

Policy on HANDLING NEWS

Regulation 7 of SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 prescribes the CODE OF CONDUCT for Stock Brokers. As per this Code of Conduct, a Stock Broker shall not indulge in manipulative, fraudulent or deceptive transactions or schemes or spread rumours with a view to distorting market equilibrium or making personal gains. SEBI has also vide Circular No. Cir/ISD/ 1/ 2011 dated March 23, 2011 prescribed certain procedures to be adopted by the market intermediaries in handling the Market Related News. In view of the above, our company has prescribed the following policy to be complied by all employees.

1. Employees shall not share any unauthenticated news on various scrips in any blogs / chat forums / emails.
2. Unauthenticated market related news or rumours are defined as “information or news or talk or opinion widely disseminated with no discernible source or a statement or report without known authority for its truth”.
3. Employees shall circulate to clients only the opinions and views published by the company’s Research Desk. Employees shall not circulate any opinions and views published by any other brokers / intermediaries without sufficient disclaimer.
4. Employees shall ensure that any market related news received by them either in the official mail / personal mail / blog or in any other manner should not be forwarded to any one UNLESS the same is forwarded to the Compliance officer first and approved by the Compliance Officer for Circulation.
5. Employees shall clearly state while referring to the ‘unauthenticated market related news or rumours’ in all their communication to the clients while referring either oral or written that it is an unauthenticated market related news or rumour and has no discernible basis and relying thereon is at their own risk.
6. Employees shall not use the personal emails through office network. Employees should not use personal mails for communicating with clients.
7. All employees shall avoid using bogs / chat forums / messengers during trading hours. If they have to use the same on client request, all messages exchanged in blogs / chat forums / messenger through office network and computers shall be saved regularly and should be archived for future reference. This shall be the responsibility of such employee using these chats / forums / messenger platforms.

8. Every employee who is using these blog / chat / messenger platforms shall take prior permission from his senior in writing. e.g. Dealer should obtain permission from the respective Managers and Managers from the respective Regional Managers.

9. Employees shall not in any circumstances be involved in the origination of an unauthenticated market related news or a rumour etc. Employees shall not become party to any market rumours / unverified information obtained either from client / industry, any trade or other sources without verification.

10. Employees shall not circulate any emails / SMSs to clients which are in the nature of a rumours / unverified information which is not based published information / authenticated news.

11. Any employees failing to comply with the above norms will be deemed to have violated the various provisions contained in SEBI Act / Rules and Regulations and shall be liable for actions.

For any clarifications on the above policies, employees may write to compliance@shriramfs.com or call 080-43676869.