



AMBIT FINVEST PRIVATE LIMITED
PREVENTION OF INSIDER TRADING
POLICY

Document Control

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Chapter I

Purpose

The Prevention of Insider Trading Policy (“Policy”) seeks to put in place appropriate systems and controls to adhere with the SEBI (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time (“SEBI PIT Regulations”).

Ambit Finvest Private Limited (hereafter referred to as “**Company**”) is a private limited company incorporated under the provisions of the Companies Act, 1956 and is a Non-Banking Financial Company-Systemically Important Non- Deposit taking Company, registered with the Reserve Bank of India. The Company is categorised as NBFC- Middle Layer in terms of Scale Based Regulation (SBR) - a revised framework for NBFC as issued by the Reserve Bank of India (RBI). The Non-Convertible Debentures (NCDs) of the Company are listed on BSE Limited. The Company is a subsidiary company of Ambit Private Limited (“**APL**”), which is registered as a SEBI Category I Merchant Banker. Accordingly, this Policy is being formulated in accordance with Regulation 8 and 9 (1) of the SEBI PIT Regulations.

All Employees of the Company are advised to carefully go through and familiarize themselves with and adhere to the SEBI PIT Regulations and this Policy.

Applicability

The Policy framed hereunder and any amendments thereto from time to time shall be applicable to all the Employees of the Company and their Immediate Relatives.

The Designated Persons and Eligible Employees as defined in the policy shall be additionally governed by the Prevention of Insider Trading Policy of APL, holding company, in respect of dealing/ trading in securities of other issuers.

Definitions

“**Compliance Officer**” shall have the same meaning as ascribed to it in the SEBI PIT Regulations, as per which, it 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compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the Policy specified in these regulations under the overall supervision of the board of directors of the listed company or the head of an organization, as the case may be.

“**Connected Person**” shall have the same meaning ascribed to it in the SEBI PIT Regulations, as per which, it means any person who is or has during the six months prior to the concerned act been associated with the 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.

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 –

- (i) Immediate Relative of Connected Person(s); or
- (ii) Holding company or associate company or subsidiary company; or
- (iii) Intermediary as specified in section 12 of the Act or an employee or a director thereof; or
- (iv) Investment company, trustee company, asset management company or an employee or a director thereof; or
- (v) an official of a stock exchange or of clearing house or corporation; or
- (vi) 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
- (vii) 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
- (viii) An official or an employee of a self-regulatory organization recognized or authorized by SEBI; or
- (ix) a banker of the company; or
- (x) A concern, firm, trust, HUF, company or association of persons wherein a director of a company or his Immediate Relative or banker of the company has more than 10% of the holding or interest.

“**Contra Trade**” means a trade or transaction which involves buying or selling any number of securities of the Company or of the Client Companies and within 6 months trading or transacting in an opposite transaction involving sell or buy following the prior transaction.”

“**Designated Persons**” means the following:

1. Executive Chairman
2. Chief Executive Officer (CEO)
3. Deputy Chief Executive Officer (Dy. CEO)
4. Chief Operating Officer (COO) / Chief Financial Officer (CFO);
5. Compliance Officer and Company Secretary;
6. Executive Assistant / Executive Secretary of Ex-Com Members
7. Any other person approved by the Executive Chairman.

“**Eligible Employees**” means the following:

1. Any other person, approved by the Executive Chairman and/or the CEO pursuant to business transactions / agreements (including conditions attached therewith) entered in the course of business of the Company

“**Immediate Relative**” means and includes an employee’s:

- 1) spouse (whether financially dependent or independent);
- 2) parents (including in-laws), siblings and children, any of whom are either:
 - a) financially dependent on the employee OR
 - b) who consults the employee for all their decisions related 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.

“**Material Financial Relationship**” (MFR) 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 such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.

MFR is applicable to Designated Persons only.

"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 and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in the securities of the Company listed or to be listed and "trade" shall be construed accordingly.

"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, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.

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

Chapter II

1. Role of Compliance Officer

The Compliance Officer under this Code shall be the Compliance Officer of the Company and shall be responsible to administer the Code and monitor compliance with the Regulations.

The Compliance Officer shall report to the Board of Directors of the Company. In particular, the Compliance Officer shall provide all reports pertaining to the Policy, if any, to the Board of Directors or a Committee on a periodic basis.

The Compliance Officer shall be responsible for implementation of this Policy. The Compliance Officer shall be responsible for and will have the authority to formulate such policies and procedures, and monitoring mechanism as necessary for adherence to the applicable SEBI PIT Regulations and other relevant guidelines by the Company. The Compliance Officer or the persons designated by him/her shall be responsible for implementation of this Policy including preservation of confidentiality of UPSI, pre-clearance of trades, monitoring trading activities of Employees and their Immediate Relatives and preparing and maintaining need based periodical reports.

Amendments to the Policy can be made only with the Board approval. In case of urgency, the Compliance Officer may amend this Policy with the approval of the Executive Chairman. Any amendment to the Policy shall be approved / ratified (as applicable) by the Board of Directors of the Company. For administrative purposes, the Compliance Officer may delegate any of his/her duties and responsibilities under the Policy to any person within the compliance team, as he/she deems appropriate.

Any exceptions to the Policy are to be approved only in case of emergency and with the approval from the Executive Chairman and the Compliance Officer. If the exception pertains to the Executive Chairman then same shall be approved by Group Chief Executive Officer.

The Compliance Officer shall once in a year provide a report to the Chairman of Board of Directors/ Audit Committee, as may be decided. The report shall contain violations observed under the SEBI PIT Regulations and exceptions sought by the Designated Person.

2. Preservation of “Price Sensitive Information”

Every employee shall maintain confidentiality of all Unpublished Price Sensitive Information relating to an entity / securities in his/ her possession or to which he/she can have access to and shall not pass on or communicate, provide or allow access to any such information to any person, directly or indirectly, whether by way of making a recommendation for any Trading in Securities or in any other manner whatsoever.

Notwithstanding anything contained in the Policy, no Employee or Director shall use any Unpublished Price Sensitive Information for Trading in Securities, whether for himself/herself or his/her Immediate Relatives or otherwise.

Structured digital database shall be maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

Structured digital database shall be 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 Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

3. Need to Know:

All information shall be handled within the Company on a need-to-know basis. No Insider shall communicate, provide, or allow access to any UPSI, relating to the securities of the Company listed or proposed to be listed, to any person including other Insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

Further, no employee, director or his/her Immediate Relative shall procure from or cause the communication by any Insider of UPSI, relating to the securities of the Company listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The receipt of UPSI by any Employee/Director should immediately be reported to the Compliance Department for consideration of restrictions as appropriate.

Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be deemed to be an “Insider”.

For the purpose of illustration, the term “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, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of SEBI PIT Regulations.

No insider shall trade in securities of the Company that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information. When a person who has traded in securities has been in possession of unpublished price sensitive information, his trades would be presumed to have been motivated by the knowledge and awareness of such information in his possession.

4. Chinese Wall Policy and Wall Crossing Procedures:

To prevent misuse of UPSI, the Company will endeavor to separate those departments which have access to UPSI in normal course of business, classified as “private side” from those departments which are considered “public side”.

Within private side, the information shall be shared only on ‘need-to-know’ basis.

- (a) The employees in the private side shall not communicate any UPSI to any one in public side.
- (b) In exceptional circumstances employees from the public side may be brought “over the wall” and given confidential information on the basis of “need to know” criteria or legitimate purposes after notifying Compliance Department the identity of the employee on the Public Side who is proposed to be brought over the Wall..

Any information shared for “legitimate purpose” as defined in the Code shall not be construed as “crossing the wall” under this Code.

5. Trading Window:

Other than the period(s) for which the Trading Window is closed as defined hereunder, the same shall remain open for Trading in the Securities of the Company.

Unless otherwise specified by the Compliance Officer, the Trading Window for Trading in Securities of the Company shall be closed for the Designated Persons and Eligible Employee including their respective immediate relatives when the Compliance Officer determines that a Designated Person or Eligible Employees are reasonably expected to be in possession of and / or have access to UPSI.

Trading Restriction Period

In respect of announcement of Quarterly/ Half Yearly/ Yearly Financial Results by the Company, Trading Restriction Period would commence from 1st of the month subsequent to close of the respective quarter/half year/ year and such restriction shall remain in force until 48 hours after the announcement of Financial Results by the Board of Directors of the Company.

The Trading Window shall be opened 48 (Forty-Eight) hours after the UPSI becomes generally available.

All the Designated Persons (including their immediate relatives) shall strictly conduct trading in the Securities of the Company only when the Trading Window is open and shall not trade during the trading restriction period or during any other similar period as may be specified by the Compliance Officer from time-to-time.

No trading restriction shall apply to the events as exempted or clarified by SEBI from time to time.

Chapter III – Employee Trading Policy

1. Process of Pre-Clearance for Dealing in the Securities (including NCDs) of the Company

For buying / selling/ dealing/ trading in the securities of the Company, which includes Non-Convertible Debentures, listed or to be listed on Exchange(s), each employee, Independent Directors and Advisors of the Company are required to obtain pre-clearance. Hence, each Employee, Independent Directors and Advisors (including their Immediate Relatives), who intend to buy / sell/ deal/ trade in the Securities (including NCDs) of the Company, shall mandatorily take a pre-clearance approval of Compliance.

The Compliance before approving such buying/ selling/ dealing in the securities (including NCDs) of the Company shall take prior approval from any one of the following:

- i. Executive Chairman
- ii. Chief Executive Officer (CEO)
- iii. Deputy Chief Executive Officer (Dy. CEO)
- iv. Chief Operating Officer (COO) / Chief Financial Officer (CFO);

The Pre-clearance approval is valid upto 3 (three) trading days from the receipt of approval. In case pre clearance is obtained / received post closure of market hours, the approval shall be valid for the next 4 (four) trading days.

The company reserves the right to call for a demat/trading account statement of the employees which shall be submitted within 30 days of such request. The company shall also have the right to obtain an undertaking (if so required) from employees confirming adherence to insider trading policy.

2. Reporting Requirements for transactions in securities

2.1 Initial Disclosures

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter or member of the promoter group shall disclose their holding of securities of the Company as on the date of appointment or becoming a promoter, to the company within 7 (seven) days of such appointment or becoming a promoter. **(Refer Annexure 1 of the Policy)**

2.2 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 acquired or disposed of within 2 (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, aggregates to a traded value in excess of Rs. 1,000,000/- (Ten Lakh Rupees only). **(Refer Annexure 2 of the Policy)**

2.3 Disclosure by the Company

The Company shall notify the particulars of such trading to the stock exchange on which the securities are listed within 2 (two) trading days of receipt of the disclosure or from becoming aware of such information.

2.4 Contra Trade

All Designated Persons including their immediate relatives who Trade in the securities of the company or the Client Companies shall not enter into a Contra Trade during the next six months following the prior transaction.

The restriction of Contra Trade will not apply for trades pursuant to exercise of stock options.

In case of any Contra Trade be executed, 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 administered by SEBI.

The compliance officer may be empowered to grant relaxation from strict application of such restrictions for reasons to be recorded in writing provided that such relaxation does not violate the SEBI Regulations.

The aforesaid restriction (contra trade) shall not apply in respect of buy back offers, open offers, rights issues, further public offer, bonus offers, exit offers etc, as permitted by SEBI Regulations.

2.5 Additional Limitations

The Compliance Department may impose such additional limitations/conditions as may be necessary to effectively implement this Policy on Employee trading at any time such as statement of holdings and information in respect of securities held by them and/or their Immediate Relatives, or any other document(s) including Bank account statements, mobile bills etc. as the Compliance department shall consider appropriate, to verify that the procedures mentioned in this policy are being adhered to.

Chapter IV – Informant Mechanism - Protection against retaliation & victimization

SEBI has introduced the concept of an “Informant Mechanism” with an intention to curb the practice of insider trading and initiate action against any insider trading activities and ensure integrity of the securities markets.

Any employee can voluntarily submit any information relating to an alleged violation of this Policy which may have occurred or is occurring or has a reasonable belief that it is about to occur, to the Office of Informant Protection of SEBI, in the format and manner as set out in Schedule D to the SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019.

Based on this mechanism, irrespective of whether the information is considered or rejected by the Board, such employees will be protected by Ambit, against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination, irrespective of whether the information is considered or rejected by SEBI.

SEBI has further clarified that it would not be dealing with the complaints which are anonymous and not specific or substantiated or verifiable. Any complaint which has verifiable or substantiated facts, even if it is anonymous, will be considered by SEBI, for further necessary action.

Chapter V – Disclosures and Penalty

Every Designated Person shall submit the declarations and undertakings to Compliance, in the prescribed format, in the following cases:

1. At the time of joining, Designated Employees / Eligible Employees as defined in this policy shall submit a Declaration of their broking / demat accounts/ Directorship/ Partnership etc. and all their holdings along with statements for themselves and Immediate Relatives on the online PITP portal.
2. Apart from the above, Designated persons shall also be required to disclose any “Material Financial Relationship” i.e. 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 such payer’s annual income of such designated person but shall exclude relationships in which the payment is based on arm’s length transactions.
3. Designated Employees / Eligible Employees shall also submit an Annual Declaration of their Broking and Demat Account along with the transaction statements as on March 31st by the end of the 1st quarter of each financial year.
4. Designated Employees / Eligible Employees leaving the company shall submit the PITP declaration (in format as applicable) along with the holding and transaction statement for the period / date as required by Compliance for completion of Exit Sign Off.

All disclosures made under this Policy shall be maintained for a period of as may be required as per the applicable regulations.

The Compliance department can ask for any other disclosures from the Employees and their immediate relatives, as deemed necessary under this Policy.

Penalty for contravention of the Prevention of Insider Trading Policy

Every Employee shall be individually responsible for complying with the provisions of the Policy including to the extent the provisions hereof are applicable to his/her Immediate Relatives.

Every Employee who contravenes this Policy is liable to be penalized and appropriate action will be taken against such person by Ambit after giving reasonable opportunity to them to explain his/her stand in the matter. Such person shall also be subject to disciplinary action which may include warnings, wage freeze, dismissal, suspension, ineligibility for future participation in ESOPs, forfeiture of benefits, recovery, clawback, monetary fines, termination of employment, etc.

In case it is observed that there has been a material violation of SEBI PIT Regulations the same shall be informed to SEBI, as appropriate, based on the decision of the management and Compliance Officer of the Company.

In case the company believes that there has been a violation of SEBI PIT Regulations, it shall promptly inform the Stock Exchange(s) where the Securities of the Company are traded/listed, in such form and such manner as may be specified by the Board from time to time

Chapter VI – Review of Policy

The Audit Committee and/or Board of the Company shall review the compliance with the provisions of the PIT regulations and this policy at least once in a year financial year and shall verify that the systems for internal control are adequate and are operating effectively.

Annexure 1: Initial Disclosure

(Disclosure by Key Managerial Personnel (“KMP”) or Director or upon becoming a Promoter or member of Promoter Group as per the Prevention of Insider Trading Policy)

To
The Compliance Officer
Ambit Finvest Private Limited
ISIN of the Company:

Re: Details of Securities held on appointment of Key Managerial Personnel (“KMP”) or Director or upon becoming a Promoter or member of Promoter Group and immediate relative of such persons and by other such persons as mentioned in Regulation 6(2)

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (Promoters/ member of Promoter Group/ KMP/ Directors /Immediate Relative to/ Others etc.)	Date of appointment of Director /KMP Or Date of becoming Promoter or member of Promoter Group	Securities held at the time of becoming Promoter/appointment of Director/KMP or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of security	Number	

Signature:

Name:

Designation:

Date:

Place:

Annexure 2: Continuing Disclosure

(Continual Disclosure by Promoter or Member of Promoter Group or Designated Person or Director) as per the Prevention of Insider Trading Policy)

To
 The Compliance Officer
 Ambit Finvest Private Limited
 ISIN of the Company:

Re: Details of change in holding of Securities of Promoter or Member of Promoter Group or Designated Person or Director and immediate relative of such persons and by other such persons as mentioned in Regulation 6(2)

Name, PAN, CIN/DIN, & address with contact nos.	Category of Person (Promoters/ Promoter or Member/ 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/ sale 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 executed
		Type of securities	No. and % of shareholding	Type of securities	No.	Value	Transaction Type (Buy/Sale)	Type of securities	No. and % of share holding	From	To			

Signature:

 Name:
 Designation:
 Date:
 Place: