



CHINESE WALL POLICY

As per the requirement of Regulation of SEBI (Merchant Bankers) Regulations, 1992

- (i) The document has been prepared in accordance with the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time as per the requirement.
- (ii) The purpose of the Document is to provide essential information about the Merchant Banking Services in a manner to assist and enable the investors/clients in making an informed decision for engaging a Merchant Banker.
- (iii) The document contains necessary information about the Merchant Banker required by an investors/client before availing services, and the investors/clients may also be advised to retain the document for future reference.
- (iv) This Document is dated July 18, 2025.

Details of the Compliance Officer

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1. Overview

The Chinese wall policy, in the context of financial institutions, was introduced in India by the Securities and Exchange Board of India (Insider Trading) (Amendment) Regulations, 2002. These regulations made it mandatory for (i) all listed companies and (ii) other organizations associated with securities markets (financial institutions), to have a Chinese wall policy as a part of their code of internal procedures and conduct. It also recognized implementation of a Chinese wall policy as a valid defense against insider trading allegations. Regulation 12 of the SEBI (Prohibition of Insider Trading) - Regulations, 1992 ("Regulations") requires such organizations to frame an Internal Code in accordance with the 'model code' specified in Schedule I of the Regulations ("Model Code"). The Internal Code should be framed 'without diluting' the Model Code prescribed by SEBI and the organizations should adopt appropriate mechanisms and procedure to enforce such Internal Code. The purpose of this policy is that all the employee/department/division should comply with an information barrier in their day-to-day operations. By virtue of being an organization associated with securities market (broker/ sub-broker, depository participant, clearing/ trading member, merchant banker, custodian etc.) are under an obligation to implement an Internal Code which contains provisions of Chinese wall framework.

2. Introduction

Customer relationships and information should be treated in the strictest confidence, making every effort to avoid intentional or unintentional disclosures. Any inappropriate disclosure and misuse of any Unpublished Price Sensitive Information or any other confidential customer information (together the "Confidential Information") could expose The Company and its representatives to severe regulatory and financial obligations/penalties. In addition, any Insider Trading investigations initiated, or violations proven could have, both a severely damaging effect to the business prospects and the reputation of The Company, in the eyes of customers, other regulators/governmental agencies, shareholders, other stakeholders and the media. Information given to The Company by customers, or the information developed based on knowledge and data obtained while dealing with customers is to be adequately protected from improper disclosure or its use in other unrelated business decisions or by unrelated areas. This is required to abide by our confidentiality obligations towards customers, and to avoid the appearance of impropriety, as well as to comply with the Regulations.

3. Objective

This policy outlines the procedures and controls (the "Chinese Wall") that are established to restrict the flow of sensitive, confidential, and non-public information between the **Merchant Banking Division** and the **Broking Division** of [Company Name] (the "Company"). The purpose is to:

- Prevent conflicts of interest;
- Ensure the segregation of duties or functions and avoid misuse of unpublished price-sensitive information (UPSI);
- Monitoring procedures to enable us to judge the effectiveness of the controls;
- Safeguarding procedures to be followed if and when such information necessarily has to be distributed internally; and
- Ensure regulatory compliance (e.g., SEBI (Prohibition of Insider Trading) Regulations, 2015, and SEBI (Merchant Bankers) Regulations, 1992)





4. Applicability

This Policy applies to:

- All employees, contractors, consultants, directors, and interns of the Company;
- All branches, departments, and group entities involved in capital market operations.

5. Definitions

- **Chinese Wall:** Information barrier separating different business divisions to prevent the misuse of confidential information.
- **UPSI:** Unpublished Price Sensitive Information as defined under applicable securities laws.
- **Insider:** Any employee or individual with access to UPSI.
- **Merchant Banking:** Activities involving capital raising, advisory on mergers & acquisitions, takeovers, etc.
- **Broking:** Activities related to stock trading, dealing, research, and client advisory services.

6. Segregation of Business Divisions

a) Functional Separation

- Merchant Banking and Broking teams shall function independently.
- Separate reporting lines and departmental heads.
- No overlap in duties or responsibilities.

b) Physical Separation

- Separate office spaces or access-restricted zones.
- Restricted access to file cabinets and meeting rooms used by both teams.

c) Technological Separation

- Separate IT systems, emails, drives, databases, and client management tools.
- Access controls and password-protected systems to limit access to UPSI.

7. Information Flow Control

- a) **Restricted List:** Securities in which trading is prohibited due to the Company's involvement in merchant banking assignments.
- b) **Trading Restrictions:** No employee in possession of UPSI may trade in that security.
- c) **Wall-Crossing Protocol:** In special cases, if it is necessary for a person on the Broking side to access information from the Merchant Banking side (or vice versa), it must be approved by the Compliance Officer. Further, Individuals must sign a Wall Crossing Acknowledgment Form and agree to be classified as "temporary insiders."

8. Trading in Company Securities



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The company requires that securities or shares of a listed company should be put on a "restricted/grey list" while the organization is handling any assignment for such listed company or while preparing appraisal report or while handling credit rating assignments and is privy to price sensitive information. Additionally, any security which is being purchased or sold or is being considered for purchase or sale by the organisation on behalf of its clients/schemes of mutual funds, etc. should also be put on the "restricted / grey list". The effect of putting/ adding a security on the "restricted / grey list" is that any trading in such securities by employees/directors/partners of the organization would require the preclearance of trade by compliance officer. As a result of this, trading in these securities may be blocked or may be disallowed at the time of pre-clearance by the compliance officer after taking into account, all the relevant circumstances.

9. Confidentiality

All information obtained from any employee pursuant to this policy shall be kept in strict confidence, except that such information will be made available to any regulatory or self-regulatory organization to the extent required by law, regulation, or this policy.

10. Employee Conduct

- Employees must maintain the confidentiality of UPSI.
- No communication of UPSI to friends, family, media, or unauthorized colleagues.
- avoid discussing confidential information in public spaces.

11. Compliance Mechanism

- Compliance Officer shall maintain and monitor restricted list
- Approve wall-crossing requests
- Conduct periodic audits and surveillance of trading activity
- Investigate any suspected breach of the policy

12. Monitoring

The Company takes seriously its obligation to monitor the activities of its employees and to review the policy periodically. Compliance Officer will monitor employee day to day activities. All noted deviations from the policy requirements will be referred to the employee for follow-up and resolution (with a copy to be supplied to the employee's supervisor).

13. Policy enforcement

Failure to Comply with this Policy The misuse of confidential information may violate contractual obligations of The Company and its employees, local securities laws, and/or other legal and regulatory requirements. The Company employees who violate securities laws by purchasing or selling securities based on inside information may subject themselves, as well as



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The Company, to severe civil and criminal penalties. These penalties may also be applicable to those who "tip" or otherwise assist others in effecting such transactions. In addition, even the appearance of the misuse of confidential information may be extremely damaging to the reputation of the Company and/or their employees. Accordingly, a failure to comply with the policies and procedures set forth in the Company Chinese Wall Policy may be grounds for disciplinary action. Should questions regarding the Company employee's personal trading activities pursuant to this policy arise, there will be referred to Compliance Officer for review and action, if required.

14. Breach and Disciplinary Action

- Any breach of this policy will be considered a serious violation.
- Disciplinary action may include:
 - i. Warning or reprimand
 - ii. Suspension or termination
 - iii. Regulatory reporting
 - iv. Legal action or financial penalties

15. Policy Review

This Policy shall be reviewed annually or as and when required based on changes in business practices, laws, or regulatory updates. All amendments shall be approved by the Board and circulated internally.

16. Acknowledgment and Certification

All employees must:

- Acknowledge receipt and understanding of this policy.
- Annually certify compliance with the policy and declare that no UPSI was misused.

