CONFLICTS OF INTEREST POLICY

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**Introduction**

**Betala Stock Broking Limited** (hereinafter “the Company”), which is engaged in providing Stock broking facility in Indian Capital Markets to investors. The Company is registered as a Stock Broker with the National Stock Exchange India Limited.

SEBI,videitscircularno.CIR/MIRSD/5/2013datedAugust27,2013haslaiddowntheguidelinesrequiring registered intermediaries to establish and implement a conflicts of interest policy (hereinafter the “Policy”).

To adhere to the above guidelines, the Company is required to take all reasonable steps to identify, eliminate or manageconflictsofinterest.TheCompanyiscommittedtoactinghonestly,fairlyandprofessionallyandinthe best interests of its clients.

This Policy is not intended to, or does not create third party rights or duties nor does it form part of any contract between the Company and any client.

**Policies and Internal Procedures to Identify and avoid or to Deal or manage actual or potential Conflict of Interest**

**Objectives of Policy**

Objectives of the policy on Conflict of Interest are defined as under:

* To promote high standards of integrity in the conduct of business
* To ensure fairness of dealing with clients
* To guide for identification, elimination or management of conflict of interest situations
* To provide a mechanism for review and assessment of the policy(ies) on conflict of interests

The conflict of interest policy aims to ensure that the Company’s clients are treated fairly and at the highest level of integrity and that their interests are protected at all times.

It aims to identify conflicts of interest between:

* The Company and a Client-Relevant Person and a Client
* Any of our group company and a Client
* Two or more Clients of the Company in the course of providing services to these Clients
* A Company’s service provider and a Client and to prevent conflicts of interest from adversely affecting the client’s interest.

The Conflicts of Interest Policy sets out how:

* The Company identifies circumstances which may give rise to conflicts of interest entailing material risk of damage to our Clients’ interests;
* TheCompanyimplementsappropriatemechanismsandsystemstomanagethoseconflicts;
* The Company maintains systems designed to prevent damage to our Clients’ interests through identified conflicts.

**For the purpose of this policy:-**

1. **“Intermediary”and“Associated Person “would mean**

Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007 defines the term“intermediaries" and "associated persons". Accordingly, “intermediary” means an entity registered under SEBI Act and includes any person required to obtain any membership or approval from a stock exchange or a self-regulatory organization; and “associated person” means a principal or employeeofanintermediaryoranagentordistributororothernaturalpersonengagedinthesecurities businessandincludesanemployeeofaforeigninstitutionalinvestororaforeignventurecapitalinvestor working in India;

1. **“Conflict of Interest” would mean**

Conflicts of Interest can be defined in many ways, including any situation in which an individual or corporation (either private or governmental) is in a position to exploit a professional or official capacity in some way for their personalorcorporatebenefit.Aconflictofinterestisamanifestationofthemoralhazardproblem,particularly when a financial institution provides multiple services and the potentially competing interests of those services may lead to a concealment of information or dissemination of misleading information. A conflict of interest exists when a party to a transaction could potentially make gain from taking actions that are detrimental to the other party in the transaction.

**Identification of Conflicts of Interests**

The Company shall take adequate steps to identify conflicts of interest. In identifying conflicts of interest, the CompanywilltakeintoaccountsituationswheretheCompanyoranemployeeoraRelevantPerson:-Islikely to make a financial gain, or avoid a financial loss, at the expense of the Client;

* HasaninterestintheoutcomeofaserviceprovidedtotheClientorofatransactioncarriedoutonbehalfofthe Client, which is distinct from the Client’s interest in that outcome;
* HasafinancialorotherincentivetofavourtheinterestofoneClientoveranother;
* Carries out the same business as the Client; or
* Receives from a person other than a Client an inducement in relation to a service provided to a Client, in the form of monies, goods or services, other than the standard commission or fee for that service.

**Purpose**

The purpose of this Policy is to set out the Company’s approach to identify and manage conflicts of interest which may arise during the course of its business activities. This Policy aims at:

1. identifying circumstances which may give rise to conflicts of interest entailing a material risk of damage to clients’ interests,
2. establishingappropriateproceduresandsystemstomanagethoseconflicts,and
3. ensuring the maintenance of such procedures and systems in an effort to prevent actual damage to clients’ interests through conflicts identified.

**Scope**

The Policy applies to the Board of Directors and Employees of the Company (collectively referred to as “Employees”) and relevant associated persons as defined in SEBI (Certification of associated Persons in the securities market) Regulations, 2007 with respect to all interactions with the clients.

**Potential conflicts of interest are as**

1. The Company or employees or relevant associated person(s) is/ are likely to make a financial gain, or avoid a financial loss, at the expense of the client.
2. The Company or employees or relevant associated persons has/have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client’s interest in the outcome.
3. The Company or employees or relevant associated person(s) has/have a financial or other incentive to favor the interest of another client or group of clients over the interest of one client.
4. The Company or employees or relevant associated persons receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service.

**Procedures and controls to managing Conflicts of Interests**

The procedures and controls that the Company follows to manage the identified conflicts of interests include the following:

1. Effectiveprocedurestopreventorcontroltheexchangeofinformationintheactivitiesinvolvingariskof conflict of interest where the exchange of that information is likely to harm the interest of one or more clients;
2. Measures to prevent or limit any person from exercising inappropriate influence over the way in which capital market services are carried out;
3. Chinesewallsrestrictingflowofconfidentialandpricesensitiveinformationwithinthecompany, physical separation of

Departments and sharing of information only on a “Need to Know Basis”.The same shall be governed by ‘Prevention of Insider Trading Policy’ applicable at Ambit Group level.

1. A policy designed to limit the conflicts of interests arising from the giving and receiving of inducement, as per the gift policy applicable at Group level.
2. AppointmentofIndependentInternalauditorstoensurethatappropriatesystemsandcontrolsare maintained and their effectiveness or otherwise is being reported to the Company’s Board of Directors.
3. Personal account dealing requirements applicable to employees in relation to their own investments needs an approval from the Compliance Team by submission of an Investment Request Form. The same shall be governed by ‘Prevention of Insider Trading Policy’ applicable at Ambit Group level.
4. Provisions governing access to electronic data as per the ‘Mobile Phone Usage Policy’ of the Company and ‘Prevention of Circulation of Unauthenticated News’.
5. The employees are governed by measures laid down in the internal code of conduct and other policies which include the following:
	1. Restrictions on dealing in securities while handling client’s mandate or while in possession of material non publishedinformation,orcommunicatingsuchinformationwhiledealingonclient’sbehalf,manipulating demand or supply of securities or influencing their market price. The same shall be governed by ‘Prevention of Insider Trading Policy’ applicable at Group level.
	2. Restrictions on an incentive structure that encourages sale of products not suiting the client’s risk profile.
	3. Restrictionsondivulgenceofclient’sconfidentialityunlessrequiredbyorunderthelaw.
	4. The associated persons shall at all times maintain high standards of integrity in the conduct of their business followed by compliance reporting to Board of Directors and senior management.
6. The Company’s Compliance team has oversight on the business to ensure that internal controls are appropriate.
7. TheBoardofDirectorsoftheCompanyandtheComplianceteamsharetheresponsibilityforkeepingthe 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.
8. 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.
9. PeriodicreviewofthePolicywillbedoneattheBoardMeetingoftheCompany.Thesameshallbeneedbasis.

**Measures to avoid or to deal or manage actual or potential Conflict of Interests.**

Should a conflict of interest arise, it needs to be managed promptly and fairly. The Company puts in place following arrangements to ensure that:

1. Thereisacleardistinctionbetweenthedifferentdepartments’operations;
2. No single person will gather conflicting information, thus counter feiting or hiding information from investors is minimized;
3. The Company’s employees are prohibited from investing in a financial instrument for which they have access to non-public or confidential information;
4. TransactionsbytheCompany’semployeesareneitherperformednorexecutedbythemselves.
5. Employees sign a contract of employment including confidentiality clauses. No associated person may disclose insideinformationtoothers,exceptdisclosuresmadeinaccordancewiththeCompany'spoliciesandprocedures, to other Company personnel or persons outside the Company who have a valid business reason for receiving such information;
6. Each department will control the flow of information where, otherwise, the risk of conflict of interest may harm the interest of a Client;
7. Relevantinformationisrecordedpromptlyinasecureenvironmenttoenableidentificationandmanagement of conflicts of interests;
8. Adequate records are maintained of the services and activities of the Company where a conflict of interest has been identified;
9. IncertainjurisdictionsappropriatedisclosuremaybemadetotheClientinaclear,fairandnotmisleading manner to enable the Client to make an informed decision;
10. ThereisaperiodicreviewoftheadequacyoftheCompany’ssystemsandcontrols.
11. Employeesarerequiredtoavoidconflictsofinterestwithactivitiestheyundertakeoutsidecompany.

**Violation and Consequences**

Any non-adherence with the Policy will be subject to strict action.

**Communication of policies, procedures and code to all concerned**

This Policy on management of Conflict of Interest offers general guidance in addition to company’s policies and procedures and is not meant to replace any of those policies or procedures and shall be made available through companywebsite[www.maashitla.com](http://www.maashitla.com/)orbysendingarequestinwriting.Companyexpectsall its associated persons, employees, to adhere to this policy. The Board of Directors of company reserves the right to amend, supplement or discontinue this policy and the matters addressed herein, without prior notice, at any time.

**Implementation and Review of policy of management on Conflict of Interest**

This policy shall come into effect from the date of approval of the Board of Directors of the company for its implementation so as to provide necessary guidance enabling identification, elimination or management of conflict of interest situations and that the same shall be reviewed and assessed annually by the company management.

**Disclosure**

The Company reserves the right to make review and/or a mend its Policy and whenever it deems appropriate.