

INTERNAL POLICY & CONTROL PROCEDURE
in terms of SEBI (Research Analysts) Regulations, 2014

A. Preamble:

SEBI vide its Notification No. LAD-NRO/GN/2014-15/07/1414 dated 1st September, 2014 has notified SEBI (Research Analysts) Regulations, 2014. These regulations came into force with effect from 1st December 2014. These regulations have been introduced by SEBI with the objective of fostering transparency in security research and provide the investors with more reliable and useful information to make investment decisions.

According to the Chapter III of the Regulation 15 of SEBI (Research Analysts) Regulations, 2014 Mr. Pradip Sureka shall have a written internal policies and control procedures governing the dealing and trading by any research analyst.

B. Objective:

1. To establish proper internal control and procedures and to govern the dealing and trading by any research analyst.
2. To address actual or potential conflict of interest arising from such dealings or trading of securities of Subject company and promoting objective and reliable research that reflects the unbiased view of research analyst.
3. Preventing the use of research report or research analysis to manipulate the securities market.
4. To implement appropriate mechanisms to ensure independence of its research activities from its other business activities of Research analyst.

C. Scope / Applicability:

The policy shall be applicable to all employees of the Mr. Pradip Sureka engaged in Research Department as a Research analyst i.e. a person primarily responsible for preparation or publication of the content of the research report; or providing a research report or Making 'buy sell/hold' recommendation or giving price target or offering an opinion concerning public offer with respect to securities that are listed or to be listed in a Stock Exchange whether or not such person has the job title of 'Research Analyst'.

D. Policy and procedure to be adopted to ensure the compliance.

1. Mr. **Pradip Sureka** as the Compliance Officer, under this Code. The compliance officer is responsible for monitoring the compliance of the provisions of the Act, these regulations and circulars issued by the Board.
2. The Compliance Officer shall maintain a record for the purpose of adherence to the Code of Conduct. The Compliance Officer shall assist all the analysts and its associates in addressing any clarifications regarding the Regulations and Mr. Pradip Sureka's Code of Conduct.

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3. In order to discharge his functions effectively, the Compliance Officer shall be adequately empowered and provided with adequate infrastructure to effectively discharge his function. In the performance of his duties, the Compliance Officer shall have access to all information and documents relating to the Securities of the Companies under research. The Compliance Officer shall act as the focal point for dealings with SEBI in connection with all matters relating to the compliance and effective implementation of the Regulations and this Code.
4. No employee of MR. PRADIP SUREKA, except those designated as Research Analyst (Fundamental or Technical) shall issue any written or electronic communication that includes research analysis or research recommendation or an opinion concerning securities or public offer, providing a basis for investment decision.
5. No employee shall represent himself as Research Analyst (Fundamental or Technical) unless and until he has been designated so by MR. PRADIP SUREKA.
6. MR. PRADIP SUREKA shall have independent research activity and shall always be kept separate from its other business activities.
7. MR. PRADIP SUREKA shall ensure that the persons employed by it as Research Analyst comply at all times the necessary qualification as required in Regulation 7.
8. MR. PRADIP SUREKA shall ensure that the persons employed by it as Research Analyst are fit and proper person based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008.
9. MR. PRADIP SUREKA shall invite and consider only those candidates for the post of RA who possess necessary qualification as stated in Regulation 7. MR. PRADIP SUREKA shall also ensure that the candidate at the time of appointment has cleared the requisite examination conducted by National Institute of Securities Market (NISM).
10. The RA shall at all time ensure that they possess necessary qualification as stated in Regulation 7.
11. In case of the conflicts of interest, Mr. Pradip Sureka should not undertake research assignment of the subject company and disclose the conflict of interest to subject company prior to accepting the research assignment or as and when the potential conflict of interest arises while conducting the research assignment of Subject company.
12. The RA shall always carry out reliable research that reflects the unbiased view.
13. The RA shall not use research report to manipulate the securities market.
14. The RA shall prepare research report based on the information available in the public domain.
15. The RA shall not prepare research report based on the unpublished price sensitive information.
16. The RA shall disclose his / her as well as his / her financially dependents trading and demat account details and submit necessary information as and when called for by MR. PRADIP SUREKA.
17. The RA shall seek formal approval from compliance department for carrying out trading in shares and securities in his/ her trading account or in the trading account of his / her financially dependent relatives.
18. MR. PRADIP SUREKA shall monitor and record personal trading activities of the RA and their financially dependent relatives.

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19. The RA shall not deal or trade in securities, directly or indirectly, in his / her trading account or in trading account of his / her financially dependent relatives that MR. PRADIP SUREKA recommends or RA follows or the Research Department of MR. PRADIP SUREKA follows within 30 days before and five days after the publication of research report.
20. The RA shall not deal or trade in securities, directly or indirectly, in his / her trading account or in trading account of his / her financially dependent relatives that he / she reviews in a manner contrary to his / her given recommendation.
21. The RA shall not purchase or receive securities, directly or indirectly, in his / her trading account or in trading account of his / her financially dependent relatives of the issuer before the issuer's initial public offer, if the issuer is principally engaged in the same type of business as companies that the research analyst follows or recommends.
22. The trading restrictions on RA or his / her financial dependent relatives trading account shall not be applicable on following events:-
 - i) In case of significant news or event concerning the subject company. Significant news or event means any news or event which is expected to have a material impact on, or that reflects a material change to, the subject company's earnings, operations or financial condition, other than unpublished price sensitive information.
 - ii) Unanticipated significant change in the personal financial circumstances of the research analyst.

However, the RA wishes to trade in securities based on the above events shall be required to obtain written prior approval as per the procedure laid down by MR. PRADIP SUREKA.

23. MR. PRADIP SUREKA shall not pay any bonus, salary or other form of compensation to RA determined or based on specific brokerage services transactions.
24. The compensation of RA shall be reviewed, documented and approved annually by the by the board of directors / committee appointed by board of directors which does not consist of representation from brokerage services divisions.
25. The board of directors / committee appointed by board of directors approving or reviewing the compensation of RA shall not take into account his / her individual contribution to brokerage services business.
26. The RA employed by MR. PRADIP SUREKA shall not be subjected to the supervision or control of any employee of the brokerage services division.
27. The RA shall not publish or distribute research report or research analysis or make public appearance regarding a subject company for which he has or his earlier employer has acted as a manager or co-manager at any time falling within a period of :-
 - i) Forty days immediately following the day on which the securities are priced of the offering is an initial public offer; or
 - ii) Ten days immediately following the day on which the securities are priced if offering is a further public offering.

However, RA may publish or distribute research report or research analysis or make public appearance within such forty day and ten day periods, subject to prior written approval of compliance personnel as per the procedure laid down in this regard.

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28. If MR. PRADIP SUREKA agrees to act or acts as an underwriter of an issuer's initial public offering, then in such an event, it shall not publish or distribute a research report or its RA shall not make public appearance regarding that issuer before expiry of twenty five days from the date of offering.
29. The RA shall not before expiry of twenty five days from the date of offer undertake research assignment of subject company if the underwriting of the issue of the subject company's has been taken up or agreed to be taken up by MR. PRADIP SUREKA .
30. The RA shall not participate in business activity designed to solicit brokerage services business such as sales pitches and deal road show.
31. The RA shall not engage in any communication with a current or prospective client in the presence of personnel from brokerage service division.
32. The RA shall have adequate documentary basis supported by research for preparing a research report.
33. The RA shall not provide any promise or assurance of favourable review in its research review to a company or industry or sector or group of companies or business group as consideration to commence or influence a business relationship or for the receipt of compensation or other benefits.
34. The RA shall not issue a research report that is not consistent with his / her own views regarding a subject company. Technical analyst may give a contradictory view to research report prepared by fundamental analyst provided the report made by such respective Analysts includes the basis for the recommendations made.
35. The RA shall ensure that the research report published by him / her contains necessary disclosures as required under RA regulations and disclaimers.
36. The RA shall disclose following in public appearance with regard to receipt of compensation:-
 - i) Whether he / she has received any compensation from the subject company in the past twelve months.
 - ii) Whether the subject company is or was a client during twelve months preceding the date of distribution of the research report and type of services provided
However, while disclosing the above the RA should not reveal material non-public information regarding specific potential future brokerage service transactions of the subject company.
 - iii) Whether he / she has served as an officer, director or employee of the subject company.
 - iv) Whether he / she has been engaged in the market making activity for the subject company.
37. The RA shall ensure that the facts in his / her research report is based on the reliable information and shall define terms used in making recommendations and these terms shall be consistently used.
38. If RA has employed rating system then he /she must clearly define the meaning of each such rating including the time horizon and benchmark on which a rating is based. In such an event, research report shall provide the graph of daily closing price of such securities for the period assigned or for a three year period, whichever is shorter

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39. The RA shall always keep his research assignment confidential and disclose its status only to Research Head. All decisions on research coverage, timing and content issues are the responsibility of Head of Research department. Draft research reports are reviewed by a Head of Research department before publication.
40. The summary of Research reports are made available on our web-site to all the clients. Any clients can approach our research desk and can get a copy of detailed research report.
41. The RA shall not publish research report unless permitted by the designated authorised person in this regard.
42. The RA shall seek prior written permission from the designated authorised person before making public appearance.
43. The RA shall always act honestly and in good faith.
44. The RA shall act with due skill, care and diligence and shall ensure that the research report is prepared after thorough analysis.
45. The RA shall make appropriate disclosure with regard to conflicts of interest.
46. The RA shall not engage in insider trading or front running of its own research report.
47. The RA shall observe high standards of integrity and ethical behaviour.
48. The RA shall comply with all regulatory requirements as applicable to him / her.
49. The effectiveness of these policies and procedures is monitored by the Compliance department as part of the firm's regular compliance monitoring programme
50. MR. PRADIP SUREKA shall maintain following records:-
 - i) Research report duly signed and dated.
 - ii) Research recommendation provided.
 - iii) Rational for arriving at research recommendation.
 - iv) Record of public appearance.
51. RA shall have adequate documentary basis supported by Research for preparing the research report and the same is required to be maintained for a minimum period of 5 years.
52. MR. PRADIP SUREKA shall conduct annual audit in respect in respect of compliance of RA regulations from an independent CA or CS.