

**CODE OF CONDUCT TO REGULATE, MONITOR AND  
REPORT TRADING IN SECURITIES OF OTHER LISTED  
ENTITIES BY DESIGNATED PERSONS AS AN  
INTERMEDIARY**

**NATIONAL SECURITIES DEPOSITORY LIMITED**

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## **CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING IN SECURITIES OF OTHER LISTED ENTITIES BY DESIGNATED PERSONS AS AN INTERMEDIARY**

### **1. Necessity, Objective and Underlying Principles**

- 1.1. In accordance with Part B of Third Schedule of the SEBI (Depositories and Participants) Regulations, 2018, as amended from time to time (“**SEBI D&P Regulations**”), National Securities Depository Limited (“**NSDL**” or “**Company**”), as a depository, is required to implement a Code of Conduct for governing board, directors, committee members and key management personnel with the objective of improving the professional and ethical standards in the functioning of a depository thereby creating better investor confidence in the integrity of the securities market.
- 1.2. In addition, the Securities and Exchange Board of India (“**SEBI**”) has framed the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**SEBI PIT Regulations**”) that aims at curbing market abuse, and prohibition of insider trading. Regulation 9(1) of the SEBI PIT Regulations require Intermediaries to frame their own code of conduct for monitoring, regulating and reporting trades by Designated Persons of such Intermediaries in Securities of Other Listed Entities by adopting minimum standards set out in Schedule C of the SEBI PIT Regulations.
- 1.3. The Governing Board of NSDL has framed this Code of Conduct encompassing the applicable requirements of the SEBI D&P Regulations and SEBI PIT Regulations and other applicable circulars issued by SEBI (collectively referred to as “**Regulations**”) applicable to NSDL as an Intermediary for regulating, monitoring and reporting trades in Securities of Other Listed Entities by Designated Persons and their Immediate Relatives.
- 1.4. The purpose of this Code is to elucidate and inform all Designated Persons of NSDL that they have a responsibility and duty to preserve the confidentiality of the unpublished price sensitive information in relation to Other Listed Entity, that may come in possession of Designated Persons of NSDL, during the course of discharging his/her functions in NSDL and regulate dealing in their Securities. To achieve these objectives, NSDL hereby notifies that this Code of Conduct to Regulate, Monitor and Report Trading in Securities of Other Listed Entities by Designated Persons as an Intermediary (hereinafter referred to as “**this Code**”) to be followed by all Designated Persons who might have access to Unpublished Price Sensitive Information in relation to Other Listed Entity pursuant to his/her role and function in NSDL.

### **2. Effectiveness of the Code**

- 2.1. The Governing Board of NSDL shall be empowered to approve, adopt and amend this Code.

- 2.2. The Code shall continue to be effective until any statutory provision contrary to this Code is made applicable to NSDL or the Regulations under which the Code has been framed, be repealed by the SEBI or as may be decided by the Governing Board and is subject to change pursuant to any amendments thereof in the said Regulations.
- 2.3. The Governing Board may from time to time, review and amend the provisions of the Code in terms of practices being followed and amendments, if any, under the Regulations.

### 3. Definitions

In this Code, the following expressions including their grammatical variations and cognate expressions shall unless repugnant to the context or meaning thereof, have the meaning assigned to them respectively hereunder:

- 3.1. **“Governing Board”** means the Board of Directors of NSDL;
- 3.2. **“NSDL”** means National Securities Depository Limited;
- 3.3. **“Compliance Officer”** means any senior officer, designated from time to time, in compliance with the provisions of the Regulations;
- 3.4. **“Connected Person”** to the extent applicable to NSDL by virtue of being an Intermediary, 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 3.8 of this Code; or
    - (b) a holding company or associate company or subsidiary company; or
    - (c) an intermediary as specified in section 12 of the SEBI Act, 1992 or an employee or director thereof; or
    - (d) an investment company, trustee company, asset management company or an employee or director thereof; or
    - (e) an official of a stock exchange or of clearing house or corporation; or
    - (f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or

- (g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- (h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- (i) a banker of the company; or
- (j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his immediate relative or banker of the company, has more than ten percent of the holding or interest.

3.5. **“Designated Person”** shall mean the following:

- (i) Directors;
- (ia)<sup>1</sup> Independent External Persons appointed as members of the Nomination and Remuneration Committee, Regulatory Oversight Committee, Member Committee, Risk Management Committee, and Standing Committee on Technology;
- (ii) Key Managerial Personnel;
- (iii)<sup>2</sup> an employee
  - a) in the two levels below the Chief Executive Officer of the Company,
  - b) at the level of Assistant Vice President and above in the Company;
  - c) in the following departments/ functions: (a) Legal and Compliance, (b) Inspection, (c) Surveillance; or
  - d) designated by the Compliance Officer in consultation with the Governing Board or Regulatory Oversight Committee, either for a specific period or for an indefinite period, based on such person’s role, function, designation and seniority in Company and the extent to which such person may have access to Unpublished Price Sensitive Information;
- (iv)<sup>3</sup> [..]
- (v)<sup>4</sup> [..]
- (vi)<sup>5</sup> [..]

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<sup>1</sup> Inserted w.e.f. February 7, 2024

<sup>2</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 3.5 read as follows:

(iii) *Other Employees upto two levels below Chief Executive Officer of the Company, irrespective of their functional role in the Company or ability to have access to Unpublished Price Sensitive Information;*

<sup>3</sup> Deleted w.e.f. February 7, 2024. Prior to deletion, Clause 3.5(iv), it read as follows:

(iv) *Other Employees holding designation of ‘Senior Manager’ or above of the Company;*

<sup>4</sup> Deleted w.e.f. February 7, 2024. Prior to deletion, Clause 3.5(v), it read as follows:

(v) *Other Employees holding designation of ‘Senior Manager’ or above of the Company;*

<sup>5</sup> Deleted w.e.f. February 7, 2024. Prior to deletion, Clause 3.5(vi), it read as follows:

(vii) Immediate Relatives of the persons specified in (i) to (iii)<sup>6</sup> above.

- 3.6. **“Employee”** includes any person being in the employment (permanent or temporary) of NSDL including apprentices, trainees, etc;
- 3.7. **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis;
- 3.8. **“Immediate Relative”** means (i) a spouse of a person, and (ii) parent, sibling, and children of such person or of the spouse, (a) any of them is either dependent financially on such person, or (b) consults such person in taking decisions relating to trading in Securities;
- 3.9. **“Insider”** means any person who is:
- (i) a Connected Person; or
  - (ii) in possession of or having access to Unpublished Price Sensitive Information.
- 3.10. **“Key Management Personnel”** or **“KMP”** shall mean key management personnel of NSDL as defined under the SEBI D&P Regulations.
- 3.11. **“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 the SEBI PIT Regulations.
- 3.12. **“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.
- 3.13. **“Other Listed Entity(ies)”** shall mean a listed entity other than NSDL.
- 3.14. **“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.
- 3.14A)<sup>8</sup>**“Structured Digital Database”** or **“SDD”** means a digital database created, updated and maintained by the Company as per the provisions of the SEBI PIT Regulations.

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<sup>6</sup> Amended w.e.f. February 7, 2024 Replaced with ‘(vi)’

<sup>7</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 3.8 read as follows:

*“Immediate Relative” means a spouse of a person, and includes parent, sibling, and children 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.*

<sup>8</sup> Inserted w.e.f. February 7, 2024.

- 3.15. **“Trading”** means and includes subscribing, buying, selling, pledging dealing, or agreeing to subscribe, buy, sell, pledge, deal in any securities, and “Trade”, “Traded” shall be construed accordingly.
- 3.16. **“Trading Day”** means a day on which the recognized stock exchanges are open for trading;
- 3.17. **“Unpublished Price Sensitive Information” or “UPSI”** means any information, relating to Other Listed Entities or their Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities of Other Listed Entities 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; and
  - (v) changes in key managerial personnel.

Words and expressions used and not defined in this Code, but defined in the SEBI Act, 1992, the Regulations, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in such legislations.

#### **4. Applicability**

- 4.1. This Code is applicable to all the Designated Persons of NSDL in respect of their dealing in the Securities of Other Listed Entities to the extent it is provided by this Code.

#### **5. Compliance Officer**

- 5.1. The Company has designated a Senior Officer of NSDL as Compliance Officer to administer this Code and monitor compliance with the Regulations. The Compliance Officer for the purpose of this Code shall report to the Managing Director/ Chief Executive Officer, and Regulatory Oversight Committee of NSDL.
- 5.2. In the absence of the Compliance Officer due to leave or any other reason, the Officer designated by him/her from time-to-time shall discharge the functions referred above.

#### **6. Disclosure of Beneficial Interest**



- 6.1. <sup>9</sup>All Designated Persons shall disclose to the Compliance Officer, upon assuming office and during their tenure in office, whenever any of the following arise:
- 6.1.1. any fiduciary relationship (i.e. a person holding the character of a trustee) of self and family members and directorship/ partnership of self and family members in any trading member or clearing member or depository participant or registrar and share transfer agent.
  - 6.1.2. shareholding, in cases where the shareholding of the Director, Committee Member or KMP, directly or through his/her family members, exceeds 5% in any Other Listed Entity or in other entities related to the securities markets; and
  - 6.1.3. any other business interest.
- 6.2. All the Designated Persons shall be required to submit following personal information, to the Compliance Officer on an annual basis and as and when the information changes:
- 6.2.1. Permanent Account Number or any other identifier authorized by law of the following persons:
    - 6.2.1.1. Immediate Relatives as defined in Clause 3.8;
    - 6.2.1.2. persons with whom such designated person(s) shares a material financial relationship (i.e. a relationship in which the person receives any kind of payment from a Designated Person (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. However, relationships in which the payment is based on arm's length transactions is excluded;
  - 6.2.2. Phone, mobile and cell numbers which are used by them;
  - 6.2.3. Names of educational institutions from which Designated Persons have graduated (to be disclosed on one-time basis);
  - 6.2.4. Names of their past employers (to be disclosed on one-time basis).

The above disclosures shall be made in Form I.

## **7. Disclosure of trading in Securities of Other Listed Entities by Designated Persons**

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<sup>9</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 6.1. read as follows:  
*All Directors, committee members and key management personnel of NSDL shall disclose to the Governing Board, upon assuming office and during their tenure in office, whenever any of the following arise:*

- 7.1. <sup>10</sup>All Designated Persons shall disclose to the Compliance Officer a statement of holdings in securities of Other Listed Entities in Form II, as on 31<sup>st</sup> March of every year by 30<sup>th</sup> April of that year. The newly appointed Director, Committee Member, KMP and other Designated Persons shall furnish this statement within 30 days after assuming office and thereafter, as prescribed above.
- 7.2. <sup>11</sup>All Designated Persons shall disclose to the Compliance Officer on a quarterly basis for the period ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December of every year within 30 days thereof in Form III all their trading in securities of Other Listed Entities, directly or indirectly (i.e. by any of the immediate relative of the Designated Person or by any firm/ corporate entity in which the Designated Person or his immediate relative hold 20% or more beneficial interest or controlling interest). In case, the Designated Person has not traded in securities of Other Listed Entities, directly or indirectly, during a particular quarter, then he/she shall not be required to submit the said disclosure for such quarter.
- 7.3. <sup>12</sup>The Compliance Officer shall submit a report about the disclosures received from the Designated Persons to the Regulatory Oversight Committee and the Governing Board; on a quarterly basis or on such other intervals as decided by the Regulatory Oversight Committee or Governing Board.

#### 7.4. Chinese Wall Policy

- 7.4.1. As per the Regulations, NSDL has adopted a Chinese wall policy to prevent the misuse of Unpublished Price Sensitive Information in relation to Other Listed Entity as set out in Annexure 1 herein. All Designated Persons shall adhere to the Chinese wall policy and ensure that confidentiality of Unpublished Price Sensitive Information is maintained at all times.

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<sup>10</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 7.1 read as follows:

*All Directors shall disclose to the Governing Board and other Designated Persons shall disclose to the Compliance Officer a statement of holdings in securities of Other Listed Entities in Form II, as on 31<sup>st</sup> March of every year by 30<sup>th</sup> April of that year. The newly appointed Directors, KMPs and Employees shall furnish this statement within 30 days after assuming office and thereafter, as prescribed above.*

<sup>11</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 7.2 read as follows:

*All Directors shall disclose to the Governing Board and other Designated Persons shall disclose to the Compliance Officer on a quarterly basis for the period ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December of every year within 30 days thereof in Form III all their trading in securities of Other Listed Entities, directly or indirectly (i.e. by any of the immediate relative of the Designated Person or by any firm/ corporate entity in which the Designated Person or his immediate relative hold 20% or more beneficial interest or controlling interest). In case, the Designated Person has not traded in securities of Other Listed Entities, directly or indirectly, during a particular quarter, then he/she shall not be required to submit the said disclosure for such quarter.*

<sup>12</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 7.3 read as follows:

*All disclosures received by the Compliance Officer from Designated Persons shall be placed before the Regulatory Oversight Committee and the Governing Board.*

## **8. Restrictions in trading in Securities of Other Listed Entities**

- 8.1. Designated Persons shall not trade in the Securities of Other Listed Entities while in possession of Unpublished Price Sensitive Information. When not in possession of Unpublished Price Sensitive Information, the trades in securities of the Other Listed Entities will be subject to pre-clearance, if the value of trades is in excess of the threshold prescribed in Clause 8.2 below.
- 8.2. All Designated Persons who intend to trade in Securities of Other Listed Entities, directly or through a Portfolio Manager, above a threshold limit of Rs. 10,00,000 (Rupees Ten Lakhs) in a single transaction or multiple transactions in a quarter shall obtain a pre-clearance from the Compliance Officer by filing an application in Form IV. In case the Compliance Officer intends to trade in Securities of Other Listed Entities, then, he shall obtain the pre-clearance from the Managing Director.
- 8.3. Prior to granting of pre-clearance of trade to the Designated Person, the Compliance Officer shall be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information relating to such Other Listed Entity.
- 8.4. The pre-cleared trade shall be executed by the applicant within seven trading days of obtaining pre-clearance. In case the trade is not executed within seven trading days, the pre-clearance shall lapse and the Designated Person will have to obtain fresh pre-clearance for executing such trade. The Designated Person(s) shall be required to disclose the details of trade executed/not executed after obtaining pre-clearance in Form V.
- 8.5. All transactions (including those made through Portfolio Manager(s) in securities of Other Listed Entities must be of investment nature and not speculative in nature. Towards this end, the Designated Person(s), who is permitted to trade in Securities of Other Listed Entities, shall not execute contra trade for a minimum period of six (6) months in the same security. Moreover, the holding period shall also apply to purchases in the primary market (such as IPOs). In case of IPOs, the holding period shall commence when the Securities are actually allotted. In specific/ exceptional circumstances, the contra trade in a Security can be executed by the Designated Person by obtaining pre-clearance from the Compliance Officer. The Compliance Officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate the Regulations. The application for execution of contra trade within the aforesaid restricted period shall be made in Form IV. If a contra trade is executed, inadvertently or otherwise, in violation of such 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 restriction on contra trade shall not be applicable for trades pursuant to exercise of stock options.

8.6. <sup>13</sup>A report on all pre-clearances given for the purpose of Clause 8.2 and 8.5 above will be placed before the Regulatory Oversight Committee on a quarterly basis.

## **9. Trading Plan**

9.1. A Designated Person is entitled to formulate a Trading Plan and present it to the Compliance Officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan. The Compliance Officer shall review and approve the Trading Plan if it complies with the SEBI PIT Regulations and shall disclose the Trading Plan to the stock exchanges, where the security of the Other Listed Entity is listed. A Designated person who has formulated a Trading Plan and obtained approval of Compliance Officer shall carry out his trading as per the requirements provided under the SEBI PIT Regulations.

## **10. Restricted List/ Grey List**

10.1. <sup>14</sup>Where NSDL is in receipt of Unpublished Price Sensitive Information in relation to Other Listed Entity, the securities of such Other Listed Entity shall be put on the restricted/ grey list for a specific period of time.

10.2. Names of Other Listed Entities covered under the restricted/ grey list shall be confidentially maintained by the Compliance Officer, which shall be used as the basis for approving or rejecting applications for pre-clearance of trades.

10.3. Whenever a KMP and an employee one level below the KMP receives any UPSI in relation to Other Listed Entity, then such KMP or employee shall intimate the details of such Other Listed Entity in Form VI to the Compliance Officer to regularly update the restricted/grey list. Such intimation can be sent by email to the Compliance Officer.

## **11. Investment Advice**

11.1. <sup>15</sup>Directors, Committee Members, KMPs and other Employees shall not render, directly or indirectly, any investment advice about any security in the publicly accessible media whether real-

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<sup>13</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 8.6 read as follows:

*All pre-clearances given for the purpose of Clause 8.2 and 8.5 above along with the accompanying documents will be placed before the Managing Director on a quarterly basis and before the Regulatory Oversight Committee and the Governing Board on such intervals as decided by the Governing Board.*

<sup>14</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 10.1 read as follows:

*Where NSDL is privy to Unpublished Price Sensitive Information in relation to Other Listed Entity, the securities of such Other Listed Entity shall be put on the restricted/ grey list.*

<sup>15</sup> Amended w.e.f. February 7, 2024. Prior to this amendment, Clause 11.1 read as follows:

*11.1. Directors, KMPs and Employees shall not render, directly or indirectly, any investment advice about any security in the publicly accessible media whether real-time or non-real-time unless a disclosure of his interest or the interest of their immediate relative, including derivatives in the said security has been made, while rendering such advice.*

time or non-real-time unless a disclosure of his interest or the interest of their immediate relative, including long or short position in the said security has been made, while rendering such advice.

11.2. KMPs and other Employees shall not encourage or circulate rumors or unverified information obtained from client, industry, any trade or any other source without verification.

11.3. KMPs and other Employees shall ensure that any market related news received by them either in their official mail/personal mail/ blog or in any other manner, should be forwarded only after the same has been seen and approved by the Compliance Officer.

### **11A) <sup>16</sup>Structured Digital Database of recipient of UPSI**

11A(a) As required under Regulation 3(5) of the SEBI PIT Regulations, the Compliance Officer shall maintain a structured digital database of (i) the persons or entities, as the case may be, who have shared the UPSI of Other Listed Entities with the Designated Person of the Company and (ii) the persons or entities, as the case may be, with whom the UPSI of Other Listed Entities has been shared by the Designated Person of the Company; along with the following information pertaining to the recipients:

- (i) Name of the person who has shared/disclosed the UPSI;
- (ii) Name of such recipient of UPSI;
- (iii) Name of the Organization or entity which the recipient represents;
- (iv) Name of the Organization or entity which the discloser represents;
- (v) Postal Address and E-mail ID of such recipient;
- (vi) Permanent Account Number (PAN) or any other identifier authorized by law, if PAN is not available.

11A(b) Such database shall be maintained in accordance with the SEBI PIT Regulations from time to time, including through adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of such database. 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.

## **12. Inquiry of suspected fraud or market abuse**

12.1. No Designated Person shall indulge in a manipulative, fraudulent or an unfair trade practice in securities market.

12.2. Any person who has a reason to believe of any suspicious activity caused by a Designated Person and/or its immediate relative, which is fraudulent or can cause market abuse may inform about it in writing to the Compliance Officer. In case the Compliance Officer becomes aware of any illegal

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<sup>16</sup> Inserted w.e.f. February 7, 2024.

or unethical practices or transactions of suspected fraud or market abuse by a Designated Person and/or its immediate relative, then the Compliance Officer may initiate inquiry against such Designated Person.

- 12.3. The Compliance Officer shall place any such complaint received or instance of any illegal or unethical practices, suspected fraud or market abuse under Clause 12.2 before the Regulatory Oversight Committee. An inquiry / investigation against such Designated Person(s) and/or the immediate relatives of such person shall be undertaken under the supervision of Regulatory Oversight Committee. Efforts will be taken to ensure fairness at all times during the inquiry / investigation.
- 12.4. On completion of the inquiry/investigation, the Compliance officer shall provide a report of its findings to the Regulatory Oversight Committee.
- 12.5. The Regulatory Oversight Committee shall place the inquiry report along with its recommendations to the Governing Board to decide on disciplinary actions to be taken against such person as stated in Clause 13.
- 12.6. Where the Compliance Officer comes to a conclusion that the complaint was false or malicious or misleading, it may recommend the Regulatory Oversight Committee to take action against the complainant, which may include, but is not limited to, levying penalty, written warning, demotion, transfer, suspension or dismissal or any other action.

### **13. Disciplinary Action**

- 13.1. Any Designated Person who trades in securities or communicates any information or counsels any person trading in Securities, in contravention of the Code or otherwise violates the Code will be subject to disciplinary action as considered appropriate by NSDL. Such actions may include (without limiting) including imposition of wage freeze, suspension, recovery, levying penalty, termination of employment, etc. Any amount collected under this clause shall be remitted to the SEBI for credit to the Investor Protection and Education Fund administered by the SEBI.
- 13.2. In case it is observed that there has been a violation of SEBI PIT Regulations, the same shall be promptly reported to the Regulatory Oversight Committee and the Governing Board of the Company, and thereafter, to SEBI by the Compliance Officer.
- 13.3. Any disciplinary action by NSDL shall not preclude SEBI from taking any action in case of violation of the SEBI PIT Regulations.

FORM I  
[TO THE CODE OF CONDUCT]<sup>17</sup>

**INITIAL DISCLOSURE BY A DESIGNATED PERSON**  
**(Please refer Clause 6 of the Code)**

**A. Statement of Holdings**

- 1) Name of the Designated Person:
- 2) Designation:
- 3) Employee code (for KMP and Employee):
- 4) Department (for KMP and Employee):
- 5) Permanent Account Number (PAN):
- 6) Telephone, Mobile and Cell numbers:
- 7) Educational institutions from which graduated:
- 8) Name of past employer:
- 9) Details of immediate relatives in table below:

Name of immediate relatives	Permanent Account Number	Telephone number used	Mobile/ cell number used

- 10) Details of persons with whom such Designated Person(s) have a material financial relationship in table below:

Name of persons with whom such designated person(s) shares a material financial relationship	Permanent Account Number	Telephone number used	Mobile/ cell number used

<sup>17</sup> **Note:** Content wise Form I and Form II are same, only difference is that Form I is required to be given upon joining by a Designated Person, while Form II is required to be submitted on annual basis.


11) Statement of holdings in Securities as on \_\_\_\_\_:

Securities held by Designated Person

Name of the Designated Person	Name of the listed entity and kind of security	No. of security held (Quantity)

Securities held by Immediate Relative of the Designated Person

Name of the immediate relative	Name of the listed entity and kind of security	No. of security held (Quantity)

**B. Disclosure of interest in any Business Partner of NSDL**

- 1) Name of the Designated Person:
- 2) Names of immediate relative and their relationship with the Designated Person:
- 3) Business Partner in which the Designated Person / his immediate relative has / have interest:
- 4) Nature of interest:



**C. Disclosure of shareholding, where the Designated Person holds directly or through his immediate relative, more than 5% in any listed company or other entity related to capital markets registered with SEBI**

- 1) Name of the company / entity:
- 2) No. of shares held by the Designated Person in such company or entity:
- 3) No. of shares held by immediate relative of Designated Person in such company or entity:
- 4) Relationship of such immediate relative with the Designated Person:
- 5) Percentage of the capital owned by the Designated Person and /or immediate relative to the total paid up capital of the listed company or other entity:
- 6) Nature of business of such listed company or other entity:

**D. Disclosure of any other business interest**

- 1) Name and address of the entity (not covered under (B) & (C) above) in which the Designated Person is interested:
- 2) Nature of his/her interest in such entity:
- 3) Nature of business of such entity:

Date:

Place:

Signature of Designated Person

Notes:

- (1) The disclosure is required to be made by a Designated Person within 7 (seven) days upon assuming office/ date of appointment at NSDL and changes, if any, occurring therein during his tenure.
- (2) Securities shall not include mutual fund units.

FORM II  
[TO THE CODE OF CONDUCT]  
**ANNUAL DISCLOSURE BY A DESIGNATED PERSON**  
**(Please refer Clause 7 of the Code)**

**A. Annual Statement of Holdings**

- 1) Name of the Designated Person:
- 2) Designation:
- 3) Employee code (for KMP and Employee):
- 4) Department (for KMP and Employee):
- 5) Permanent Account Number (PAN):
- 6) Telephone, Mobile and Cell numbers:
- 7) Educational institutions from which graduated:
- 8) Name of past employer:
- 9) Details of immediate relatives in table below:

Name of immediate relatives	Permanent Account Number	Telephone number used	Mobile/ cell number used

- 10) Details of persons with whom such designated person(s) shares a material financial relationship in table below:

Name of persons with whom such designated person(s) shares a material financial relationship	Permanent Account Number	Telephone number used	Mobile/ cell number used


11) Statement of holdings in Securities as on 31<sup>st</sup> March 20\_\_\_\_:

Securities held by Designated Person

Name of the Designated Person	Name of the listed entity and kind of security	Opening balance of securities of the listed entity held as on 01.04.20__	Purchase/ Sale made during the year	No. of security of the listed entity held as on 31.03.20__ (Quantity)

Securities held by Immediate Relative of the Designated Person

Name of the Immediate Relative	Name of the listed entity and kind of security	Opening balance of securities of the listed entity held as on 01.04.20__	Purchase/ Sale made during the year (quantity and value)	No. of security of the listed entity held as on 31.03.20__ (Quantity)

**B. Disclosure of interest in any Business Partner of NSDL**

- 1) Name of the Designated Person:
- 2) Names of immediate relative and their relationship with the Director:
- 3) Business Partner in which the Director / his immediate relative has / have interest:
- 4) Nature of interest:

**C. Disclosure of shareholding, where the Designated Person holds directly or through his immediate relative, more than 5% in any listed company or other entity related to capital markets registered with SEBI**

- 1) Name of the company / entity:
- 2) No. of shares held by the Designated Person in such company or entity:
- 3) No. of shares held by immediate relative of Designated Person in such company or entity:
- 4) Relationship of such immediate relative with the Designated Person:
- 5) Percentage of the capital owned by the Designated Person and /or immediate relative to the total paid up capital of the listed company or other entity:
- 6) Nature of business of such listed company or other entity:

**D. Disclosure of any other business interest**

- 1) Name and address of the entity (not covered under (B) & (C) above) in which the Designated Person is interested:
- 2) Nature of his/her interest in such entity:
- 3) Nature of business of such entity:

Date:

Place:

Signature of Designated Person

Notes:

- (1) This statement is required to be given by a Designated Person as on 31<sup>st</sup> March every year within 30 days thereof.
- (2) Securities shall not include mutual fund units.

FORM III  
[TO THE CODE OF CONDUCT]

**DISCLOSURE OF TRADING IN SECURITIES BY A DESIGNATED PERSON**

**(Please refer Clause 7 of the Code)**

Period covered: \_\_\_\_\_

**A. Disclosure of trading in securities, if any, by a Designated Person and his immediate relative:**

- 1) Name of the Designated Person:
- 2) Details of trading in securities of the listed entity by the Designated Person or his/her immediate relative:

Name of the Security	Date on which trade was done	Buy / Sell/ Pledge/ Corporate Action	No. of security (quantity)	Price (INR)	Total Value (INR)	Date of purchase, if the transaction is sale	Name of the trading member(s) through whom trade in security was done	If the trade in security was executed by any of the immediate relative the name(s) thereof along with their relationship to the Designated Person

**B. Disclosure of trading in securities done by the firm/corporate entity in which the Designated Person and/or his immediate relative hold 20% or more beneficial interest or hold a controlling interest.**

- 1) Name of the Designated Person:
- 2) Name of the firm/corporate entity:
- 3) Percentage of holding or nature of controlling interest of the Designated Person and /or his immediate relative in such firm/corporate entity:
- 4) Details of trading in securities executed by such firm/corporate entity:

Name of the Security	Date on which trade	Buy / Sell/ pledge /	No. of security (quantity)	Price	Value	Date of purchase, if the	Name of the trading member(s) through	Name of the Firm/ Corporate

	was done	Corporate Action				transaction is sale	whom trade in security was done	Entity which has done the trade

I hereby declare that I, my immediate relative or the above firms/ entity was not in possession of any unpublished price sensitive information in respect of the above securities at the time of execution of the above trades.

Signature of Designated Person

Date:  
Place:

**Notes:**

- (1) This disclosure is required to be made by a Designated Person on a quarterly basis for the period ending 31<sup>st</sup> March, 30<sup>th</sup> June, 30<sup>th</sup> September and 31<sup>st</sup> December of every year within 30 days thereof.
- (2) This disclosure should be submitted only if the Designated Person has executed any trade in securities during a quarter.
- (3) Securities shall not include mutual fund unit.

FORM IV  
[TO THE CODE OF CONDUCT]

**APPLICATION BY DESIGNATED PERSON TO OBTAIN PRE-CLEARANCE**

**(Please refer Clause 8 of the Code)**

- 1) Name of the Designated Person:
- 2) Designation:
- 3) Employee code (for KMP and Employee):
- 4) Department (for KMP and Employee):
- 5) Nature of transaction: Purchase/Sale/Pledge (strike whichever is not applicable)
- 6) Details of securities proposed to be traded:

Name of the Security/	Name of the Designated Person / his or her immediate relative / entity	No. (quantity) of security proposed to be traded (purchase/ sale/ pledge)	Date of original transaction for which contra trade pre clearance is required (applicable if securities are to be traded before the mandatory holding period)	Specific / exceptional circumstances in detail under which contra trade has to be undertaken before six months (applicable if securities are to be traded before the mandatory holding period)	Value of the expected trade of the security (per scrip per settlement)

I hereby declare that:

- (i) I do not have any access or has not received unpublished price sensitive information in respect of the above security(ies) upto the time of making this application/declaration;
- (ii) I further state that if I receive or have access to unpublished price sensitive information, I will refrain from trading in the above securities till 48 hours after such information becomes generally available;

- (iii) I shall execute the pre-cleared trades within 7 Trading Days from the date of obtaining of the pre-clearance, failing which I shall obtain fresh pre-clearance to execute trades. I shall also report to the Compliance Officer in case I do not execute the pre-cleared trade within the stipulated period;
- (iv) I shall not execute a Contra-Trade for a period of at least 6 (six) months from the date of execution of the Trade, without obtaining pre-clearance from the Compliance Officer;
- (v) I have not, at any time, contravened this Code as notified by the Company from time to time; and
- (vi) The disclosure made by me is full and true to the best of my knowledge and belief.

Date:

Place:

Signature of the Designated Person

**Notes:**

- 1) This application for pre-clearance is required to be submitted by a Designated Person, who intends to trade in a security above the threshold limit of Rs 10,00,000 (Rupees Ten Lakhs) in a single or multiple transactions in a quarter.
- 2) This application for pre-clearance is required to be submitted by a Designated Person, who intends to execute a contra trade in a security in specific/exceptional circumstances within a period of six months from the date of original transaction.

**For office use only**

Approved : Yes / No

Date :

Reason for Rejection (if applicable) :

Signature of the Compliance Officer

(Designated for the purpose of this Code)



FORM V  
[TO THE CODE OF CONDUCT]

**INTIMATION OF EXECUTION OF TRANSACTION FOR WHICH PRE-CLERANACE WAS OBTAINED**  
**(Please refer Clause 8 of the Code)**

To,  
The Compliance Officer,  
National Securities Depository Limited

With reference to pre clearance approval granted by the Company to me on [*insert date*], I [*insert name*] hereby inform that I have traded in the securities as mentioned below:

Name of the Security	Date of purchase/ sale/ subscription/ pledge of the said security	No. of security purchased/ sold/ subscribed/ pledge	Value of securities	In case of non-execution, reason for the same

I hereby confirm, that I have executed the transaction for which preclearance was granted to me within seven trading days of obtaining pre-clearance.

Signature:

Date:

Form VI  
[TO THE CODE OF CONDUCT]

**INTIMATION OF A LISTED ENTITY FOR UPDATE IN RESTRICTED/ GREY LIST**  
**(Please refer Clause 10 of the Code)**

(Intimation by KMPs and employees one level below KMP under this Code)

The Compliance Officer  
National Securities Depository Limited

Dear Sir

Re: Intimation of a listed entity for update in restricted/ grey list

In terms of this Code of NSDL, please see below details of a listed entity, of which unpublished price sensitive information is received.

<b>Sr. No.</b>	<b>Details</b>	<b>Information to be provided</b>
1)	Name of the listed entity	
2)	Nature of Unpublished Price Sensitive information (UPSI) received	
3)	Date of receipt of UPSI	
4)	Date upto which the listed entity should be retained in the restricted/ grey list	

I hereby acknowledge to have fully read and understood my obligation(s) under the SEBI (Prohibition of Insider Trading) Regulations and this Code and undertake to unconditionally abide by the same.

Capitalised terms used and not defined herein shall have the same meaning as prescribed to it in this Code.

Yours faithfully,

\_\_\_\_\_  
Name of the Employees  
Designation:  
Phone No.:  
Email id:

## ANNEXURE 1

### CHINESE WALL POLICY

#### 1. Necessity and Objective

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**SEBI PIT Regulations**”) and the SEBI (Depositories and Participants) Regulations, 2018 (“**SEBI D&P Regulations**”), National Depository Securities Limited (“**NSDL**”) is required to formulate Chinese Wall policy and procedure to prevent the leakage and misuse of sensitive and confidential information relating to [NSDL or] any Other Listed Entity. Accordingly, NSDL will adopt this Chinese Wall Policy for separating the regulatory vertical (Regulatory, compliance, risk management and investor grievances) which might have information concerning regulatory activity of NSDL from the other functions. The Chinese Wall Policy of NSDL also seeks to establish a strict compliance of the SEBI PIT Regulations by segregating those areas of NSDL which may have access to any unpublished price sensitive information of Other Listed Entities and considered “inside areas” from public area and procedures on how and when people are brought inside on “need to know” basis on sensitive/confidential information.

#### 2. Applicability

The Chinese Wall Policy is applicable to all the employees of NSDL and contract employees working within the premises of NSDL. This Policy also extends to any outsider who visits the premises of NSDL.

#### 3. Physically segregation of regulatory/inside area

Regulatory or inside area shall be physically segregated from the public area. The employees in regulatory area shall also be physically segregated from employees in other departments through access controls.

For the purpose of this Policy, “regulatory area” or “inside area” means those departments of NSDL which are mandated by law or those entrusted with regulatory powers and duties, and may include departments performing the following functions:

- (i) risk management;
- (ii) surveillance and investigation;
- (iii) participant registration;
- (iv) issuer or securities admission;

- (v) compliance;
- (vi) inspection;
- (vii) enforcement;
- (viii) arbitration and grievance redressal mechanism;
- (ix) investor protection and services;

#### **4. Providing information on “Need to Know” basis**

- 4.1. An employee in the regulatory area shall not communicate information relating to regulatory activity of NSDL or any unpublished price sensitive information in relation to Other Listed Entity to anyone in public area i.e. area other than regulatory area.
- 4.2. An employee in regulatory area may be physically segregated from employees in public area.
- 4.3. Demarcation of various departments as inside area may be implemented by NSDL.
- 4.4. In exceptional circumstances, employees from the public areas may be brought “over the wall” and given unpublished price sensitive information on the basis of “need to know” criteria for legitimate purpose, performance of duties or discharge of legal obligations under intimation to the Compliance Officer.
- 4.5. The employees within the regulated area of the Chinese Wall have a responsibility to ensure the Chinese Wall is not breached deliberately or inadvertently. Known or suspected breaches of the Chinese Wall must be referred to the Compliance Officer immediately. Any person who is covered under this Policy and who enters the inside area would be subject to all restrictions that apply to such area.