

Annexure – A

6 xiv. Policy & Internal procedure for managing conflict of Interest

VENKATARAMAN & CO., *Policy on Management of Conflict of Interests*

1. Introduction

SEBI vide its circular no. CIR/MIRSD/5/2013 dated August 27, 2013 and followed by Exchange Circular No.NSE/INSP/24301 dated 29-09-2013 issued a General Guidelines for dealing with Conflicts of Interest of Intermediaries, Recognised Stock Exchanges, Recognised Clearing Corporations, Depositories and their Associated Persons in Securities Market. SEBI decided to put in place comprehensive guidelines to collectively cover such entities and their associated persons, for elimination / avoidance of their conflict of interest and educating the Associated Persons as defined in Securities and Exchange Board of India (Certification of Associated Persons in the Securities Markets) Regulations, 2007 for the compliance of the guidelines. SEBI advised to lay down, with active involvement of senior management, policies and internal procedures to identify and avoid or to deal or manage actual or potential conflict of interest, develop an internal code of conduct governing operations and formulate standards of appropriate conduct in the performance of their activities, and ensure to communicate such policies, procedures and code to all concerned;

2. Policies and Internal Procedures to Identify and avoid or to deal or manage actual or potential Conflict of Interest

- 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.

Identification of Conflicts of Interests

The Company shall take adequate steps to identify conflicts of interest. In identifying conflicts of interest, the Company will take into account situations where the Company or an employee or a Relevant Person:

- Is likely to make a financial gain, or avoid a financial loss, at the expense of the Client;
- Has 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 that outcome;
- Has a financial or other incentive to favour the interest of one Client over another;
- 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.

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:

- i. There is a clear distinction between the different departments' operations;
- ii. No single person will gather conflicting information, thus counterfeiting or hiding information from investors is minimized;
- iii. The Company's employees are prohibited from investing in a financial instrument for which they have access to non-public or confidential information;
- iv. Transactions by the Company's employees are neither performed nor executed by themselves.
- v. ix. In certain jurisdictions appropriate disclosure may be made to the Client in a clear, fair and not misleading manner to enable the Client to make an informed decision;

Policies and procedures

The Company has developed and implemented policies and procedures throughout its business to prevent or manage potential conflicts of interest. Our employees receive guidance and training in these policies and procedures, and they are subject to monitoring and review processes.

Procedure to comply with the policy

- Every staff member must have a copy of the Policy on management of Conflicts of Interest.
- If a potential COI arises, the transaction must first be discussed with management before entering into the transaction.
- All new employees shall be required to declare their outside interests when they join the firm.
- The company Conflict of Interest Policy is located on the website www.venkataraman.com and is subject to annual review.

Consequences of non-compliance with the policy

- Non-compliance with this policy and the procedures described in it may be considered to be misconduct and may be subject to disciplinary action

3. Standards of appropriate conduct in the performance of the activities,

The following standards of appropriate conduct in the performance of the activities.

- i. To place the client's interests first: Placing the client's interests first. To act honestly and not place personal gain or advantage before the client's interests.
- ii. To provide business services with integrity: Integrity requires honesty and sincerity in all business matters.
- iii. To provide business services objectively: Objectivity requires intellectual honesty and impartiality. Regardless of the services delivered.
- iv. To be fair and reasonable in all business relationships & to disclose and manage conflicts of interest: Fairness requires providing clients what they are due, owed or should expect from a business relationship, and includes honesty and disclosure of material conflicts of interest. It

involves managing one's own feelings, prejudices and desires to achieve a proper balance of interests. Fairness is treating others in the same manner that you would want to be treated.

- v. To protect the confidentiality of all client information: Confidentiality requires client information to be protected and maintained in such a manner that allows access only to those who are authorized. A relationship of trust and confidence with the client can only be built on the understanding that the client's information will not be disclosed inappropriately.

- vi. To provide business services diligently: Diligence requires fulfilling business commitments in a timely and thorough manner, and taking due care in planning, supervising and delivering business services.