



## **CODE FOR TRADING IN OTHER THAN EDELWEISS GROUP SECURITIES**

“Non-Edelweiss Group Securities Code”

**ECL FINANCE LIMITED (ECLF)**

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**Document Control**

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**Distribution list**

All Departments

**INTRODUCTION**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as “Insider Trading Regulations”) mandates all the companies whose securities are listed on a stock exchange to formulate a framework and policy for fair disclosure of the Unpublished Price Sensitive Information (hereinafter referred to as “UPSI”). This Code for Prohibition of Insider Trading (hereinafter referred to as the “Code”) has been formulated in conformity with the Insider Trading Regulations.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI LODR”) and amendments thereafter requires ECL Finance Limited (hereinafter referred to as “ECLF” or the “Company”) to devise a framework to avoid insider and abusive self-dealing.

Pursuant to amendments to the Insider Trading Regulations, the Company has suitably amended the “Code for Trading in Other than Edelweiss Group Securities” hereinafter referred to as “Non Edelweiss Group Securities Code”. This Code shall come into force with immediate effect.

The objective of this Code is to lay down the process of dealing in Non- Edelweiss Group securities by the employees and the Connected Persons and to regulate, monitor and report trading by the employees and the Connected Persons of the Company either on his/her own behalf or on behalf of their Immediate Relatives.

## PURPOSE, APPLICABILITY AND SCOPE

ECLF endeavors to preserve the confidentiality of UPSI and to prevent misuse of such information. ECLF is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations.

Every promoter, director and employee who deals with UPSI has a duty to safeguard the confidentiality of all such information obtained in the course of his or her work at ECLF. There shall be no selective disclosure of information and ECLF, and every promoter, director, and employee of ECLF shall endeavor to ensure equal accessibility of information to all the stakeholders associated with the Company and shall not use his or her position or knowledge of the information to gain personal benefit or to provide benefit to any third party.

Given the diversity of the business operations and the multiplicity and complexity of the regulations that Edelweiss’ activities are subject to and given the impact of non-compliance, it is important that the employees of ECL Finance Limited understand and comply strictly with the various regulatory requirements applicable to their respective business/ function.

### **I. Applicability**

This Code is applicable to the Board of Directors of ECLF and all employees of ECL Finance Limited (ECLF) and their Immediate Relatives and Connected Persons, as defined in this Code in respect of their trading in Non-Edelweiss Group securities.

The **Edelweiss Group** includes ECLF and Edelweiss Group companies.

The new employees shall be bound by the Code from the date of commencement of employment irrespective of the fact that whether they are on probation or not.

### **II. Scope**

This Code deals with-

- a. Personal securities transactions of the Designated Persons and lays down detailed guidelines to be followed in this respect.
- b. Disclosure by the Employees, while tendering public investment advice.
- c. Policies and procedures to prevent any instance of insider trading and guard against abuse of price sensitive information.

### III. Definitions:

“**Act**” means the Securities and Exchange Board of India Act, 1992.

“**Associate Company & Subsidiary Company**” shall have the same meaning as assigned under the Companies Act, 2013.

“**Code**” or “**this Code**” shall mean the Code for Trading in other than Edelweiss Group securities or **Non Edelweiss Group Securities Code** as amended from time to time.

“**Company**” or “**the Company**” means ‘ECL Finance Limited’.

“**Compliance Officer**” means the Compliance Officer appointed by the Board of Directors for the purpose of compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for preservation of UPSI, monitoring of trades and the implementation of this Code as well as the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time, under the overall supervision of the Board of Directors.

“**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 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 investment company, trustee company, asset management company or an employee or director thereof; or
  - d) 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
  - e) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director / employee of a company or his immediate relative or banker of the company, has more than ten per cent of the holding or interest.

- f) “Chief Investor Relations Officer” means such senior officer of the Company appointed by the Board of Directors to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner.
- g) **Debentures/Non-convertible Debentures**” shall mean the Non-convertible Debentures issued by the Company, EFSL or its subsidiary or associate companies and listed on the Stock Exchange

**“Designated Person(s)”** shall mean the Designated Employees, their Immediate Relatives and their Connected Persons.

**“Designated Employees”** shall mean the Employees of the Company and employees of its parent company and Associates; including their Immediate Relatives and Connected Persons falling within the following categories:

- Managing Director, Wholetime Director or Business Head and employees up to two levels below
- Executive Directors and Key Managerial Personnel of the Company
- All promoters who are investment companies of the Company
- Specified functional personnel from certain functions who handle activities in relation to the transaction as determined from time to time
- All employees in the grade of Senior Vice President (SVP) and above
- All employees brought over the Chinese Wall
- Any other employee as may be determined and informed by the Compliance Officer from time to time.

**“Grey/Restricted List”** means list of listed securities maintained by Compliance Officer for monitoring compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015

**“Group Entities”** mean parent company and associate companies of Edelweiss group who trade in securities market in their own capacity

**“Immediate Relative”** means the spouse of a 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 person in taking decisions relating to trading in Securities;

**“Insider”** means any person who is:-

- i) a connected person; or
- ii) in possession of or having access to Unpublished Price Sensitive Information.

**“Insider Trading Regulations or The Regulations”** means the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 as amended from time to time.

**“Key Managerial Personnel”** means a person as defined in Section 2(51) of the

Companies Act, 2013 and in the Memorandum and Articles of Association of the Company

**“Legitimate Purpose”** shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants

**“Non-Edelweiss Group Securities”** shall mean and include securities (equity shares and other securities) other than that of ECLF, EFSL; the Parent Company of ECLF and its Associate companies.

**“Non-Designated Person”** shall mean employees of ECLF other than “Designated Persons”

**“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 SEBI, stock exchange(s) or registrar of companies in connection with the listing; or
- (ii) if 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

**“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;

**“Trading”** means an act of subscribing, buying, selling or dealing or agreeing to subscribe, buy, sell, or deal including pledge etc.

**“Unpublished Price Sensitive Information” or “UPSI”** 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) Any significant changes in policies, plans or operations of any listed company
- (vii) The information is material and price sensitive if the dissemination of the same is likely to affect the market price of that security and would influence the investors/speculators in their decision of trading in that security

**The words and/or phrases which are not defined in this Code but are defined under the SEBI Act, 1992 or SEBI (Prohibition of Insider Trading) Regulations, 2015 or Companies**

**Act, 1956, or Companies Act, 2013 as amended from time to time, shall have the same meaning as defined under the said Act and/or Regulations.**

#### **IV. Limitation and Review**

ECLF shall , from time to time, amend this Code or stipulate additional Codes, depending upon the situation and change the internal policies of the Company. All employees are bound by such changes/additions in Code as and when these changes/additions come into force.

All employees are required to read this Code and confirm their understanding and acceptance of the Code.

#### **V. Appointment of Compliance Officer**

“Compliance Officer” means the designated Compliance Officer appointed by the Board of Directors for the purpose of compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for preservation of unpublished price sensitive information, monitoring of trades and the implementation of this Code as well as the provisions of SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time, under the overall supervision of the SEBI

The Compliance Officer under this Code shall be responsible for;

- i. Determining the scrips for inclusion in Grey List / Restricted List.
- ii. Identifying the Designated Persons for each specific Strategic Transaction with regard to the Company .
- iii. Collection of all undertakings and disclosures from the Designated Persons/ employees.
- iv. Processing requests for Pre Clearance of Trades / providing relaxation from the strict applicability of minimum holding period requirement;
- v. Maintaining the records under the Code / the Regulations for a period of 5 years.
- vi. Submission of Compliance Certificates to the respective Board of Directors on a periodical basis.
- vii. The Compliance Officer shall put in place adequate and effective system of internal controls to ensure compliance with the requirements given in the Insider Trading Regulations
- viii. Conduct periodic process review to evaluate effectiveness of such internal controls

- ix. Oversee compliance to all other relevant requirements specified under the Regulations
- x. The Compliance Officer shall assist all the Designated Employees and the Connected Persons of their respective entity, in addressing any clarifications regarding this Code and the Insider Trading Regulations

### **Code Monitoring Committee**

The Board of Directors shall authorize formation of “Code Monitoring Committee” to ensure adherence to the regulations as well as this Code. The Committee will make an inquiry, as appropriate, in the cases of any violation of this Code. The Committee considering the nature and severity of the violation / breach, may decide to report any such breach and action taken to the Stock Exchange. The actions of Company will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such an employee.

#### **The objectives of the committee include:**

- (i) To oversee compliance of SEBI Insider Trading Regulations, 2015, and the policies, procedures framed thereunder, maintenance of records, monitoring adherence to the Rules for preservation of UPSI.
- (ii) To monitor implementation of this Code as per the provisions of the SEBI Insider Trading Regulations, 201, as amended from time to time;
- (iii) To conduct inquiries / investigation in cases of leakage or suspected leakage of UPSI or otherwise any non compliance of this Code/SEBI Regulations.

## **VI. Restrictions on Communication of UPSI**

### **i. Guidelines for handling UPSI**

- a) UPSI shall be handled on a "need to know" basis
- b) UPSI, relating to a company or securities listed or proposed to be listed ,shall be disclosed only to those within the Company who need the information to discharge their duty or in furtherance of discharge of legal/regulatory obligations
- c) UPSI, relating to a company or securities listed or proposed to be listed ,shall be procured from or cause the communication by any insider of UPSI only in furtherance of legitimate purposes, performance of duties or discharge of legal obligations
- d) UPSI shall be disclosed only to those whose possession of such information will not rise to a conflict of interest or appearance of misuse of the information
- e) If, in the performance of duties, it becomes necessary for the employee to disclose any UPSI to any person outside the Company, e.g., Advisors, Auditors, Consultants, Merchant Bankers, Share Transfer agent etc., the employee shall ensure that necessary prior approvals are sought and shall ensure that the concerned outsider, executes an Agreement with the Company in such format as may be prescribed by the Company

### **ii. Chinese Walls**



The employees shall be guided by the Chinese Walls Policy of the Company; while handling UPSI. The said policy prescribes process with regards to how and when people shall be brought 'inside' on sensitive transactions. (A copy of Chinese Wall Policy attached with this Code as Annexure 1)

No Insider shall communicate UPSI to any other person except on a need-to-know basis for furtherance of the Insider's legitimate purposes by permitting such other person to cross the Chinese Wall.

Any person in receipt of UPSI pursuant to a "Legitimate Purpose" shall be considered an "Insider" for purposes of these regulations and due notice shall be given to such persons to maintain confidentiality of such UPSI in compliance with the Regulations.

**iii. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

This Code is to lay down the principles and practices to be followed by ECL Finance Limited pertaining to disclosure of UPSI. The employees shall be guided by the UPSI Code of the Company. (A copy of the Fair Disclosure Code attached as Annexure 2)

**iv Procedure to handle Leakage of UPSI**

The employees may report instances of leak of UPSI under the whistle-blower policy of the Company

Code Monitoring Committee shall conduct inquiries / investigation in cases of leakage or suspected leakage of UPSI.

The Committee shall initiate appropriate inquiries on becoming aware of the complaint or leak of UPSI or suspected leak of UPSI and inform SEBI, as appropriate, of such leaks, inquiries and results of such inquiries.

Confidentiality would be maintained throughout the investigation process. The inquiry will be completed within 90 (ninety) days from the date of lodgment of the leakage complaint.

During the pendency of an inquiry, the Committee may recommend that the employee /s being investigated shall not report to work or shall be transferred to any other suitable department

If the allegation(s) are proved, the Committee shall recommend that appropriate action be taken against the employee /s found guilty as illustrated below:

- Disciplinary action against the person/s in the nature of wage freeze
- Suspension
- Ineligibility for future participation in Employee Stock Option Plans
- Recovery, claw back, etc

On completion of the inquiry, a report would be submitted by the Committee to the Board of Directors of the Company. The report will contain outline of the case, investigation process, conclusion and recommendations. The action will be

determined by the Board of Directors of the Company based on the recommendations of the Committee.

SEBI information –The Committee depending upon the recommendation of the Board of Directors, shall report the case to SEBI

If any employee files a Voluntary Information Disclosure Form under the Informant Mechanism with SEBI, the Company shall provide suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against such employee, irrespective of whether the information is considered or rejected by the SEBI or he or she is eligible for a reward under Insider Trading Regulations

## **VII. Prevention of misuse of Price Sensitive Information**

1. All Designated Persons and their Immediate Relatives as well as Connected Persons shall be subject to the trading restrictions as enumerated below.

### **2. Maintenance of Grey and Restricted List**

- a) The Compliance Officer shall be responsible for identification of employees who have access to UPSI
- b) The Compliance Officer or any such person identified by the Compliance Officer shall be responsible to confidentially maintain a ‘Restricted List’ / ‘Grey List’ of Securities which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
- c) The Compliance Officer shall maintain a Structured Digital Database containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons with whom information is shared under the Insider Trading Regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available.
- d) It shall be ensured that Structured Digital Database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the SEBI regarding investigation/enforcement proceedings, the relevant information in Structured Digital Database shall be preserved till the completion of such proceedings

### **3. Pre clearance of trades and Holding Period**

Pre clearance is required to be taken by all Designated Persons and their dependents (i.e Immediate Relative and Connected Persons) as defined above, for trading (includes buying, selling and pledging) in securities.

Pre-clearance is also required in case of the trades (includes buying, selling and pledging) undertaken by spouse of the Designated Person, who is financially independent and does not consult such person in taking decisions relating to trading in securities.

Seeking pre-clearance implies that the employee has declared that he/she is not in possession of any UPSI and employee's request for investment or trading is in compliance with this Code.

No pre-clearance is required in respect of

- a) Index contracts in futures and options segment
- b) Currency and Interest Rate Derivative (IRD) contracts
- c) Commodity Derivatives
- d) Units of Mutual Funds
- e) Units of Alternative Investment Funds (AIFs)
- f) Exchange Traded Funds
- g) Initial Public Offering (IPO)

A Designated Employee, who is a Connected Person of the listed company, shall not execute a contra trade within a period of six months. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate Insider Trading Regulations.

Pre-clearance requirements for securities will be as specified below:

	<b>Designated Employees (including Relatives and Connected Persons)</b>	<b>Other Employees (including Immediate Relatives and Connected Persons)</b>
<b>Primary Market Transactions</b>		
<ul style="list-style-type: none"> <li>Pre-clearance requirement</li> </ul>	Required for other than the exempted transaction	Required if value is equal to or more than Rs. 10 lacs per day per scrip (other than the exempted transaction)
<b>Secondary Market Transactions – Cash Market</b> (includes buying, selling and pledging)		
<ul style="list-style-type: none"> <li>Pre-clearance requirement</li> </ul>	Required in all cases	Required if value is equal to or more than Rs. 10 lacs per day per scrip
<b>Secondary Market Transactions – Derivatives Market</b>		
<ul style="list-style-type: none"> <li>Pre-clearance requirement</li> </ul>	Not required for Index/Currency/IRD/Commodity derivatives  Required in case of Stock derivatives	No pre-clearance required for Index/Currency/IRD/Commodity derivatives Stock derivatives - Required if value is equal to or more than Rs. 10 lacs per day per scrip

Granting of pre clearance shall be at the discretion of the Compliance Officer and, he /she shall not be obliged to give any reason for refusing pre clearance.

All persons to whom this Code applies shall be required to report all decisions for not executing/partially executing trades after obtaining pre-clearance in the format provided in **Annexure [A]** hereto.

No person (Designated or Non-designated employees, their Immediate Relatives and Connected Persons) shall either trade in a security or apply for pre-clearance of such trade if such person is in possession of UPSI relating to the security.

In case sale of securities before the expiry of the minimum holding period is necessitated by personal emergency, the Compliance Officer may waive the requirement for the minimum holding period. A request for waiver shall be made to the Compliance Officer on his/her official email ID by providing all details of the emergency including the rationale for waiver

#### **4. Procedure for pre clearance**

- a) The pre-clearance can be obtained online through Investment Request Form (IRF) available at intranet portal. Alternatively, an application can be made in the IRF to the Compliance Officer indicating the details of the intended transaction. A proforma of the IRF is attached as **Annexure [B]**. The trades can be executed only once pre-clearance is granted.
- b) The pre clearance granted is valid only for a day. If the order is not executed on the day on which the clearance is given, the concerned person will have to seek pre clearance again.
- c) If the trade request contains the name of the Security which is in Grey or Restricted List, the Compliance Officer will decline permission to trade, as per applicability of the list.
- d) The Designated Person would be required to take preclearance on behalf of Immediate Relatives and Connected Persons prior to undertaking the trades.
- e) The Compliance Officer shall have the full right to ask for any demat statement or any other document at any time, to verify that the procedures mentioned in this Code are being followed.

### **VIII. Norms for investment in Portfolio Management Schemes by Employees:**

Employees including their Immediate Relatives and their Connected Persons are allowed to invest in Portfolio Management Schemes subject to adhering to pre-clearance requirement.

When employee including their Immediate Relatives and their Connected Persons deals in securities, directly or indirectly, when in possession of UPSI, such trades shall be presumed to

have been motivated by the knowledge and awareness of such information in his/her possession. Thus, even while dealing in securities through a Discretionary Portfolio Management Scheme, such trades shall be assumed to be motivated by the knowledge and awareness of UPSI of securities in the Restricted/Grey list maintained by the Company.

Thus, pre-clearance requirement shall be applicable to all employees including their Immediate Relatives and their Connected Persons for investments in Portfolio Management Scheme which entail investments in securities.

However the pre-clearance requirement is not applicable in case of financially independent spouse, when the investments are in Discretionary Portfolio Management Scheme outside Edelweiss Group.

### **IX. Trading in Listed Securities by Group companies:**

In as much as Chinese Wall procedures operate throughout the Group to mitigate the risk of trading based on UPSI and given the fact that Edelweiss Group Companies trade in the markets in the regular and ordinary course of business in furtherance of directional and hedging strategies, both algorithmic and otherwise, an appropriate policy framework to regulate trades by Edelweiss Group Companies shall be as specified by the Edelweiss Group from time to time.

Group companies shall be allowed to trade through Edelweiss Group broking entities or through outside brokers.

Group companies shall be allowed to trade in listed securities provided the person taking trading decisions is not doing so on the basis of or whilst in possession of UPSI.

### **X. Declarations and reporting requirements:**

#### **a) Undertaking**

- At the time of joining ECL Finance Limited, an undertaking in the format provided in **Annexure [C]** shall be executed in favour of the company by all Designated Employees to whom this Code applies, incorporating, inter alia, that in case he/she has access to or receives “Unpublished Price Sensitive Information” after signing of the undertaking but before the execution of the transaction he/she shall inform the Compliance Officer of the change in his/her position and that he/she would refrain from dealing in the securities of the client company till the time such information becomes public.
- That he/she will not contravene the Code for prevention of insider trading as specified by the organisation from time to time.
- That he/she shall make a full and true disclosure in the matter.

- That he/she shall indemnify the Company and the Edelweiss Group against any regulatory action initiated against the company for his/her contravention of the rules, regulations and guidelines issued by regulatory agencies.

b) **Submission of Information on Annual basis**

- i. All Designated Employees shall be required to disclose Statement of Holdings of self and Immediate Relatives including Connected Persons on annual basis within timelines as specified by the Compliance Officer.
- ii. (ii) All Designated Employees shall be required to disclose names and Permanent Account Number of the following persons to the Compliance Officer of the Company on an annual basis and as and when the information changes:
  - (a) Immediate Relatives
  - (b) Persons with whom such Designated Employee(s) shares a Material Financial Relationship
  - (c) Phone, mobile and cell numbers which are used by them

**Explanation**—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 Designated Employee during the immediately preceding twelve months, equivalent to at least 25% of the annual income of such Designated Employee but shall exclude relationships in which the payment is based on arm’s length transactions.”

- iii. In addition, the names of educational institutions from which Designated Persons have graduated and names of their past employers shall also be disclosed on a one time basis.
- iv. The declaration should be submitted within such time as notified by the Compliance Officer, in the format provided in **Annexure [D]** hereto, along with the annual holding statement or **electronically as required**

c) **Declaration- Self and Immediate Relatives and Connected Persons**

- A declaration should be given by all Designated Employees giving details of Self and their Immediate Relatives and Connected Persons, in the format as provided in **Annexure [E]**.
- The said declaration shall be given by the Designated Employees giving details of Self and their Immediate Relatives and Connected Persons at the time of joining, or in cases of change in category of employee to Designated Employee and for the period ending March 31 every year.
- Any change in the list of Immediate Relatives and Connected Persons, should be intimated to the Compliance Officer immediately. Details of such change shall also be given in the same format specified in **Annexure [E] or electronically as required.**

**d) Statement of Holding – Self and Immediate Relatives and Connected Persons**

- At the time of joining or in case of change in category of employee as Designated Employee and on annual basis, all Designated Employees shall furnish demat account statement/s for Self and Immediate Relatives and Connected Persons, whether such account is held with Edelweiss Group broking entity or with any other Depository Participant.

**XI. Consequences of violation of the Code**

- Any violation of this Code by any person to whom this Code applies can lead to sanctions or severe punitive action against the erring person, including wage freeze, suspension, recovery, clawback or termination of employment/ association and such other actions as the Committee deems fit.
- The Board of Directors shall authorize formation of “Code Monitoring Committee” The Committee will make an inquiry, as appropriate, in the cases of any violation of this code. The Committee considering the nature and severity of the Violation/Breach, may decide to report any such breach and action taken to the Stock Exchange. The above actions of Company will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such an employee.
- Failure or refusal to co-operate in such enquiry or investigation shall deemed to be serious violation of the obligation owed to Company under this Code.
- Any amount collected under this Code shall be remitted to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI under the Act
- Any employee who trades in securities on the Restricted List / Grey List or does not seek prior permission to trade shall indemnify and hold harmless the Company for any consequences thereof. In addition to termination of employment, if effected, such employee will personally bear the consequences of default, whether monetary or not.
- In the case of Connected Persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such Connected Persons. Hence the employee shall be liable to prove that the trades were not undertaken by him/her while in possession of UPSI.
- Disciplinary action taken by the Company is irrespective of the action that may be taken by The Securities and Exchange Board of India (SEBI) in respect of violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

**XII. Compliance with Code for Prohibition of Insider Trading in the Securities of ECL and Edelweiss Financial Services Limited (EFSL)**

In addition to this Code, the 'Code for Prohibition of Insider Trading in the Securities of Edelweiss Group' including any guidelines / framework / amendments issued thereunder from time to time, shall be applicable to all employees in relation to their dealings (trading / pledge / exercise of stock options etc.) which includes equity share, Debentures and other securities as may be issued by ECLF, EFSL or its subsidiary or associate companies and listed on the Stock Exchange.

**XIII. Amendment to Code**

The Board of Directors of the Company reserves the right to add, amend, modify this Code as and when it deems appropriate.

**XIV. Review of Code**

The Code will be reviewed annually or pursuant to changes if any in the Insider Trading Regulations, whichever is earlier

**XV. Savings Clause:**

If any rules under the Code are in conflict with or inconsistent with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, then the SEBI (Prohibition of Insider Trading) Regulations, 2015 as modified/ amended from time to time, shall prevail and shall deemed to have been included in this Code.



**Annexure A**

**Format for Reporting Of Decisions Not To Trade after Securing Pre-Clearance**

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

The Compliance Officer,  
\_\_\_\_\_.

Dear Sir/ Madam,

I request you to please take on the record the trades not executed/partially executed after obtaining pre-clearance.

Given below are the necessary details required for your perusal.

Sr. No	Date of Approval	Approval Taken for (Self/Immediate Relative/Connected Person) Specify name	Name of Security	Buy / Sell	Quantity not executed

**Thanking you,**

**Yours faithfully,**

**Name of the Employee:** \_\_\_\_\_ **Employee Code** \_\_\_\_\_

**Signature** \_\_\_\_\_

**Name of the Company:** \_\_\_\_\_ **Department:** \_\_\_\_\_

**Annexure B**

**INVESTMENT REQUEST FORM**

**Name of Employee :** \_\_\_\_\_ **Client Code:** \_\_\_\_\_

**Name of the Company:** \_\_\_\_\_ **Client Name:** \_\_\_\_\_

**Dept. /Section :** \_\_\_\_\_ **Date :** \_\_\_\_\_

Sr. No.	Name of security	Date of earlier purchase transaction (in case of sale)	Buy/Sell	Quantity	Price Limit (not including brokerage)
1					
2					
3					
4					
5					

**Note: Pre clearances are valid for ONE day only**

**DECLARATION**

I hereby declare and undertake that;

- a) I have read and understood the Code set by the Company with regard to investments by employees and the above transaction(s) is/are not in contravention of the same.
- b) I am not in receipt of any “Unpublished Price Sensitive Information” meaning any information which relates directly or indirectly to the above mentioned security/securities and which if published is likely to materially affect the price of securities of the above mentioned security/securities
- c) In case I have access to or receive any “Unpublished Price Sensitive Information” before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and I shall completely refrain from dealing in the Securities of the Client Company till the time such information becomes public.
- d) The intended transaction is on my account or dependent family member’s account or Concern(s), Firm(s), Company(s), HUF(s), Trust(s) or Association of persons in which the persons to whom this Code is applicable has a stake of more than 10%.
- e) The said transaction is not on account of any other third party.

- f) All sell and purchase transactions in securities are for minimum holding / contra trade period, as applicable for securities held by me or my Immediate Relatives and my / their Connected Persons.
- g) All F&O contracts shall be held by me for minimum period as applicable for securities held by me or my Immediate Relatives and my / their Connected Persons.
- h) I undertake to report all such decisions to Compliance for not executing or partially executing trades after obtaining the pre-clearance.
- i) I understand and acknowledge that should a trade be executed by me, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to the Investor Protection and Education Fund.

\_\_\_\_\_  
**Signature of Approver**

\_\_\_\_\_  
**Signature of Employee**

**Approved By:** \_\_\_\_\_

**Date of Approval:** \_\_\_\_\_

**(To be submitted by Designated Employees at the time of joining or change in category of employee to Designated Employee)**

**Annexure C**

**Declaration cum Undertaking**

To,  
The Compliance Officer

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

Dear Sir,

Sub: Declaration with regard to Insider Trading.

With reference to the captioned subject, I hereby declare that:

1. I have received the Code for Trading in Other than Edelweiss Group Securities and have read and understood the same and I undertake to abide by the same.
2. I have read and understood the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and do confirm & declare that I shall not contravene the same in any manner whatsoever.
3. In case I have access to or receive any “Unpublished Price Sensitive Information” before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and I shall completely refrain from dealing in the Securities of the Client Company and / or Edelweiss Group Securities as applicable, till the time such information becomes public.
4. I have made a full and true disclosure regarding trading accounts and share-holdings in my name and in the name of my Immediate Relatives, and my / their Connected Persons. I further confirm that other than as declared above, I have no other Immediate Relatives or my / their Connected Persons, who are financially dependent on me or who consult me in taking decisions relating to trading in securities.
5. I undertake to obtain prior clearance from the Compliance Officer for trades I may execute in my account, my Immediate Relatives’ account and in account of my / their Connected Persons, as per the pre-clearance requirement under the Code of the Company. I undertake to submit duly signed Investment Request Form to the Compliance Officer for approval before placing any order(s) in the Securities Market, if required.
6. I undertake to adhere with the minimum holding/contra trade period requirement of the Code.
7. I further undertake not to pass on any unpublished price sensitive information directly or indirectly to any persons or by way of making a recommendation for the purchase or sale of securities. I also undertake not to use unpublished price sensitive information to

buy or sell securities of any sort, whether for my own account, my Immediate Relatives' account, and in the account of my / their Connected Persons.

8. I indemnify ECL Finance Limited and the Edelweiss Group companies (“collectively Edelweiss Group”) and will continue to keep Edelweiss Group indemnified against any regulatory action initiated against any of the Companies in the Group on account of my contravention of the rules/regulations and guidelines issued by regulatory agencies.

**Name of the Employee:** \_\_\_\_\_

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

**Name of the Company:** \_\_\_\_\_

**Department:** \_\_\_\_\_

**Signature of the Employee** \_\_\_\_\_

**Employee Code :** \_\_\_\_\_

**(To be submitted by existing Designated Employees every year along with demat holding statement)**

**Annexure D**

**Declaration cum Undertaking**

To,  
The \_\_\_\_\_

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

Dear Sir,

Sub: Declaration with regard to Insider Trading.

With reference to the captioned subject, I hereby declare that:

1. I have read and understood the Code for Trading in Other than Edelweiss Group Securities and I undertake to abide by the same. I also declare that I have not contravened the same in any manner whatsoever.
2. I have read and understood the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and do confirm & declare that I shall not contravene the same in any manner whatsoever.
3. In case I have access to or receive any “Unpublished Price Sensitive Information” before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and I shall completely refrain from dealing in the Securities of the Client Company and / or EFSL Securities as applicable, till the time such information becomes public.
4. I have made a full and true disclosure regarding trading accounts and share-holdings in my name and in the name of my Immediate Relatives, and my / their Connected Persons. I further confirm that other than as declared above, I have no other Immediate Relatives or my / their Connected Persons, who are financially dependent on me or who consult me in taking decisions relating to trading in securities.
5. I undertake to obtain prior clearance from the Compliance Officer for trades I may execute in my account, my Immediate Relatives’ account and in account of my / their Connected Persons as per the pre-clearance requirement under the Code of the Company. I undertake to submit duly signed Investment Request Form to the Compliance Officer for approval before placing any order(s) in the Securities Market, if required.
6. I undertake to adhere with the minimum holding/contra trade period requirement of the Code.
- 7.
8. I further undertake not to pass on any unpublished price sensitive information directly or indirectly to any persons or by way of making a recommendation for the purchase or

sale of securities. I also undertake not to use unpublished price sensitive information to buy or sell securities of any sort, whether for my own account, my Immediate Relatives' account, and account of my / their Connected Persons.

9. I indemnify ECL Finance Limited and the Edelweiss Group companies (“collectively Edelweiss Group”) and will continue to keep Edelweiss Group companies indemnified against any regulatory action initiated against any of the Companies in the Group on account of my contravention of the rules/regulations and guidelines issued by regulatory agencies.

**Name of the Employee:** \_\_\_\_\_

**Date of joining:** \_\_\_\_\_

**Name of the Company:** \_\_\_\_\_

**Department:** \_\_\_\_\_

**Signature of the Employee**\_\_\_\_\_

**Employee Code** \_\_\_\_\_

**Annexure E**

**Declaration – Immediate Relatives and Connected Persons**

To,  
The Compliance Department,

Date \_\_\_\_\_

I, \_\_\_\_\_ having my trading account with \_\_\_\_\_ and Trading Code/Unique Client Code (U.C.C.) no. \_\_\_\_\_ do hereby declare that:

(i) The following persons are my Immediate Relatives and my / their Connected Persons (individual):

Sr. No.	Name	PAN	Relationship	Phone/Mobile No	Name of the broker with whom account held	U.C.C./Trading Code
1.						
2.						
3.						
4.						
5.						

(ii) I, my Immediate Relatives and my / their Connected Persons hold more than a 10% stake in the following concern(s)/firm(s)/companies/HUF/trust/ association of persons (non-individual) or share material financial relationship with following persons/concern(s)/firm(s)/companies/HUF/trust/ association of persons (non-individual) as defined in Insider Trading Regulations:

Sr. No.	Name of concern / firm/ company	PAN	Individual/Type of concern (e.g. sole proprietorship/ partnership/company)	U.C.C./Trading Code
1.				
2.				

(iii) Details of Education and Past Employment

- Education

Name of the Institution	Details of Degree/Certificate

- Past Employment



Sr No.	Name of the Company

(iv) I hereby declare that other than as disclosed above, there are no other Immediate Relatives or Connected Person(s) any of whom is either dependent financially on me, or consults me in taking decisions relating to trading in Securities.

(v) I also undertake that in case of any change in the abovementioned list I shall forthwith intimate the same in writing to the Compliance Department.

**Signature** \_\_\_\_\_

**Employee Name:** \_\_\_\_\_

**Company:** \_\_\_\_\_

**Department:** \_\_\_\_\_