PAWAN PARMESHWAR CAPITAL PVT LTD

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EMPLOYEE TRADING RESTRICTION POLICY

(Personal Account Dealing by Employees in Securities)

Document Control

Policy Name	Employee Trading Restriction Policy
Version	2.0
Effective Date	16-10-2025
Approved By	Board of Directors, Pawan Parmeshwar Capital Pvt Ltd
Owner	Compliance Officer (Mr. Rajkumar Pandey)
Review Frequency	Annual
Supersedes	Employee Trading Restriction Policy adopted under proprietorship name

1. Preamble and Objective

Pawan Parmeshwar Capital Pvt Ltd (the "Company") is a SEBI-registered stock broker. As an intermediary, the Company's employees and other personnel routinely come into contact with: (i) client orders and order-related information; (ii) Unpublished Price Sensitive Information (UPSI) of listed companies in the course of business operations; and (iii) market-sensitive proprietary information.

This Employee Trading Restriction Policy (the "Policy") regulates Personal Account Dealing (PAD) by all Covered Persons to prevent: (a) trading while in possession of UPSI; (b) front-running of client orders; (c) misuse of information learned in the course of employment; and (d) conflicts of interest between the Covered Person and the Company or its clients.

This Policy operates in conjunction with, and is to be read with, the Company's Insider Trading Code (Version 2.0), Conflicts of Interest Policy (Version 2.1) and Mobile Phone Usage Policy (Version 1.0). To the extent of any inconsistency on Personal Account Dealing matters, the more onerous requirement shall apply.

2. Scope and Applicability

This Policy applies to all Covered Persons of the Company, namely:

- All Directors;
- The Compliance Officer and the Principal Officer (PMLA);
- Key Managerial Personnel and senior management;
- All dealers, traders and members of the institutional sales / dealing desk;
- All members of the research team — research analysts, research associates and any person engaged in preparation, review, approval or publication of research reports;
- Operations, settlement, back-office and risk personnel;
- Information Technology personnel with access to client order or position data;
- All other employees, authorised persons, consultants and contract personnel performing functions on behalf of the Company; and
- Immediate Relatives of all of the above, in respect of the trades for which the Covered Person makes the trading decision or in respect of which the Covered Person consults / advises the Immediate Relative.

Where a Covered Person is also a "Designated Person" under the Insider Trading Code (Version 2.0), the requirements of that Code apply in addition to this Policy.

3. Regulatory References

This Policy is framed in accordance with the following Indian regulations and circulars, as amended from time to time:

- SEBI (Stock Brokers) Regulations, 1992 — Schedule II Code of Conduct for Stock Brokers, in particular Clauses A(2), A(3), A(4) and A(5) (high standards of integrity, exercise due skill and care, not act in a manner causing loss to clients, maintain confidentiality);
- SEBI (Stock Brokers) Regulations, 1992 — Chapter IVA (Reg 18E–18I) inserted by Notification SEBI/LAD-NRO/GN/2024/186 dated June 27, 2024 in force June 28, 2024, on institutional mechanism for prevention of fraud / market abuse by employees;
- SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2024/96 dated July 4, 2024 — Institutional mechanism by stock brokers for prevention and detection of fraud or market abuse;
- SEBI (Prohibition of Insider Trading) Regulations, 2015 (as last amended on March 11, 2025) — particularly Regulation 3 (prohibition on UPSI communication), Regulation 4

(prohibition on trading while in possession of UPSI), Regulation 9(1) read with Schedule C (Code of Conduct for intermediaries);

- SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (as last amended on June 28, 2024) — particularly Regulation 4(2)(q) on front-running by intermediaries;
- SEBI Master Circular for Stock Brokers SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/90 dated June 17, 2025.

No regulation having effect outside India is incorporated by reference into this Policy.

4. Definitions

"Covered Person": Has the meaning in Section 2 above.

"Designated Person": A person designated as such under the Insider Trading Code (Version 2.0).

"Immediate Relative": Spouse, parent, sibling and child of the Covered Person or of the spouse, any of whom is either dependent financially on the Covered Person or consults the Covered Person in trading decisions, per Regulation 2(1)(f) of the PIT Regulations.

"Personal Account Dealing" or "PAD": Any trade in securities by a Covered Person, or by an Immediate Relative, including trades in cash, derivatives, mutual funds (other than those covered by the carve-out below), debt securities and any other instrument that constitutes "securities" under the Securities Contracts (Regulation) Act, 1956.

"Pending Client Order": Any order placed by or on behalf of a client of the Company which has not yet been fully executed, including orders that are partially executed and orders awaiting modification, cancellation or execution at a future date.

5. General Trading Restrictions for All Covered Persons

5.1 Cardinal Prohibitions

Every Covered Person shall observe, at all times, the following cardinal prohibitions:

- Shall NOT trade in any security while in possession of UPSI relating to that security (Regulation 4(1) of the PIT Regulations);
- Shall NOT trade in any security in advance of, or while in possession of knowledge of, a Pending Client Order in that security (front-running, Regulation 4(2)(q) of the PFUTP Regulations);

- Shall NOT cause any Immediate Relative or any other person to do anything which the Covered Person is prohibited from doing under this Policy or under the PIT Regulations or the PFUTP Regulations;
- Shall NOT communicate UPSI to any person except in furtherance of a legitimate purpose, performance of duties or discharge of legal obligations (Regulation 3 of the PIT Regulations);
- Shall NOT, directly or indirectly, deal in any security on the basis of any information learnt in the course of employment that is not generally available to the public.

5.2 Dealing Account Disclosure

Every Covered Person shall:

- Disclose to the Compliance Officer the demat account(s), trading account(s) and the broker(s) through which the Covered Person and Immediate Relatives propose to trade, at the time of joining and on every annual refresher in the format at Annexure A;
- Open a trading account with the Company for own trades to the extent practicable, so that the Company's surveillance systems can monitor the trades;
- Inform the Compliance Officer within seven days of opening any new trading or demat account with any broker or depository participant.

5.3 Permitted Categories Without Pre-Clearance

The following categories of trades may be undertaken without pre-clearance, provided the Covered Person is not in possession of UPSI and is not aware of a Pending Client Order in the same security:

- Subscription to a public issue (IPO / FPO) at the issue price;
- Subscription to a rights issue at the rights price;
- Subscription to or redemption of units of mutual fund schemes (other than ETFs);
- Investment in fixed deposits, post office savings, sovereign gold bonds and other non-market instruments;
- Investment in any debenture or bond issue at the time of issuance (not on the secondary market);
- Trades by Immediate Relatives in respect of which the Covered Person has had no involvement in the trading decision and has not been consulted.

All other secondary-market trades in securities require pre-clearance as set out below.

6. Pre-Clearance Framework

6.1 When Pre-Clearance is Required

Pre-clearance is mandatory for every PAD by a Covered Person and by Immediate Relatives (other than the carve-outs in Section 5.3) in any security where:

- The Covered Person is a Designated Person under the Insider Trading Code (Version 2.0); OR
- The security is one in respect of which the Company is, or in the preceding six months has been, engaged in a research report, recommendation, block-deal, trade execution above an institutional threshold, or any other engagement that has given the Company UPSI; OR
- The trade value exceeds Rs. 25,000 (subject to revision by the Board); OR
- The Compliance Officer otherwise requires pre-clearance to be obtained.

6.2 Pre-Clearance Process

- The Covered Person shall submit the Investment Request Form in the format at Annexure B to the Compliance Officer before placing the trade;
- The Compliance Officer shall verify against: (a) the Restricted List maintained under the Insider Trading Code; (b) any Pending Client Order in the security; (c) any UPSI handled by the Company in respect of the security; (d) the contra-trade restriction; and (e) the Trading Window closure status;
- The Compliance Officer shall communicate approval, rejection or conditional approval within one trading day;
- Pre-clearance shall be valid for seven trading days, after which fresh pre-clearance is required (per Clause 7 of Schedule C of the PIT Regulations);
- The Covered Person shall report execution of the trade (or a decision not to trade) to the Compliance Officer within two trading days, with copy of the contract note.

6.3 Restricted List

The Restricted List maintained by the Compliance Officer under the Insider Trading Code shall be the basis for rejecting pre-clearance requests. Rejection of pre-clearance shall not, by itself, be construed as confirmation that the security is on the Restricted List.

7. Front-Running Prohibition

7.1 Statutory Basis

Per Regulation 4(2)(q) of the SEBI (PFUTP) Regulations, 2003, front-running by an intermediary in relation to a client order is a fraudulent and unfair trade practice. Front-running attracts monetary penalties, disgorgement, debarment and, in certain cases, criminal proceedings.

7.2 Specific Prohibitions

- No Covered Person shall place any order, in his own account or in any other account in which the Covered Person has a beneficial interest or over which the Covered Person has control, in the same security as a Pending Client Order;
- No Covered Person shall trade in any security in advance of the publication of any research report (or recommendation, or any communication of a strategy idea) by the Company in respect of that security;
- Members of the research team shall observe a quiet period of seven trading days after the publication of any research report on a security before trading personally in that security;
- No Covered Person shall communicate the details of any Pending Client Order to any third party (including over any messaging application or mobile call to a personal contact), and shall comply with the Mobile Phone Usage Policy (Version 1.0).

7.3 Order Sequencing Controls

The dealing desk shall, as a matter of standard operating practice, ensure that no proprietary or employee trade in a security is executed while a Pending Client Order in that security remains open. The Compliance Officer shall conduct periodic reviews of trade-sequence logs and flag any apparent breaches for inquiry.

8. Contra-Trade Restriction

- Covered Persons (and Immediate Relatives, where the trading decision is made by the Covered Person) shall not execute a contra-trade — i.e., a trade in the opposite direction in the same security — within six months of the original trade;
- The Compliance Officer may grant relaxation from the contra-trade restriction for reasons to be recorded in writing, provided that the relaxation does not violate the PIT Regulations or this Policy;
- Should a contra-trade be executed (inadvertently or otherwise) in violation of this 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 (IPEF) administered by SEBI under the Act, per Clause 8 of Schedule C of the PIT Regulations;
- The restriction shall not apply for trades pursuant to the exercise of stock options.

9. Trading Window Closure

Where the Compliance Officer determines, under the Insider Trading Code (Version 2.0), that the Company is in possession of UPSI in respect of a listed-company security, the Trading Window for that security shall be closed. During such closure:

- Designated Persons shall not place any pre-clearance request and shall not execute any trade in the security in question;
- Immediate Relatives of Designated Persons shall be subject to the same closure;
- Pre-clearance applications previously granted but unexecuted shall stand revoked for the period of closure.

10. Restrictions on Specific Activities

10.1 Day Trading and Intra-Day Trading

Frequent intra-day trading by Covered Persons in the same securities in which the Company is active raises front-running and market-abuse risks. The Compliance Officer may, with the approval of the Board, restrict or prohibit intra-day trading for specific Covered Persons (typically dealers and research team members).

10.2 Derivatives Trading

- Trades in derivatives are subject to the same pre-clearance and restrictions as trades in the underlying;
- Naked-short writing of options on securities in which the Company is active is not permitted by Covered Persons in the research and dealing teams.

10.3 Margin Trading and Pledging

- Covered Persons shall not pledge securities held in their personal accounts as margin for client trades;
- Covered Persons shall not use any client margin or client funds in any manner for personal trades — a breach of segregation of client funds under the SEBI Master Circular for Stock Brokers.

11. Reporting and Monitoring

11.1 Quarterly Reporting

Every Covered Person shall, within fifteen days after the end of each quarter, submit to the Compliance Officer a statement of all trades executed during the quarter in own account and in Immediate Relatives' accounts (other than those covered by the Section 5.3 carve-outs) in the format at Annexure C, with supporting demat statements and contract notes.

11.2 Annual Statement

Every Covered Person shall, within thirty days after the end of each financial year, submit an annual statement covering: (i) all holdings as on March 31; (ii) summary of all PAD during the financial year; (iii) reconfirmation of disclosures of dealing accounts; and (iv) reconfirmation of compliance with this Policy.

11.3 Compliance Officer Monitoring

- The Compliance Officer shall periodically review PAD reports against the Company's trade-execution data, research-publication data and the Restricted List for any apparent front-running, contra-trade or trading-window violation;
- Apparent violations shall be inquired into, with explanations sought from the Covered Person, and findings placed before the Board (or the Equivalent Body under the Insider Trading Code) for action;
- The Compliance Officer shall maintain a register of breaches under this Policy and the action taken.

12. Institutional Mechanism for Fraud / Market Abuse Prevention

Per Chapter IVA (Regulations 18E–18I) of the SEBI (Stock Brokers) Regulations, 1992 inserted by Notification SEBI/LAD-NRO/GN/2024/186 dated June 27, 2024 (in force June 28, 2024), and the implementing SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2024/96 dated July 4, 2024, the Company has put in place an Institutional Mechanism to detect and prevent fraud and market abuse by its employees. This Policy is part of that Institutional Mechanism. Specifically:

- Reg 18F — Surveillance and Internal Control Systems: This Policy provides the framework for monitoring of PAD by Covered Persons;
- Reg 18G — Obligation to monitor employee trading: The Compliance Officer's monitoring under Section 11 above operationalises this requirement;
- Reg 18H — Escalation: Any apparent breach detected shall be escalated to the Board (or Equivalent Body) under Section 13;
- Reg 18I — Whistleblower mechanism: A Covered Person who becomes aware of any breach of this Policy may report it through the Whistleblower channel set out in the Conflicts of Interest Policy (Version 2.1).

13. Sanctions

Breaches of this Policy may attract:

- Warning;

- Wage freeze, withholding of bonus or other benefits;
- Suspension from service;
- Recovery / disgorgement of any profit (which shall, where required by Clause 10 of Schedule C of the PIT Regulations or any other applicable provision, be remitted to SEBI for credit to IPEF);
- Termination of services / engagement;
- Reporting to the Stock Exchanges in the SEBI prescribed format under Schedule C Clause 11 of the PIT Regulations (where the breach also constitutes a PIT violation);
- Reporting to SEBI under the PFUTP Regulations (where the breach constitutes front-running or other fraudulent practice);
- Criminal proceedings under applicable law.

14. Cross-Policy References

- Insider Trading Code (Version 2.0) — Designated Persons framework, SDD, Wall Crossing, Trading Window, contra-trade detailed framework;
- Conflicts of Interest Policy (Version 2.1) — broader conflicts framework, gifts, Whistleblower mechanism under Regulation 18I;
- Mobile Phone Usage Policy (Version 1.0) — restrictions on communication of UPSI and front-running channels;
- Policy for Unauthentic News Circulation — restrictions on circulation of market-related news;
- Registers & Records Manual — record-keeping and retention;
- Internal Control Policy — broader internal control framework.

15. Policy Review and Effective Date

- This Policy shall be reviewed at least once every financial year by the Compliance Officer and placed before the Board for re-approval;
- This Policy shall come into effect from the date of its approval by the Board of Directors.

Annexure A — Dealing Account Disclosure

To be submitted at the time of joining, on every annual refresher, and on the opening of any new trading / demat account.

Name of Covered Person	
Designation	
PAN	
Trading account(s) with the Company (UCC)	
Trading account(s) with other brokers (Broker name + UCC)	
Demat account(s) (DP name + DP ID + Client ID)	
Bank account(s) used for trading	

Immediate Relatives accounts (where the Covered Person makes the trading decision or is consulted):

S. No.	Name	Relationship	PAN	Broker + UCC	Demat (DP+CL ID)
1.					
2.					

Signature of Covered Person: ______________________________ Date: ________________

Annexure B — Investment Request Form (Pre-Clearance)

To be submitted before placing any trade requiring pre-clearance under Section 6 of this Policy.

Name of Covered Person	
Designation	
PAN	
Holder of trade (Self / Immediate Relative)	
If IR — Name and Relationship	
Security (Name / ISIN)	
Buy / Sell	
Proposed Quantity	
Proposed Price / Price Band (Rs.)	
Reason for trade	
Declaration of no UPSI / no knowledge of Pending Client Order	I confirm that I am not in possession of any UPSI in relation to the security, that I am not aware of any Pending Client Order in this security, that this trade does not violate the contra-trade restriction or any closed Trading Window applicable to me, and that I have read the Employee Trading Restriction Policy.
Signature & Date of Covered Person	

Compliance Officer decision (Approved / Rejected / Conditional)	
Validity Period	Seven (7) trading days from approval (Schedule C Clause 7 of PIT Regulations)
Signature & Date of Compliance Officer	

Annexure C — Quarterly PAD Statement

To be submitted within 15 days after the end of every quarter to the Compliance Officer.

Name of Covered Person	
Quarter	

S. No.	Date	Security / ISIN	Buy/Sell	Qty	Value (Rs.)	Holder (Self/IR)	Pre-Clearance Ref. (if any)
1.							
2.							

Signature of Covered Person: ______________________________ Date: ________________

Annexure D — Acknowledgement and Undertaking

Every Covered Person shall sign this Acknowledgement at induction and on every annual refresher.

I, ____ (Name), holding the designation of __________________________________ at Pawan Parmeshwar Capital Pvt Ltd, hereby acknowledge and undertake that:

- I have received a copy of the Employee Trading Restriction Policy (Version 2.0), the Insider Trading Code (Version 2.0), the Conflicts of Interest Policy (Version 2.1) and the Mobile Phone Usage Policy (Version 1.0);
- I have read and understood the contents of these policies and the underlying SEBI Regulations and Circulars referenced therein;
- I undertake to comply with the Policy in letter and spirit, including the pre-clearance, contra-trade, trading-window, dealing-account-disclosure and quarterly-reporting requirements;
- I undertake not to trade while in possession of UPSI or with knowledge of a Pending Client Order;
- I shall promptly inform the Compliance Officer of any actual or suspected violation;
- I am aware that breach may attract disciplinary action including warning, wage freeze, suspension, recovery / disgorgement, termination, reporting to SEBI / Stock Exchanges, and regulatory or criminal proceedings under applicable law.

Signature: _____________________________________ Date: ________________

Witnessed by Compliance Officer: _____________________________________

Board Approval

This Employee Trading Restriction Policy (Version 2.0) has been reviewed and approved by the Board of Directors of Pawan Parmeshwar Capital Pvt Ltd at its meeting held on 16-10-2025.

The Board has also recorded, on the same date, the following:

- Compliance Officer for this Policy: Mr. Rajkumar Pandey
- Pre-Clearance Threshold under Section 6.1: Rs. 25,000 (Board may vary by resolution)
- Frequency of review: annual

For PAWAN PARMESHWAR CAPITAL PVT. LTD.

PK Choudhary

Director / Authorised Signatory

PAWAN PARMESHWAR CAPITAL PVT. LTD. MUMBAI

Director / Authorised Signatory

Name: Pawankumar Choudhary

Designation: Director

Date: 16-10-2025

Place: Mumbai