

Employees' Trading Policy

This Employee Trading Policy has been designed to prevent legal, business and ethical conflicts and to guard against the misuse of proprietary or confidential information provided to Srishti Mendiratta by the existing and prospective clients. The objective of the policy is to not to discourage trading by employees, but to:

- Encourage long-term investments by employees
- Ensure proper safeguards to various businesses of Srishti Mendiratta.
- Ensure priority on client's interest and transactions
- Discourage employees from engaging in personal trading on a scale or of a kind that would distract them from their daily responsibility
- Discourage trading that might have appearance of impropriety.
- Discourage speculative/manipulative/front running kind of trading activities

All employees of Srishti Mendiratta are required to disclose their trading and DP account details along with that of the family members and conduct their transactions which has to be only in the nature of Investment activities, unless they have written permission from the top management / compliance officer to carry out trading activities in those accounts. For this purpose, it is preferred that employees and their family maintain the accounts with Srishti Mendiratta and Srishti Mendiratta will facilitate opening of a client account by the employee. The employees are also supposed to disclose investment/trading activities in their account(s) as and when asked by the Management..

In case of employees who trade on exchanges outside India, exception to this prohibition will be allowed based on the employee's ability to justify the need for the same. In such cases, the employee will be required to take prior written permission of HOD / Management.

Principles

Srishti Mendiratta employees may deal in securities on their own account provided the employee will not:

- abuse the freedom to deal
- deal to the disadvantage of any client
- deal to the disadvantage of the company
- risk the reputation of the company, Group and the employee
- to put personal interest above the company's interest

Chinese Wall

To prevent the misuse of confidential information the organisation has adopted a "Chinese Wall" policy which separates those departments of the company which routinely have access to confidential information, considered "sensitive departments" from "public departments".

Sensitive Departments

Equity/Derivative Dealing department

RMS & Surveillance Department

Research

Clearing and Settlement Department
Back office Team in possession of trade data

Public Departments

Human Resource Department
ICT (IT Infrastructure)
Training Department and Administration Department
Audit, Compliance & Secretarial
DP Front and DP Back
Business Development
Operations Department
Other Supportive departments

The employees in the “sensitive department” shall not communicate any price sensitive information to anyone in the public department.

The employees in the “sensitive department” are physically segregated from employees in public department.

In exceptional circumstances, employees from the public departments may be brought “over the wall” and given confidential information on “need to know” basis under intimation to compliance officer.

Prevention of misuse of “Price Sensitive Information”

Employees shall maintain the confidentiality of all price sensitive information, Price sensitive information in our business like bulk trades of HNI clients etc should be handled on “need to know” basis and should be disclosed to only those who need the information to discharge their duty and whose possession of such information will not give rise to the conflict of interest.

Employees shall not use price sensitive information to buy or sell securities of any sort, whether for their own account or their relative’s account.

Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password etc.

Front Running transactions are strictly prohibited

Front running means transacting in a security on the basis of non-public information of a large pending transaction that will influence the price of the security. All employees are strictly prohibited to enter into trades in scrip 7 days prior to bulk trades or large trades when in possession of non-public information.

Restrictions on trading

No employee is restricted from the Trade provided the every employee will disclose his/her Trading details as and when asked by the Management, However No Research Analyst and his immediate family member is allowed to Trade with JK or any other Broker, if the Research Analyst wish to Invest in securities then its required the Management Approval.

All Employees to seek approval of compliance officer prior to placing any orders for buy / sell of securities if the trade amount is beyond the threshold limit of Rs. 10 lac or more per scrip / per day.

Minimum holding period for entering into opposite transaction based on Last in First out (LIFO) method would be 3 months. Holding period requirement shall not apply in respect of IPO's, Buy back offers, open offers, rights issues, FPO's, bonus, exit offers etc. of a listed company.

In case sale of securities before the expiry of the minimum holding period is necessitated by personal emergency, the Compliance Officer may waive the requirement of minimum holding period. The employee needs to place request for waiver of minimum holding period and mention the reason for waiver of holding period. On being satisfied with the adequacy of the reason, the Compliance Officer may waive the minimum holding period on case to case basis.

In case the Compliance Officer wishes to execute any transactions in his own account or in the account of his immediate relatives, his trades shall be approved by the Board of Directors.

The pre clearance granted is valid only for seven days. If the order is not executed within seven days from the day on which the clearance is given the concerned person will have to seek pre clearance again. In case of decision taken not to trade after securing pre-clearance, the concerned person will have to inform reasons to the Compliance Officer for such decision, within three days of the last date of validity of such pre clearance.

The Compliance Officer and the official(s) in Compliance Department are authorised to ask for any demat statement or bank statement or any other document at any time, to verify that the procedures mentioned above are being followed.

Penalty for contravention of code of conduct

Employees who violate the code of conduct will be subjected to appropriate action by the company, which may include disciplinary action, wage freeze, suspension, termination of services etc.

The action shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider trading) Regulation 1992.

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