



FINAAX CAPITAL ADVISORS PRIVATE LIMITED

PROHIBITION OF INSIDER TRADING POLICY

EFFECTIVE FROM DECEMBER 05, 2024

1. Introduction

Finaax Capital Advisors Private Limited, being categorized as Category-1 Merchant Banker under the SEBI (Merchant Banking) Regulations, 1992, provides inter-alia, Merchant Banking and financial advisory to its clients. Finaax and the Designated Persons may receive and/ or handle Unpublished Price Sensitive Information “UPSI” while rendering services to its clients. Finaax under Regulation 9 (1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 2015, being an intermediary registered with SEBI, is required to formulate a code of conduct in order to regulate, monitor and report trading by Designated Persons and their Immediate Relatives.

Finaax is committed to high standards of corporate governance, transparency and accountability in dealing with its clients and in ensuring adherence to all applicable laws and regulations of India including but not limited to PIT Regulations. This code has been formulated to maintain confidentiality of Client’s UPSI and prevention of disclosure of any UPSI of its Clients. This code encapsulates the restrictions, formats and rules of conduct to be followed by Designated Persons and their Immediate Relatives while dealing with UPSI of its Clients and is intended to Serve as a guiding charter for all persons associated with its functioning.

2. Scope

- 2.1 This code of conduct for Prevention of Inside Trading (“Code”) comprises of rules and regulations for governing the provisions for prevention of Insider Trading and protection of Unpublished Price Sensitive Information of clients as required under the PIT Regulations.
- 2.2 This code extends to the Designated Persons and their Immediate Relatives.
- 2.3 This code shall come into effect from 5th December 2024. (“Effective Date”)

3. Definition and Interpretations

3.1 Definitions

“**Act**” shall mean Securities and Exchange Board of India Act, 1992 as amended from time to time.

“**Client**” Shall mean listed companies or proposed to be listed companies with whom Finaax has ever associated with in a manner for providing any professional services.

“**Code**” shall mean this Code of Conduct: Prevention of Insider Trading as amended from time to time.

“**Finaax**” means Finaax Capital Advisors Private Limited.

“**Compliance Officer**” shall mean the person, who has been appointed by Finaax as compliance officer and is responsible for compliances of policies, procedures, maintenance of records, monitoring the compliance of this code for preservation of UPSI, monitoring of trades by Designated Persons under the overall supervision of Finaax and other obligations as assigned to such person under this code and PIT Regulations.

“**Designated Persons**” shall mean and include the following:

- Promoters and members of the promoter group
- Directors, Key Managerial Personnel (KMP), and senior management
- Any other person designated by the Company from time to time based on their functional role or access to UPSI.

“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;

“Insider Trading” shall have the meaning as prescribed to it under the PIT Regulations.

“Unpublished Price Sensitive Information” or **“UPSI”** shall mean any information, relating to client or client’s securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of Client’s securities and shall, ordinarily including but not restricted to, information relating to the following:

- Client’s financial results;
- Client's dividends;
- Change in client's capital structure including but not limited to issue of securities, buy back of securities etc;
- Mergers, demergers, acquisitions, delisting, disposals and expansion of business and such other transactions involving the Clients;
- Changes in Key Managerial Personnel of the Clients;
- Any details of the upcoming project, Business plan and collaboration.

“PIT Regulations” shall mean Securities and Exchange Board of India (Prohibition of Inside Trading) Regulations, 2015, as amended from time to time.

“Trading” shall mean and include subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities of Clients whose securities have been listed or proposed to be listed on any recognized Stock Exchange, and “trade” shall be construed accordingly.

3.2 Interpretations

- a. Words and expressions used and not defined in this Code but defined in the PIT regulations, Securities and Exchange Board of India, 1992, the Securities Contract (Regulations) 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 that legislation.
- b. Reference to the word “include” shall be construed without limitation.

4. Compliance Officer

- 4.1 The compliance officer shall report to the Director of the Finaax and shall provide regards to the implementation of this code and PIT Regulations.
- 4.2 Under the overall supervision of Finaax, the Compliance Officer shall be responsible for following:
 - a. For setting forth policies, procedures, monitoring adherence to this code and PIT Regulations for the preservation of UPSI;
 - b. Pre-clearing and monitoring of Trades as required under this Code;
 - c. implementation of this code;
 - d. maintaining and updating on a periodic basis, a record of all the Designated Persons and their shareholding in the securities of Clients along with the disclosures made in pursuance of this Code and/or PIT Regulations;

- e. Assessment and grant of approval to the trading plans formulated by the Designated Persons;
- f. Assist all the Designated Persons and their immediate relatives in addressing any clarifications regarding the Regulations and the Code;
- g. Making necessary disclosures with the Stock Exchanges and other relevant statutory authorities in compliance with this code and PIT Regulations;
- h. Such other roles and functions as may be applicable under the PIT Regulations.

5. Prevention And Restriction On Communication Of UPSI

5.1 Protection and Communication of UPSI

- a. All UPSI shall be handled within Finaax on a “need to know basis”. No person shall communicate, provide or allow access to any UPSI, directly or indirectly, relating to the clients or any of Client’s Securities, listed or proposed to be listed on any stock exchange, to any person including other insider except when such communications is in furtherance of legitimate purposes, performance of such person’s duties or discharge of legal obligations.
- b. No person shall procure from or cause the communication by any person possessing or having access to UPSI, relating to the Client, except in furtherance of legitimate purposes, performance of such person’s duties or discharge of legal obligations.
- c. Notwithstanding anything contained in these provisions, UPSI may be communicated, provided, allowed access to or procured, in terms of Regulation 3(3), and 3(4) of the PIT Regulation.

5.2 Trading while in possession of UPSI

- a. No insider shall either on his behalf or on behalf of any other person, trade in securities of Clients which are listed or proposed to be listed, when in possession of UPSI except in accordance with Regulation 4 of the PIT Regulation and trade plan as approved by the Compliance Officer under this Code.
- b. In event, any Designated Person, while in possession of UPSI, has traded in securities of any Client, his Trades shall be deemed to have been persuaded by the knowledge and awareness of such UPSI. The onus to prove otherwise shall on such person.

5.3 Chinese Wall

Finaax in order to prevent the misuse of UPSI, has adopted a “Chinese Wall” policy which separates those department of Finaax which routinely have access to UPSI, and are considered “Inside Areas” from those departments which deal with accounting or other departments providing support services, and are considered “Public Areas” and for this purpose:

- a. The Designated Persons in the Inside Areas are not allowed to communicate any UPSI to anyone in the Public Areas;
- b. The demarcation of various departments as Inside Area shall be determined by the Compliance Officer in consideration with Finaax.
- c. Only in exceptional circumstances, the persons from the public areas are brought “over the wall” and given access to UPSI on a “Need to know” basis only.

Procedure for wall- crossing

In the event any person is required to be brought “over the wall”, in order to obtain access to the UPSI for a specific purpose, prior approval of the Compliance officer shall be sought. The Compliance

Officer shall consider whether the person being brought 'over the wall', is being provided UPSI on a need to know basis.

Such persons, who are brought over the wall should be notified that they would be deemed to 'Designated Person' under this code, and that consequently, such persons will be required to comply with all applicable provisions of the Code, till such information remains UPSI.

Appropriate records of such persons being brought 'over the wall' shall be maintained. Further, the Compliance Officer will be informed of all instances wherein a person has been brought over the wall, in accordance with the procedure set out above, so as to enable the Compliance Officer to maintain appropriate records in this regard.

5.4 Need to Know Basis

All Designated Persons, who are privy to the UPSI shall handle the same strictly on a 'need to know Basis' i.e., UPSI shall only be disclosed to those persons in Finaax who need to know the same in course of performance or discharge of their official duty and that the possession of UPSI will not in any manner give rise to a conflict of interest or likelihood of misuse of UPSI.

5.5 Limitations on access to UPSI

All the Designated Persons who are privy to the UPSI shall, in preserving the confidentiality of the same, and to prevent its wrongful distribution, adopt among others, but not limited to, the following safeguards

- a. To keep files containing UPSI or Confidential Information, secured;
- b. To keep computer files with adequate security of login through a password;
- c. To follow the guidelines for maintenance of electronic records and systems as applicable in Finaax from time to time.
- d. To restrict reviewing of confidential documents in public places so as to prevent access to UPSI by unauthorized persons.
- e. To promptly removing and cleaning up all confidential documents and other materials containing UPSI from conference rooms following the conclusion of any meetings.

6. Responsibilities Of Designated Persons and Immediate Relatives

6.1 All Designated Persons shall be required to disclose their name and permanent account number, or any other identifier authorized by law of the following to Finaax on an annual basis and as and when the information changes as ***Annexure - C***:

- a. Immediate Relatives
- b. Persons with whom such Designated Person(s) shares a Material Financial Relationship.
- c. Phone, mobile and cell numbers which are issued by them.

Provided that, for the purpose of this Code, 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

6.2 While communicating or allowing access to the UPSI, the Designated Person is required to give due notice to such Person with whom the UPSI it shared, to maintain confidentiality of such UPSI in compliance with the PIT Regulations and this Code.

- 6.3 The Designated Person shall report any leak or suspected leak of UPSI as well as violation of this Code and PIT Regulation by other Designated Person. Further, retaliation for reporting suspected violations is strictly prohibited under this Code. Employee who reports any alleged violations of insider trading laws in accordance with the Informant mechanism introduced vide PIT Regulations will be protected against any unlawful discharge, termination, demotion, suspension or threats, harassment, directly or indirectly.
- 6.4 If an inquiry has been initiated by Finaax in case of leak or suspected leak of UPSI, the Designated Person shall cooperate with the Client along with Finaax in connection with such inquiry conducted by the Client.
- 6.5 The Designated Person shall make disclosures of his holding and trading inequity shares of any of the Client by himself or by Immediate Relatives to Finaax preferably in advance but not later than 24 hours post transaction in any case.
- 6.6 The Designated Persons and their immediate relatives are advised and mandated to read and adhere to this Code, as amended from time to time and code of conduct of the respective Client Company before making any trades in the securities of such Client Company.

7. Pre-Clearance of Trades

- 7.1 All employees, including Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and the Compliance Officer, are required to submit a pre-clearance request to the Company in the format prescribed in *Annexure - A*.
- 7.2 The Designated Person and/or their Immediate Relatives may, subject to prior approval of the Compliance officer, trade in more than 10,000 (Ten Thousand Only) shares or Rs. 2,00,000/- (INR Two Lac Only) in value, whichever is lower in the securities of any Client, for whom Finaax is associated in raising fund by way of IPO, Rights Issue, Preferential Allotment, Private Equity etc.
- 7.3 Upon receipt of the approval from the Compliance Officer under Clause 7.1 of this Code, the proposed trade shall be executed within 7 (seven) days from date of such approval however no contra trade shall be executed in that trade within six months for such approval. Upon failure to execute the Trade within the prescribed time, the Designated Person and/or their Immediate Relative shall be required to obtain a fresh pre-clearance.
- 7.4 The Compliance Officer shall confidentially maintain a list of such securities as a "restricted list" as prepared in consultation with director of Finaax, which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.
- 7.5 Prior to the approval of any trades, the Compliance Officer shall seek declarations to the effect that the applicant for pre-clearance is not in possession of any UPSI of the Client in whose securities such applicant is proposing to trade. The Compliance Officer shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- 7.6 If a trade is not executed after receiving pre-clearance, all employees, including Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), and the Compliance Officer, are required to submit a declaration to the Company in the format prescribed in *Annexure - B*, confirming that the trade was not executed despite obtaining pre-clearance.

8. Trading Plan

- 8.1 All Designated Persons and their Immediate Relatives shall be entitled to formulate a trading plan for providing for plan for trading in securities of the Client. The Trading Plan so formulated shall be presented to the Compliance Officer and for public disclosure and such Designated Person(s) or their Immediate relative(s) may trade only in accordance with their Trading Plan.
- 8.2 The trades must be cleared within 7 (Seven) trading days and they have to be executed by Designated Person, failing which fresh pre-clearance would be needed for the trades to be executed.
- 8.3 The Compliance Officer shall review the Trading Plan to assess whether such plan would have any potential for violation of the PIT Regulations and shall be entitled to seek such express undertaking as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.
- 8.4 The Trading Plan once approved shall be binding on the Designated Person or his Immediate Relative, who has formulated the said Trading Plan. They shall implement the Trading Plan and shall not be entitled to deviate from it or to execute any trade outside the scope of the Trading Plan.

9. Disclaimer

The Code is the internal policy to regulate Designated Persons and their Immediate Relatives who may be considered to be in possession of UPSI of Finaax's Clients for the purposes of the PIT Regulations, from Communicating and Trading. It is however the responsibility of each Designated Person to ensure compliance with the provisions of the PIT Regulations and other related laws and also on behalf of its Immediate Relatives.

10. Penalty For Contravention

- 10.1 Every Designated Person is individually responsible for complying with the applicable provisions of the Code (including to the extent the provisions hereof are applicable to the Immediate Relatives of the Designated Persons).
- 10.2 In addition to penalty as provided under the Act or the PIT Regulations, any Person who violates this Code would attract internal disciplinary actions by Finaax including but not limited to wage freeze, suspension, recovery, imposition of fine, suspension or termination of the services, demotion and claw back etc. as deemed fit by Finaax.

11. Miscellaneous

- 11.1 Finaax reserves the right to amend, rescind, or substitute this Code and/or provide for any rule or forms thereunder. This Code of Conduct may be modified by the Director of Finaax from time to time to adopt best practices and to comply with the PIT Regulations.
- 11.2 This Code has been formulated as per prevailing provisions of PIT Regulation. However, if, on account of any subsequent changes in the law, a particular part of this Code thereof may become inconsistent with the law, in such case the provisions of the law shall prevail.
- 11.3 Finaax shall be governed by this Code and the minimum standards for code of conduct for fiduciaries to regulate, monitor and report trading by Designated Persons as specified under Schedule C to the PIT Regulations, as amended, in terms of Regulation 9(2)(1) of the PIT Regulations.

Annexure – A
Format for Pre Clearance Request

Date:

Name of Employee:

Name of the Group Company:

Dept. /Section:

To,

The Compliance Officer

Finaax Capital Advisors Private Limited

Dear Sir/Ma'am,

I, [Name of Employee], hereby seek your prior approval, pursuant to the Code of Conduct for Prevention of Insider Trading and the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, for subscribing to, buying, selling, dealing in, or agreeing to subscribe to, buy, sell, or otherwise deal in the securities of an issuer in respect of which Finaax is acting or has been engaged as a merchant banker in connection with fund-raising activities, including but not limited to an Initial Public Offering (IPO), Rights Issue, Preferential Allotment, Qualified Institutions Placement (QIP), Private Placement, Private Equity transaction, or any other capital-raising assignment.

The Details of the transaction proposed to be entered are as under:

Sr No	Name of the Person*	Client Code	Name of Security	Date of Transaction	Buy/Sell	Quantity

* Write name of self or related person

Nature of Trade: Equity /IPO/Rights Issue/Others _____

DECLARATION

I hereby declare and undertake that:

- have read and understood the Compliance Rules set by the Finaax with regard to investments by employees/related persons and the above transaction(s) is /are not in contravention of the same.
- 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.
- 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.
- The intended transaction is on my account of my Immediate Relative’s account of Concern(s), Firm(s), Company(s), HUF(s), Trust(s) or Association of persons in which the persons to whom this Code is applicable have a stake of more than 10%.
- The said transaction is not on account of any other third party.
- I have not availed any finance from any Group Company for subscribing to the Issue lead managed by Finaax.
- The securities purchased shall be credited to such DP IDs as registered with the company. The securities sold shall be transferred from such DP IDs as registered with the company.

- h. All sale transactions on cash segment are for shares held by me for at least 30 days.
- i. All purchases of shares will be held by me for a minimum period of 30 days.

Signature of the Approver:	Signature of the Employee:
Name of the Approver:	Date of Approval:

Annexure – B

Format For Reporting of Decisions Not to Trade After Securing Pre-Clearance

Date:

To,

The Compliance Officer

Finaax Capital Advisors Private Limited

Dear Sir/Ma'am,

I, **[Name of Employee]**, hereby submit this report pursuant to the Code of Conduct for Prevention of Insider Trading and the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, to inform you that I did not execute, or only partially executed, the transaction(s) for which pre-clearance was granted by you vide approval dated **[Date of Pre-Clearance Approval]** in respect of the securities of **[Name of the Company/Issuer]**.

Given below are the necessary details required for your perusal.

Sr No	Name of the Person*	Date of Approval	Name of Security	Buy/Sell	Quantity not Executed	Reason for not executing / partially executing trade

** Write name of self or related person*

Thanking you,

Yours faithfully,

Name of the Employee:

Signature of the Employee:

Name of the Group Company:

Department:

Annexure – C

Format For Declaration - Related Persons

Date:

To,

The Compliance Officer

Finaax Capital Advisors Private Limited

I, **[Name of Employee]**, having my trading account with **[Name of the Broker]** and Trading Code / Unique Client Code (U.C.C.) no. **[]** do hereby declare that:

i. The following are my immediate relatives#

Sr No	Name	Relationship	Whether Financially Dependent (Yes/No)	PAN	Name of the broker with whom account held*	U.C.C./Trading Code*

ii. The following are the concern, firm, trust, Hindu Undivided Family, Company or association of persons wherein I or my immediate relative has more than ten per cent of the holding or interest

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

I also undertake that in case of any change in the above mentioned list, I shall intimate the same in writing to the Compliance Officer at the earliest.

Name of the Employee:

Signature of the Employee

Name of the Group Company:

Department:

Notes:

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;

* Details are mandatory only if the Immediate Relative is financially dependent on the Designated Person.