
Compliance Officer

Date:

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**Annexure2**  
**Application for Waiver of Minimum Holding Period**

Date: \_\_\_\_\_

To  
The Compliance Officer,  
Anand Rathi Wealth Limited,  
Mumbai

Dear Sir,

I request you to grant me waiver of the minimum holding period as required under Code of Conduct for prevention of insider trading with respect to \_\_\_\_\_ shares of the Company held by me/ \_\_\_\_\_ (name of relative) singly/jointly acquired by me on \_\_\_\_\_ (Date). I desire to deal in the said \_\_\_\_\_ shares \_\_\_\_\_ on \_\_\_\_\_ account \_\_\_\_\_ of \_\_\_\_\_ (give reasons).

Thanking You,  
Yours faithfully,

(Name)

(Designation)

(Department)

Place:

Date:

**Approval:**

-----  
Name of HOD:

Designation :

Department:

-----  
Compliance Office

Date:

**Annexure 3**  
**Disclosure of Sale/Purchase of Securities**

*(To be submitted by the Designated Persons, Employee, KMP and Directors within 7 calendar days of transaction)*

Date: \_\_\_\_\_

To  
The Compliance Officer,  
Anand Rathi Wealth Limited,  
Mumbai

Name of the Employee/ Director :  
Employee Code :  
Designation :  
Department :

Please take note of the following transaction/s:

Date of Preclearance	Date of Approval	Date of Transaction	Self/ Relative	Name of Security	Quantity	Price

**I hereby undertake the following:**

- That I/my immediate relative did not have any access nor have I/my immediate relative received any "Unpublished Price Sensitive Information" vis-à-vis the security listed herein above, upto the time of executing the reported transaction.
- That I/my immediate relative have/has not indulged in front running or self-dealing in the said transaction.
- That in respect of the above transaction I confirm that I/my immediate relative have / has held/will hold the concerning security for atleast 6 months.
- That I/my immediate relative shall not execute a contra trade unless a specific waiver is granted by the Compliance Officer.
- That Contract note or Account Statements will be provided as and when called for by the Compliance Officer.

**(Signature)**

**Date:**

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**Annexure 4**

**REPORTING OF NON-EXECUTION OF PRE-CLEARED TRADE**

**To:**

The Compliance Officer,  
Anand Rathi Wealth Limited,  
Mumbai

**I hereby inform that I have not executed the below approved transaction:**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Remarks</b>
1.	Name	
2.	Designation	
3.	PAN Number	
4.	DP ID / Client ID	
5.	Date of Pre-clearance approval	
6.	Nature of Transaction approved – Purchase / Sale	
7.	Number of Securities approved to be purchased / sold	

**(Signature)**

**Date:**

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**Annexure 5**

**Initial Declaration and Undertaking from Interns**

Date:

To  
The Compliance Officer,  
Anand Rathi Wealth Limited,  
Mumbai

**Subject:** Undertaking as per Code of Conduct for Prevention of Insider Trading & Internal Employee Trading Policy for Trading in securities

Dear Sir,

I, \_\_\_\_\_(name of the intern), am an intern in \_\_\_\_\_ (name of the department). I do hereby undertake that, I have a trading account with \_\_\_\_\_(name of trading member) and demat account with \_\_\_\_\_(name of depository participant), the details of which are hereunder:

1	Trading Account Code	
2	DP ID	
3	Client ID	

I, do hereby undertake to abide by Code of Conduct for Prevention of Insider Trading under Policy for trading in securities as per SEBI guidelines during the tenure of my internship.

I, further undertake that I will not share any unpublished price sensitive information to any person except for legitimate purpose and also undertake not to execute any trade which are based on unpublished price sensitive information during my internship and upto 6 months after leaving internship of the company.

Regards,

Signature of the (intern) :

Name of the(intern) :

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**Annexure-6**

**FORM B**

**Disclosure on becoming a director/KMP/Promoter/member of the promoter group**

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

**[Regulation 7 (1) (b) read with Regulation 6 (2)]**

Name of the company: **Anand Rathi Wealth Limited**

ISIN of the company: **INE463V01026**

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the Promoter Group of the Company and immediate relatives of such persons and by other such persons and other such persons as mentioned in Regulation 6(2)**

Name, PAN, CIN/DIN & address with contact nos.	Category of Person (KMP/Director or Promoter or member of the promoter group/Immediate relative to/others etc.)	Date of appointment of KMP/Director/ OR Date of becoming Promoter or member of the promoter group	Securities held at the time of becoming Promoter/appointment of Director/KMP or becoming Promoter or member of the promoter group		% of Shareholding
			Type of security (For eg. Shares, Warrants, Convertible Debentures etc.)	No.	
1	2		3	4	5

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

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming Promoter or member of the promoter group of the company and immediate relative of such persons and by and other such persons as mentioned in Regulation 6(2)**

Open Interest of the Future contracts held as on the date of regulation coming into force			Open Interest of the Option Contracts held as on the date of regulation coming into force		
Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract Specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
6	7	8	9	10	11

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

Name & Signature:

Designation:

Date:

Place:

:

**Annexure-7**  
**FORM – C**

**Continual Disclosure**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (2) read with Regulation 6(2)]**

Name of the company: **Anand Rathi Wealth Limited**

ISIN of the company: **INE463V01026**

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

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoter/ member of the promoter group/ designated person /Directors/ Immediate Relative to/others etc.)	Securities held prior to acquisition/disposal		Securities acquired/Disposed				Securities held post acquisition/disposal		Date of allotment advice /acquisition of shares/disposal of shares specify		Date of intimation to company	Mode of acquisition / disposal (on market / public/ rights/ preferential offer / off market / Inter-se transfer, ESOPs etc.)	Exchange on which trade was executed
		Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No. and % of shareholding	Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge / Revocation / Invocation /Others- Please Specify)	Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No. and % of share holding	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges

**Details of trading in derivatives on the securities of the company by Promoter, member of the promoter group, designated person or Director of a listed company and immediate relative of such persons and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

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

Signature:  
Name:  
Designation:

Date:  
Place:

**FORM – C (Indicative format)**

**Transaction by Other Connected Persons as Identified by the Company**

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

**[Regulation 7(3)]**

Name of the company: **Anand Rathi Wealth Limited**

ISIN of the company: **INE463V01026**

**Details of trading in Securities by other connected persons as identified by the Company**

Name, PAN, CIN/DIN, & address with contact nos of other connected persons as identified by the Company	Connecti on with Company	Securities held prior to acquisition / disposal		Securities acquired/Disposed				Securities held post acquisition/d isposal		Date of allotment advice /acquisition of shares / disposalof shares specify		Date of intimation tocompany	Mode of acquisition / disposal (on market / public/ rights/ preferential offer / off market / Inter-se transfer, ESOPs etc.)	Exchange on which trade was executed
		Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No. and % of sharehold ing	Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No.	Value	Transaction Type (Purchase/ Sale/ Pledge / Revocation / Invocation /Others- Please Specify)	Type of security (Foreg. Shares, Warrants, Convertible Debentures etc.)	No. and % of shar e hold ing	From	To			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

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

(ii) Value of transaction excludes taxes/brokerage/any other charges

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

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts * lot size)	Notional Value	Number of units (contracts * lot size)	
16	17	18	19	20	21	22

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

Signature:

Name:

Designation:

Date:

Place:

**Annexure-8**

**Form -D**

**Annual Holding Statement**

*(To be submitted by all the Employee/KMPs/Directors/Designated Persons by April 30 every year)*  
Holding Statement as on March 31, \_\_\_\_

Name

:

Employee Code :

Designation :

Department :

<b>Number of Securities held</b>	<b>Owner (Self/Immediate Relative)</b>

I hereby undertake the following:

- That I have made complete and true disclosure in respect of the personal securities transacted by me/my immediate relative.
- That I have read and understood the contents of the Code of Conduct for Prevention of Insider Trading and Internal Employee Trading Policy and I have not contravened with the provisions as stated therein and shall continue to abide by its provisions.

**(Signature)**

**Date:**

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**Annexure-9**

**Form-E**

**Exit Declaration**

*(To be submitted by Employee on last working day)*

To  
The Compliance Officer,  
Anand Rathi Wealth Limited,  
Mumbai

Dear Sir,

I hereby undertake the following:

- That I will not share any unpublished price sensitive information to any person except for legitimate purpose and also undertake not to execute any trade which are based on unpublished price sensitive information obtained during my employment with the Company and up to 6 months after leaving the Company.
- That I have made complete and true disclosure in respect of the personal securities transacted by me/my immediate relative.
- That I have not contravened with the provisions of Code of Conduct for Prevention of Insider Trading and Internal Employee Trading Policy and shall continue to abide by its provisions as Connected Person to the Company.

**(Signature)**

**Name:**

**Designation:**

**Date:**

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