

**Code of Conduct / Guidelines for Prohibition on
circulation of Unauthenticated news**

Brief : SEBI observed that unauthenticated news related to various scrips are circulated in blogs/chat forums/e-mail etc. by employees of Broking Houses/Other intermediaries without adequate caution as mandated in the Code of Conduct for Stock Brokers and respective Regulations of various intermediaries registered with SEBI. It was also observed by SEBI that in various instances, the intermediaries do not have proper internal controls and do not ensure that proper checks and balances are in place to govern the conduct for their employees. Due to lack of proper internal controls, employees of such intermediaries are sometime not aware of the damage which can be caused by circulation of unauthenticated news or rumors.

KSBPL being one of the intermediaries registered with SEBI under different categories, SEBI's Circular No. Cir/ISD/1/2011 dated March 23, 2011 equally applies to KSBPL apart from various rules, regulations, circulars etc. In view of same, KSBPL Securities Pvt. Limited implements this code of conduct for communicating through various modes of communication. As such all Employees/temporary staff/voluntary workers working with KSBPL are prohibited / not to indulge into any of the following without verification:

- (1) Circulation of unauthenticated news related to various scrips in blogs/chat forums/e-mail etc.
- (2) Encouraging or circulating rumors or unverified information obtained from client, industry, any trade or any other sources without verification.
- (3) Forwarding any market related news received either in their official mail/personal mail/blog or in any other manner.

Code of Conduct for Research Analysts and Research Team Members:
Further, all analysts will strictly adhere to the following code of conduct at all times.

- (1) No Analyst shall post any stock, market or investment relate\ information or opinion or recommendation during market hours on any chat, messenger services, even in his personal capacity.
- (2) Even after market hours, the analysts shall not give opinion on any stocks which he/she holds in his/her own family portfolio.

(3) The Analysts shall give a quarterly undertaking to Head- PMS & Research that they have either not traded or invested in any of the stocks recommended by them on behalf of KSBPL for 3 days prior to its recommendation/update sent to clients and for 2 hours after such a message is sent.

(4) Only specific stock/index/market related queries received by the Research team shall be replied to by the analysts.

(5) If the analyst intend to trade/invest in different securities recommended by KSBPL before or after the above mentioned time period, he/she shall take prior permission of the either Research Head or Compliance Officer for the same.

(6) All written/SMS/communication sent to clients shall also contain specific disclosure of any holding of the analyst/family in any stock that is being recommended. This shall apply only to those stocks where a clear BUY recommendation is issued.

(7) No access to any chat website like Yahoo messenger, Gmail, Gtalk, Skype etc. shall be provided to any employee without the prior permission of Research Head or Compliance Officer.

Access to Blogs/Chat forums/Messenger sites etc. has been restricted by KSBPL and access is generally not allowed. However, wherever it is allowed, it is subject to specific approval and that too for specified purposes of internal communication only.

Most Important : All Employees/temporary staff/voluntary workers working with KSBPL shall not involve into any of the above activity(ies) in any manner except the same has been seen and approved in advance by Mr. Tushar Shah, Compliance Officer If any Employee/temporary staff/voluntary worker fails to do so, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for strict actions.