

## **Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives**

**(Amended and approved by the Board of Directors on November 30, 2022 by Circulation)**

### **1. INTRODUCTION**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations") requires every listed company to formulate a code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of the designated persons. This document explains the Code to be observed by all the Directors, Designated Employees, Connected Persons, Designated Persons and other Insider(s) of the Company, pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (hereinafter referred to as "PIT Regulations").

These regulations for prevention of Insider Trading in dealing with the securities of CSL Finance Limited ("CSL" or "Company") hereinafter be called as the "Insider Trading Code".

Any amendment to the Code of Conduct, if any, shall be effective from the date on which it is notified, from time to time.

### **2. OBJECTIVE OF THE CODE**

The Code has been framed by adopting the standards set out in Schedule B of the Regulations in order to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons towards achieving compliance with the Regulations.

### **3. DEFINITIONS**

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

**"Board"** means the Board of Directors of the Company.

**"Code" or "Code of Conduct"** shall mean the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading in Securities by Insiders of CSL Finance Limited, as amended from time to time.

**"Company"** means CSL Finance Limited.

**"Compliance Officer"** for the purpose of this Code shall mean the Company Secretary of the Company or in his absence, such other Senior Officer of the Company as may be authorized by the Managing Director of the Company, who is financially literate and is capable of discharging the duties of Compliance Officer under this Code.

**"Connected Person"** means:

- a) any person who is or has, during the 6 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.
- b) 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-
- c) an Immediate Relative of Connected Persons specified in clause (i); or
- d) a holding company or associate company or subsidiary company; or
- e) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or
- f) an investment company, trustee company, asset management company or an employee or director thereof; or
- g) an official of a stock exchange or of clearing house or corporation; or
- h) 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
- i) 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
- j) an official or an employee of a self-regulatory organization recognized or authorized by Securities & Exchange Board of India
- k) a banker of the Company; or
- l) a concern, firm, trust, hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent of the holding or interest.

**"Designated Employee(s)"** for the purpose of this Code shall mean and include all employees of the Company who have access to Unpublished Price Sensitive Information;

**"Designated Person(s)"** shall include:

- (i) Promoters;
- (ii) Directors;
- (iii) Key Managerial Personnel;
- (iv) Head of all Functions (HOFs);

(v) Head of all Department (HODs);

(vi) All employees up to two levels below Managing Director or person occupying such other equivalent position;

(vii) every employee in the Finance, Accounts, Wholesale, SME, Operations, Corporate Secretarial, Legal, Information Technology as may be determined and informed by the Compliance Officer;

(viii) any other employee as may be determined and informed by the Compliance Officer from time to time, with the approval of Managing Director.

**"Fiduciaries"** shall be construed to be a 'collective term' used for all the professional firms such as auditors, accountancy firms, law firms, analysts, insolvency professional entities, consultants, banks, etc., assisting or advising the Company.

**"Generally available Information"** means information related to CSL Finance Limited that is accessible to the public on a non-discriminatory basis.

**"Immediate Relatives"** means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to trading in securities.

**"Insider"** means any person, who is

(i) a connected person: or

(ii) in possession of or having access to unpublished price sensitive information.

**"Legitimate Purpose"** shall include sharing of UPSI in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

**"Non-Trading Period"** means:

(i) period, i.e., the number of Trading Days, before and after the date of a meeting of the Board or shareholders of the Company where 'UPSI' is to be considered as provided under Clause 5 of the Code; or

(ii) such other period(s) as may be decided and notified by the Compliance Officer.

**"PIT Regulations"** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.

**"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities and "trade" shall be construed accordingly.

**"Trading Day"** means a day on which the recognized stock exchanges are open for trading.

**“Trading Plan”** shall mean a plan for trades to be executed in the future by persons who have perpetual access to the UPSI.

**“Trading Window”** shall mean the window available for trading in the securities of the Company.

**"Unpublished Price Sensitive Information" or "UPSI"** means any information, relating to the company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) Financial results;
- (ii) Dividends;
- (iii) Change in capital structure;
- (iv) Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) Changes in key managerial personnel;
- (vi) Such other information as may be specified by the Compliance Officer for this purpose

#### **4. APPLICABILITY:**

The Code shall apply to the Insiders and Designated Persons of the Company as well as their Immediate Relatives as defined under this Code (collectively termed as “Insiders” for the purpose of this Code) and such other persons as the Board of Directors deems fit in consultation with the Compliance Officer may determine, from time to time.

#### **5. ROLE OF THE COMPLIANCE OFFICER**

The Compliance Officer shall:

- a) be responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive information; pre-clearing of trades by Designated Employees’ and their dependents; and monitoring of trades and the implementation of this Code of Conduct under the overall supervision of the Managing Director of the Company. He / She shall work under the direct control, direction and superintendence of the Managing Director and he shall accordingly report to him / her.
- b) report on insider trading to the Board of the Company and in particular, shall provide reports to the Chairman of the Audit Committee or to the Chairman of the Board at least once in a year.
- c) be entitled to seek declaration to the effect that the applicant for pre-clearance is not in possession of any UPSI prior to approving any trade.

- d) assist all employees in addressing any queries or seeking clarifications in relation to the PIT Regulations and the Company's Code of Conduct.
- e) maintain Database of the Designated Persons and any changes made therein, disclosures and such other records, as required under this Code.
- f) responsible for the implementation of Code Practice and Procedure for Fair Disclosure and this Code of Conduct.
- g) review and approve trading plan, in consultation with the Managing Director, and seek express undertaking with respect to the trading plan confirming that the Trading Plan does not or would not violate any regulation of the PIT Regulations.
- h) notify trading plan to the Stock Exchanges where the securities of the Company are listed.
- i) maintain, disclosures made by the Designated Persons for a period of five years.
- j) promptly report to the stock exchanges regarding violation of the regulations.

## **6. PROHIBITION ON COMMUNICATING OR PROCURING UPSI**

- a) All UPSI shall be handled within the organization on a need-to-know basis and an insider shall not:
  - a) communicate, provide or allow access to UPSI, relating to the Company or its securities, to any person including other Insiders;
  - b) procure from or cause the communication by any Insider of UPSI, relating to the Company or its Securities; except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- b) UPSI may be communicated, provided, allowed access to or procured, in connection with a transaction that would:
  - a) entail an obligation to make an open offer under the takeover regulations where the Board of Directors of Company is of the informed opinion that sharing of such information is in the best interest of the Company;
  - b) not attract the obligation to make an open offer under the takeover regulations but where the Board of Directors of the Company is of the informed opinion that sharing of such information is in the best interest of the Company and the information that constitutes UPSI is disseminated to be made generally available at least two trading days prior to the proposed transaction(s) being effected in such form as the Board of Directors of the Company may determine to be adequate and fair to cover all the relevant and material facts.

c) For the above mentioned communication of UPSI, procedure laid down in Policy for determination of Legitimate Purpose shall be complied.

d) The physical and electronic records bearing confidential data/ information shall be maintained in secured environment. No designated person shall make recommendation for trading in securities of the Company.

Due care and diligence shall be exercised while participating in analysts/ investors meetings such that UPSI is not shared to the investors (including prospective investors) prior to submission of the information to the stock exchanges where the securities of the Company are listed.

## **7. PROHIBITION OF INSIDER TRADING:**

An insider shall not, directly or indirectly, trade in securities of the Company when in possession of UPSI. An insider who trades in securities and is in possession of UPSI, the trades would be presumed to have been motivated by such UPSI.

An insider may execute trades subject to compliance with the regulations.

## **8. STRUCTURED DIGITAL DATABASE AND INTERNAL CONTROL:**

### **A. Structured Digital Database:**

(i) The Compliance Officer shall maintain a structured digital database containing the nature of UPSI and names of persons/entities with whom the information is shared along with Permanent Account Number (PAN) or any identifier authorised by law where Permanent Account Number (PAN) is not available.

(ii) The data base shall be maintained internally with adequate internal control and checks such as time stamping and audit trails to ensure non-tampering of the database.

(iii) The data base shall be preserved for at least 08 (eight) years after completion of relevant transactions. In case of any investigation or enforcement proceedings, the relevant information shall be preserved till completion of such proceedings.

### **B. Internal Control:**

The Compliance Officer shall ensure that the internal control system for prevention of insider trading includes following:

(i) all employees who have access to UPSI are identified as designated persons;

(ii) all UPSI shall be identified and its confidentiality shall be maintained as per the requirements of the regulations;

(iii) adequate restrictions shall be placed on communication or procurement of UPSI as required by the regulations;

(iv) lists of all employees and other persons with whom UPSI is shared shall be maintained and confidentiality agreements shall be signed or notice shall be served to all such employees and persons;

(v) all other relevant requirements specified under the regulations shall be complied with;

(vi) periodic process review to evaluate effectiveness of such internal controls.

### **C. Role of Audit Committee:**

The Audit Committee of the Board of Directors shall:

(i) review compliance with the provisions of the regulations at least once in a financial year;

(ii) verify that the systems for internal control are adequate and are operating effectively.

### **9. PROCESS FOR CATEGORISING ‘INSIDE’ FOR SENSITIVE TRANSACTIONS:**

a) The Compliance Officer in consultation with Managing Director of the Company shall determine on how and when any person should be brought ‘inside’ on any proposed or ongoing sensitive transaction.

b) A person, who may be an existing or proposed partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, dealers, insolvency professionals or other advisors or consultants etc., shall be brought inside on any proposed or ongoing sensitive transaction of the Company:

a) for Legitimate purposes;

b) in furtherance of performance of duties;

c) for discharge of legal obligations; and

d) for any other genuine or reasonable purpose as may be determined by the Compliance Officer

c) Any person who has been brought inside on any proposed and/or ongoing sensitive transaction and is in receipt of Unpublished Price Sensitive Information shall be considered an “Insider” for purposes of PIT Regulations and due notice shall be given to such person by the Compliance Officer in consultation with the Managing Director of the Company to:

a) instruct such person that the information is in the nature of UPSI and is required to maintain confidentiality of the same; and

b) make such person aware of the duties and responsibilities attached to the receipt of such information and the liability attached to misuse or unwarranted use of such information.



**10. TRADING WINDOW:**

- a) The Compliance Officer may announce closure of Trading Window if the Compliance Officer determines that the Designated Persons can reasonably be expected to have possession of UPSI.
- b) The designated persons and their immediate relatives shall not trade in the securities of the Company when the trading window is closed.
- c) The timing for re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
- d) Further, the trading window shall be closed for designated persons and their immediate relatives from the end of every quarter till 48 hours after the declaration of financial results for the relevant quarter.

**11. PRE-CLEARANCE:**

- a) When the trading window is open, the trading by designated persons and their relatives shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trade or cumulative trade, whether in one transaction or a series of transactions, over any calendar quarter, aggregates to a traded value in excess of Rs. 10 Lakhs (market value).
- b) The designated person and/ or their relatives willing to trade in the securities of the Company shall submit application to the Compliance Officer for pre-clearance as per ‘**Annexure I**’
- c) The Compliance Officer may seek declaration from the applicant(s) as per ‘**Annexure II**’ to the effect that the applicant(s) is/ are not in possession of UPSI.
- d) The Compliance Officer shall give its written clearance to the applicant(s) upon fulfilment of required stipulations stated under this Code and Regulations.
- e) The trades which have been pre-cleared by the Compliance Officer shall have to be executed by the applicant(s) within a period of 7 (seven) trading days from the date of written clearance given by the Compliance Officer, failing which fresh pre-clearance would be needed for the trades to be executed.
- f) The designated person and their relatives who are permitted to trade by the Compliance Officer by way of written clearance, shall not execute contra trade at least for a period of 6 (six) months from the date of trade(s) executed by the applicant(s) which have been pre-cleared.

However, Compliance Officer may grant relaxation from strict application from above restriction provided that reasons for such relaxation granted shall be recorded in writing and such relaxation shall not violate the regulations.



(i) The applicant(s) who are permitted to trade by way of pre-clearance by the Compliance Officer shall report the trade(s) executed by him/them to the Compliance Officer as per '**Annexure III**' within 2 trading days of execution of the transaction.

(ii) In case if, the applicant(s) does not execute the trade(s) which have been pre-cleared by the Compliance Officer, shall report his/her decision of not executing such trade(s) to the Compliance Officer as per '**Annexure IV**' within 2 trading days of date/ last date on which the transaction ought to have been executed.

Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

## **12. TRADING PLAN:**

(i) An Insider shall be 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.

(ii) Such trading plan shall: -

- a) Not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- b) Not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the Company and the second trading day after the disclosure of such financial results;
- c) Entail trading for a period of not less than twelve months;
- d) Not entail overlap of any period for which another trading plan is already in existence;
- e) Set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- f) Not entail trading in securities for market abuse.

(iii) The Compliance Officer shall review the trading plan to assess whether the plan would have any potential for violation of the Regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

(iv) Pre-clearance of trades shall not be required for a trade executed as per an approved trading plan. Further, trading window norms and restrictions on contra trade shall not be applicable for trades carried out in accordance with an approved trading plan.

- (v) The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the commencement of implementation and in such event the Compliance Officer shall confirm that the commencement ought to be deferred until such unpublished price sensitive information becomes generally available information.

- (vi) Upon approval of the trading plan, the Compliance Officer shall notify the plan to the stock exchanges on which the securities are listed.

### **13. DISCLOSURES:**

The disclosures to be made by any person under the Regulations shall include those relating to trading by such person's immediate relatives, and by any other person for whom such person takes trading decisions. The disclosures made under the regulations shall be maintained by the company, for a minimum period of five years, in such form as may be specified.

a) Initial Disclosure:

Every person on appointment as a key management personnel or a director of the Company or upon becoming a promoter or member of the promoter group shall disclose his holding of securities of the Company as on the date of the appointment or becoming a promoter to the Company within 7 (seven) days of such appointment or becoming promoter as per format of '**Form B**' annexed to this Code.

b) Continual Disclosure:

a) Every promoter, member of the promoter group, designated person and director of every company shall disclose to the company the number of such securities acquired or disposed of within 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. 10 lakhs or such other value as may be specified as per format of '**Form C**' annexed to this Code;

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

Explanation: The disclosure of the incremental transactions after any Continual Disclosure as per above mentioned point b, shall be made when the transactions effected after the prior disclosure cross the threshold specified in clause (i) above.

c) Disclosure by other connected persons:

The Company may, at its discretion require any other connected person or class of connected persons to make disclosures of holdings and trading in securities of the company at such frequency as may be determined by the Board of Directors of the company in order to monitor compliance with these regulations as per format of ‘**Form D**’ annexed to this Code.

d) Disclosure of off-market trades:

The transactions which are off-market inter-se transfer among Insiders who are in possession of same UPSI in terms of Reg. 4(1)(i) of the regulations shall report such off-market trades to the Company within 2 trading days from the transaction. The Company shall notify the particulars of such trades within 2 trading days to the stock exchanges from the receipt of disclosure or becoming aware of such information.

e) Disclosures by Designated Persons:

a) Annual Disclosure:

The Designated Persons shall disclose on an annual basis, and as and when the information changes, following information of their immediate relatives and the persons with whom such designated person(s) shares a material financial relationship:

- Names
- Permanent Account Number
- Phone, mobile and cell numbers which are used by them

*NOTE: The term ‘material financial relationship’ shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift from a designated person during the immediately preceding 12 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.*

b) One-time disclosure:

The Designated Persons shall disclose to the Company the names of the educational institutions from which designated persons graduated and the names of their past employers on a one-time basis.

**14. PENAL PROVISIONS:**

a) A Designated Person/ Insider who violates the provisions of this Code or Regulations or communicates any UPSI for trading in the Company’s securities in contravention of the Code or Regulations shall be liable for such penal/ disciplinary/ remedial action as may be considered appropriate by the Company/ Compliance Officer including wage freeze, suspension, recovery clawback etc.

b) The Designated Person/ Insider who executes a trade in breach of the provisions mentioned in Clause (f) of “Pre-Clearance” under this Code, inadvertently or otherwise, in violation of the

restriction placed under the Code, 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 Designated Person/ Insider may be asked to make good the loss to the Company, if any, arising out of the violation to the Code made by such designated person/ insider.

#### **15. PROTECTION TO EMPLOYEES AGAINST TERMINATION, SUSPENSION ETC.**

The Company shall ensure to provide suitable protection against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination against any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by SEBI or he or she is eligible for a Reward under these regulations, by reason of:

- a) filing a Voluntary Information Disclosure Form under these regulations;
- b) testifying in, participating in, or otherwise assisting or aiding SEBI in any investigation, inquiry audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by SEBI; or
- c) breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the SEBI in any manner.

#### **16. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

PIT Regulations mandates the Board of Directors of every listed company to formulate a policy for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information and initiate appropriate inquiries on becoming aware of leak of UPSI and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

Accordingly, this “Policy for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information” prepared in accordance with Regulation 9A(5) of the PIT Regulations, as approved by the Board of the CSL Finance Limited and its forms part of the “Code of Internal procedures and conduct for Regulating, Monitoring and Reporting of trading by Insiders” of the Company.

##### **a) Objective:**

The Objective of the Policy is to:

- a) strengthen the internal control system to prevent leak of UPSI.
- b) identify the actual or suspected leak of UPSI, which originates from within the company and which affects the market price of the securities of the Company.

- c) report such actual/ suspected leak of UPSI to the stock exchanges.
- d) Carry out inquiry in case of actual or suspected leak of UPSI and take appropriate actions, measures or steps to refrain such leak of UPSI.
- e) **“Leak of UPSI”** shall mean communicating or providing access to or procuring an Unpublished Price Sensitive Information, by any person, without adhering to the due process prescribed in this behalf in the Code and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 including any amendment(s) or re-enactment(s) thereto.

**b) Duties of Compliance Officer:**

The Compliance Officer shall be responsible to:

- a) oversee the compliance of this Policy;
- b) report the incident of actual or suspected leak of Unpublished Price Sensitive Information to the Securities and Exchange Board of India;
- c) conduct a preliminary inquiry to ascertain the facts relating to the actual or suspected leak of Unpublished Price Sensitive Information;
- d) authorize any person to collect necessary support material;
- e) consider the facts and circumstances and decide on the matter, in consultation with Managing Director of the Company;
- f) decide disciplinary action thereon, in consultation with Managing Director of the Company and report to the Audit Committee.

**c) Procedure for inquiry in case of Actual or Suspected Leak of Unpublished Price Sensitive Information:**

The Compliance Officer after becoming aware of actual or suspected leak of UPSI of the Company by any person shall inform the same to the Managing Director of the Company. The Compliance Officer shall follow the below mentioned procedure in order to inquire and/or investigate the matter to ensure:

**a) Preliminary Inquiry:**

Preliminary inquiry is a fact-finding exercise which shall be conducted by the Compliance Officer or such other person authorized by Compliance Officer, in consultation with Managing Director. The object of preliminary inquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

b) Report of Preliminary Inquiry to the Managing Director:

The Compliance Officer or Person(s) appointed/authorized to inquire the matter of actual or suspected leak of UPSI submit his/her report to the Managing Director within 30 trading days after the receipt of the information of actual or suspected leak of UPSI on this behalf.

c) Disciplinary Action:

The disciplinary action(s) shall include wage freeze, suspension, recovery, claw back, termination of employment contract/agreement etc., as may be decided by the Managing Director of the Company.

d) Submission of final report to SEBI:

The Compliance Officer shall promptly inform SEBI of such leak of UPSI, inquiries and results of the inquiries.

**17. AMENDMENT:**

This Policy shall stand amended with the approval of Managing Director to give effect to amendments in terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 from time to time. In the event of any conflict between this Policy and the Applicable Law, the Applicable Law shall prevail. The Board reserves the right to amend or modify the Code in whole or in part, at any time without assigning any reason whatsoever.

**18. CONCLUSION**

All Designated Persons / Insiders are advised to familiarise themselves with the SEBI Regulations and comply with the same, as well as with the Code; both in letter and in spirit. Designated Persons / Insiders are also advised to ensure compliance by their Immediate Relatives.

For any assistance or clarifications, kindly contact the Compliance Officer of the Company at [investor@cslfinance.in](mailto:investor@cslfinance.in) or at the address CSL Finance Limited, 410-412, 18/12, 4<sup>th</sup> Floor, W.E.A, Arya Samaj Road, Karol Bagh, New Delhi -110005.

**ANNEXURE 1**  
**APPLICATION FOR PRE-CLEARANCE**

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

Application No. \_\_\_\_/20 (Year)

To,  
The Compliance Officer,  
**CSL FINANCE Limited**  
410-412, 18/12, 4th Floor, W.E.A,  
Arya samaj Road, Karol Bagh,  
Delhi-110005

Dear Sir/Madam,

**Application for Pre-trading approval in securities of the Company**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company's **Code of Conduct for Prevention of Insider Trading**, I seek approval to purchase / sell / subscribe \_\_\_\_\_ Equity shares of the Company as per details given below:

1.	Name of the applicant	
2.	Designation	
3.	Number of securities held as on date	
4.	Folio No./DP ID/Client ID No.	
5.	The proposal is for	*a. Purchase of securities *b. Subscription to securities *c. Sale of securities
6.	Proposed date of trading in securities	
7.	Estimated number of securities proposed to be acquired/subscribed to/sold (Range-minimum or maximum approx.)	
8.	Price at which the transaction is Proposed (Range-minimum or maximum approx.)	



9.	Current market price (as on the date of application), if any as on the date and time of application.	
10.	Whether the proposed transaction will be through stock exchange or Off-market deal.	
11.	Folio No/DP ID/Client ID No. where the securities will be credited/debited (Only in case of off market deal)	

\*strike off whichever is not applicable

I enclose herewith the form of Undertaking signed by me.

Yours faithfully,

(Signature of Employee)

Encl.: As Above

## ANNEXURE 2

### FORMAT OF UNDERTAKING TO BE ACCOMPANIED WITH THE APPLICATION FOR PRE-CLEARANCE

#### UNDERTAKING

Date:

To,

The Compliance Officer,  
**CSL FINANCE Limited**  
410-412, 18/12, 4th Floor, W.E.A,  
Arya samaj Road, Karol Bagh,  
Delhi-110005

I, \_\_\_\_\_, \_\_\_\_\_ of the Company residing at \_\_\_\_\_, am desirous of trading in \* shares of the Company as mentioned in my application dated for pre-clearance of the transaction.

I further declare that I am not in possession of or otherwise privy to any unpublished Price Sensitive Information (as defined in the Company's Code of Conduct for prevention of Insider Trading (the "**Code of Conduct**") up to the time of signing this Undertaking.

In the event that I have access to or received any information that could be construed as "Price Sensitive Information" as defined in the Code of Conduct, after the signing of this undertaking but before executing the transaction for which approval is sought, I shall inform the Compliance Officer of the same and shall completely refrain from trading in the securities of the Company until such information becomes public.

I declare that I have not contravened the provisions of the Code of Conduct as notified by the Company from time to time.

In the event of this transaction being in violation of the Code or the applicable Laws and Regulations,

a) I will, unconditionally, release, hold harmless and indemnify to the fullest extent, the Company and its directors and officers, (the 'indemnified persons') for all losses, damages, fines, expenses, suffered by the indemnified persons,

b) I will compensate the indemnified persons for all expenses incurred in any investigation, defense, crisis management or public relations activity in relation to this transaction and

c) I authorise the Company to recover from me, the profits arising from this transaction and remit the same to the SEBI for credit of the Investor Protection and Education Fund administered by the SEBI.

If approval is granted, I shall execute the deal within seven trading days of the receipt of approval failing which I shall Seek fresh pre-clearance.

I undertake to submit the necessary report within two trading days of execution of the transaction/ a 'Nil' report if the transaction is not undertaken.

I declare that I have made full and true disclosure in the matter.

Signature:

Name:

Date:

*\* Indicate number of shares*

**ANNEXURE 3**  
**FORMAT FOR PRE-CLEARANCE ORDER**

Date:

To,

Name:

Designation:

Place:

Ref: Application No \_\_\_\_/20\_\_(Year) for Pre-Clearance of trading in securities.

This is to inform you that your request for trading in.....  
(nos.) shares of the Company as mentioned in your application  
dated..... is approved for purchase/subscription to/sale. Please note  
that the said transaction must be completed on or before ..... (date) that  
is within seven trading days from today.

In case you do not execute the approved transaction /deal on or before the aforesaid  
date you would have to seek fresh pre-clearance before executing any transaction/deal  
in the securities of the Company. Further, you are required to file the details of the  
executed transactions in the attached format within two trading days from the date of  
transaction/deal. In case the transaction is not undertaken a 'Nil' report shall be  
necessary.

Yours faithfully,

For **CSL FINANCE LIMITED**

**Compliance Officer**

Encl: Format for submission of details of transaction

## ANNEXURE 4

### **FORMAT FOR DISCLOSURE OF TRANSACTIONS**

*(To be submitted within two trading days of transaction / trading in securities of the Company)*

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

To,

The Compliance Officer,  
**CSL FINANCE Limited**  
410-412, 18/12, 4th Floor, W.E.A,  
Arya samaj Road, Karol Bagh,  
Delhi-110005

Ref: Approval No.....dated.....for pre-clearance of trading in securities

I hereby inform that I

- have not bought / sold/ subscribed any securities of the Company
- have bought/sold/subscribed to securities as mentioned below on..... (date)

Name of holder	No. of securities dealt with	Bought/ sold/ subscribed to	DP ID/ Client ID/ Folio No	Price (Rs.) per unit of Security

In connection with the aforesaid transaction(s), I hereby undertake to preserve, for a period of 3 years and produce to the Compliance officer / SEBI any of the following documents:

- Broker's contract note.
- Proof of payment to/from brokers.
- Extract of bank passbook/statement (to be submitted in case of demat transactions).
- Copy of Delivery instruction slip (applicable in case of off market transaction).

\*I agree to hold the above securities for a minimum period of six months from the date of subscription/purchase. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. *(applicable in case of purchase / subscription).*

\*I agree to refrain from buying the above securities for a minimum period of six months from the date of sale. In case there is any urgent need to sell these securities within the said period, I shall approach the Compliance Officer for necessary approval. (applicable in case of sale of securities)

I declare that the above information is correct and that no provisions of the MGL's Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their immediate relatives and/or applicable laws/regulations have been contravened for effecting the above said transactions(s).

Signature:

Name:

Designation:

*\*Strike off whichever is not applicable*

## ANNEXURE 5

### FORM B

**SEBI (Prohibition of Insider Trading) Regulations, 2015**  
**[Regulation 7 (1) (b) read with Regulation 6(2) - Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group]**

Name of the company: .....

ISIN of the company: .....

**Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Name, PAN, CIN/DIN & Address with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding
			Type of securities (For eg. - Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.	
1	2	3	4	5	6

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of Open Interest (OI) in derivatives of the company held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter of a listed company and other such persons as mentioned in Regulation 6(2).**

Open Interest of the Future contracts held at the time of appointment of	Open Interest of the Option Contracts held at the time of appointment of
--	--



Director/KMP or upon becoming Promoter/member of the promoter group			Director/KMP or upon becoming Promoter/member of the promoter group		
Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
7	8	9	10	11	12

**Note:** In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

## ANNEXURE 6

**FORM C**

**SEBI (Prohibition of Insider Trading) Regulations, 2015 [Regulation 7 (2) read with Regulation 6(2)]**

Name of the company:

ISIN of the company:

**Details of change in holding of Securities of Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2)**

Name, PAN , CIN/ DIN , & address	Category of Person (Promoters/ KMP / Director/ immediate relative to/others etc.)	Securities held prior to acquisition /disposal		Securities acquired/Dispose				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.)
		Type of security (For eg. - Shares, Warrants, Warrents,	No. and % of share holding	Type of security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revoked	Type of security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No. and % of share holding	From	To		

		Convertible Debt Instrument etc.)											
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives of the company by Promoter, Employee or Director of a listed company and other such persons as mentioned in Regulation 6(2).**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts* lot size)	Notional Value	Number of units (contracts*lot size)	
15	16	17	18	19	20	21

Name:

Signature:

Date:

Place:

**ANNEXURE 7**

**FORM D (Indicative Format)**

**SEBI (Prohibition of Insider Trading) Regulations, 2015**

**[Regulation 7(3) - Transactions by Other connected persons as identified by the company]**

Name of the company:

ISIN of the company:

**Details of trading in securities by other connected persons as identified by the company**

Name, PAN, CIN/DIN, & address	Category of Person (Promoters/ KMP / Director/ immediate relative to/others etc.)	Securities held prior to acquisition /disposal	Securities acquired/Dispose	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 transf
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													er, ESOP s etc.)
		Type of security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No. and % of share holding	Type of security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No.	Value	Transaction Type (Buy/Sale/Pledge / Revok e	Type of security (For eg. - Shares, Warrants, Convertible Debenture etc.)	No. and % of share holding	From	To		
1	2	3	4	5	6	7	8	9	10	11	12	13	14

**Note:** “Securities” shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**Details of trading in derivatives by other connected persons as identified by the company**

Trading in derivatives (Specify type of contract, Futures or Options etc.)						Exchange on which the trade was executed
Type of contract	Contract specifications	Buy		Sell		
		Notional Value	Number of units (contracts* lot size)	Notional Value	Number of units (contracts*lot size)	

15	16	17	18	19	20	21
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**Note:** *In case of Options, notional value shall be calculated based on premium plus strike price of options*

Name:

Signature:

Date:

Place:

**ANNEXURE 8**

**FORMAT FOR INTIMATION OF ACTUAL/ SUSPECTED LEAK OF UPSI TO  
THE SEBI**

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

To,

**Securities and Exchange Board of India**

Plot No. C 4-A, G Block,

Near Bank of India, Bandra Kurla Complex, Bandra East, Mumbai - 400 051

**Sub.:** Intimation of actual/ suspected leak of unpublished price sensitive information

**Ref.:** BSE/ NSE Scrip Code – 539957/ MGL

Dear Sir/Madam,

This is to inform you that there has been a leak of unpublished price sensitive information (“UPSI”) in relation to the Company and pursuant to the provisions of Regulation 9A of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find below the details of such leak/ suspected leak of UPSI:

Particulars	Details
Nature of Information	
Any other detail	

A preliminary inquiry into the matter has been initiated by the Compliance Officer of the Company. The result of such inquiry along with such other details, as may be required to be disclosed, shall be duly intimated.

The above is for your information, records and reference please.

Thanking you,



Yours truly,

For **CSL FINANCE Limited**

(Name of the Compliance Officer)

**Compliance Officer**

**ANNEXURE 9**

**FORMAT FOR SUBMISSION OF REPORT ON THE ACTUAL/ SUSPECTED  
LEAK OF UPSI TO THE SEBI**

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

To,

**Securities and Exchange Board of India**

Plot No. C 4-A, G Block,

Near Bank of India, Bandra Kurla Complex, Bandra East, Mumbai - 400 051

**Sub.:** Report on actual/ suspected leak of Unpublished Price Sensitive Information

**Ref.:** (i) Our letter dated \_\_\_\_\_

(ii) BSE/ NSE Scrip Code - 539957/ MGL

Dear Sir/Madam,

This is further to our letter dated....., whereby we had informed you of an incident of suspected leak of unpublished price sensitive information ("UPSI") in relation to the Company.

In that regard, pursuant to the provisions of Regulation 9A of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended and based on the report submitted by the Compliance Officer to the Managing Director of the Company, we hereby confirm that there was no actual leak of UPSI and hence, there is no further actions required in the matter.

OR

This is further to our letter dated....., whereby we had informed you of an incident of leak of unpublished price sensitive information ("UPSI") in relation to the Company.

In that regard, pursuant to the provisions of Regulation 9A of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, please note that the Compliance Officer has submitted its report to the Managing Director of the Company and the summary of the details relating to the aforesaid leak is as under:

<b>Particulars</b>	<b>Details</b>
Name of the Offender	
Designation	
Nature of Information	
Action(s) taken by the Company	
Any other detail	

The above is for your information, records and reference please.

Thanking you,

Yours truly,

For **CSL FINANCE LIMITED**

(Name of the Compliance Officer)

**Compliance Officer**