

## **POLICY ON CONFLICT OF INTEREST**

### **Front Running / Contra Trading**

The officers/employees/dealers of the Company shall not deal in any securities which are dealt in by active clients of the Company for the purpose of intra day trading positions without the prior approval of Compliance officer/Director of the Company. The officers/employees of the Company involved in surveillance/risk management operations shall not deal in any securities on intra day trading in the Company either through themselves or through their family members or any friends for other related parties

### **Margin Accounts**

The Company and its officers shall make an effort to clear the margin accounts carrying securities on periodic basis as soon as any over dues of the clients have been cleared as well as the margins on trades have been reversed for which the securities were kept on such margin accounts. The Company shall make an effort to keep only the optimum margins.

An Officer's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

**A. Employment/Outside employment:** With regard to the employment with the Company, Officers are expected to devote their full attention to the business interests of the Company. Officers are prohibited from engaging in any activity that interferes with their employment with the Company. Our policies prohibit Officers from accepting simultaneous employment with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position. Additionally, Officers must disclose to the Company's Audit Committee, any interest that they have that may conflict with the business of the Company.

**B. Outside directorships:** It is a conflict of interest to serve as a director of any company that competes with the Company. Officers must first obtain approval from the Company's Board of Directors before accepting a directorship.

**C. Business Interests:** If an Officer is considering investing in any customer, supplier, developer or competitor of the Company, he or she must first take care to ensure that these investments do not compromise on their responsibilities to the Company. Our policy requires that Officers first obtain approval from the Company's Board of Directors before making such an investment. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investments, the Officer's ability to influence the Company's decisions, his or her access to confidential information of the Company or of the other company, and nature of the relationship between the Company and the other company. At the time of application for approval, full facts of the proposed investment shall be placed before the Committee.



**D. Related parties:** As a general rule, Officers should avoid conducting Company's business with a relative, or have business in which a relative is associated or any supplier of goods and services to the company in any significant role. A relative means and includes spouse, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws. Subject to the rules and regulation, the Company discourages the employment of relatives of Officers in key positions or assignments within the same department. Further, the Company prohibits the employment of such individuals in positions that have a financial dependence or influence (e.g. an auditing or control relationship, or a supervisor/subordinate relationship).

**E. Payments or gifts from others:** Under no circumstance the Officers shall accept any offer, payment, promise to pay, or authorisation to pay any money, gift, or anything of value from customers, vendors, consultants, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commitment of any fraud. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Questions regarding whether a particular payment or gift violates this policy are to be directed to Board of Directors. Gifts given by the Company to suppliers or customers should be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety. The nature and cost must always be accurately recorded in the Company's books and records.

**F. Corporate opportunities:** Officers may not exploit for their own personal gain, opportunities that are discovered through the use of corporate property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board declines to pursue such opportunity.

**G. Interested Contracts:** Except with the consent of the Board of Directors of the Company, any of the Director or his relative or a firm in which a director or his relative is a partner, any other partner in such a firm, or a private company of which the director is a member or director shall enter into any contract with the Company for sale, purchase or supply of goods, materials or services, except for purchase or sale of goods for market price or such contracts which either party regularly trades or does business. For any clarification in this regard, the officers are requested to contact the Finance Department or any Board member.

**H. Whistle Blower Policy:** Employees who came across any unethical or improper practice (not necessarily a violation of law) shall be free to approach the Board of Directors without necessarily informing their supervisors. All officers are requested to inform their subordinates about their this right through an effective manner. For any clarification in this regard please contact Finance Department or any Board member.

**I. Other Situations:** It would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, please contact Finance Department or a Board member.