



MEHTA EQUITIES LIMITED

POLICY FOR DEALING WITH CONFLICT OF INTEREST IN RESPECT OF BOARD MEMBERS, SENIOR MANGEMENT, ALL EMPLOYEES (STAFF), INCLUDING FRANCHISES AND ALL AUTHORISED PERSONS (APs)

SEBI vide circular /MIRSD/5/2013 August 27, 2013 issued a general guidelines for Dealing with Conflicts of Interest of Intermediaries, Recognized Stock Exchanges, Recognized clearing corporations, Depositories and their Associated Persons in Securities Market.

To adhere to the above guidelines, **MEHTA EQUITIES LIMITED (MEL)** shall take all reasonable steps to identify, eliminate or manage conflicts of interest. The Company is committed to act honestly, fairly, professionally and in the best interests of its clients.

Scope

The Board of Directors, Senior Management, Employees, Auditors & Authorized Person (s) of MEL must act within the bounds of authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company. MEL shall also maintain high standard of integrity in their conduct of dealings during the course of its business activities.

Purpose

This policy identifies and manages conflicts of interest which may arise due to circumstances entailing a material risk of damage to clients' interests. Policy also establishes & ensures appropriate procedures and systems to manage those conflicts through an effort to prevent actual damage of clients' interests, formulating Standards of conduct & Internal Code of Conduct for governing business operations.

Potential areas for conflicts of interest areas

- i) Clients are intentionally discriminated based on their personal relationship or nature of Clients or personal characteristics (gender, race & religion/ethnicity, disability & geographical location) or affiliation with politics, and financial background of clients.
- ii) The Company or employees or relevant associated persons has/have an interest in the outcome of a service provided to the client in respect of Advice / Investment decisions or of a TRANSACTION carried out on behalf of the client.

- iii) The Company or employees or relevant associated persons receives, or will receive, from the person other than a client an inducement in relation to the service provided to that client in the form of monies, goods or services, other than the standard commission or fee for that service.
- iv) The Company or employees or relevant associated persons likely to make a financial gain, or avoid a financial loss, at the expense of the Client.
- v) Where gifts and entertainment (including non-monetary gifts) are received that may influence behavior in a way that will create conflicts of the interests in mind of MEL Client.
- vi) Auditors of MEL shall not have direct / indirect interest in or relationship with the Shareholder / Directors / Officers / Employees / Management and also to confirm that they do not perceive any conflict of interest in such relationship / interest while conducting System Audit /Internal audit/Statutory Audit of the Company

Policy & Procedures for control/managing Conflicts of Interests

- a) The Company or employees or relevant associated persons shall not make a recommendation to any client who might be expected to rely thereon to acquire, dispose of, retain any securities unless he has reasonable grounds for believing that the recommendation is suitable for such a client upon the basis of the facts, if disclosed by such a client as to his own security holdings, financial situation and objectives of such investment. Directors, Senior Management & employee should assist and act in such a way so that MEL can seek such information from clients, wherever client feels it is appropriate to do so.
- b) Directors, Senior Management & employee should assist and act in such a way so that MEL shall not render directly or indirectly any investment advice or deal in any securities without material information, which is published in the publicly accessible media, whether real - time or non real-time.
- c) All Director/Officer/Designated Employees of MEL shall be subject to trading restrictions as enumerated under MEL Insider Trading Policy. All connected entities are also not allowed to manipulate the demand and supply of Securities in Capital Market for influencing the prices of Securities.
- d) ALL Associated persons of MEL shall at all times maintain high standards of integrity in the conduct of their business and should not communicate any material non published information while dealing with its Clients.
- e) MEL ensures conflict of interest does not prevail while providing range of services to its Clients. MEL Directors/ Officers/ Employee or Authorized person should strictly restrict an incentive structure which encourages sale of products as per client risk profile.
- f) MEL Directors/Officers/Employees or Authorized person during their employment may disclose inside information or Client information to others, except disclosures made in

accordance with the Company's policies and procedures, to other Company personnel or persons outside the Company who have a valid business reason for receiving such information;

- g) MEL requires that senior management segregate duties to provide for the avoidance of potential conflicts of interest. However, Organization structure of MEL is smaller in size, it is not always possible to achieve total segregation i.e. information barrier to block or hinder the flow of information from one department to another due to the limited number of staff within an organization of this size. While the principles have been considered when devising suitable controls, these are subject to modification to take account of the staff numbers performing such tasks and any cross-contamination of tasks.
- h) Where a conflict arises and the Company is aware of it, it will disclose the conflict to the client prior to undertaking the business for that client or, if the Company does not believe that the disclosure is appropriate to manage the conflict, the Company may choose not to proceed with the TRANSACTION or matter giving rise to the conflict.

Disclosure

An employee involved in any of the types of relationship or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined the company may take whatever corrective MEL appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary MEL.

Responsibility and Review of Policy

The Board of Directors of the Company and the Compliance team share the responsibility for keeping the Policy in place. Any situation or TRANSACTION involving an actual or potential conflict of interest should promptly be reported to the Compliance team and obtain their determination as to whether a conflict exists.

MEL will take all reasonable steps to identify, record and manage conflicts of interest fairly and in accordance with the Conflicts of Interest Policy. MEL will monitor compliance of Conflict of Interest Policy regularly. MEL may implement additional controls in respect of the management of conflicts of interest where necessary. The Conflicts of Interest Policy to be reviewed annually and may be updated or amended as and when required.