



Company Name:

V P Consultants Pvt. Ltd.

Address:

416-417, Naurang House, 21-KG Marg, New Delhi-110001

Phone: 011 43009000 Fax: 011 43009030

Date of Starting Business:

17/12/2007

Background of Company:

M/s V P Consultants Pvt. Ltd. The company is engaged in the business of share broking .The company is professionally managed by a team of chartered accountants having in its board **Mr. Vijay Gupta, Mr. V. G. Gupta** and **Mrs. Aparna Gupta**. The company being managed by **Mr. Vijay Gupta** who is looking after general administration, legal compliances and other financial matters. **Mr. V. G. Gupta** looking after financial aspect of the company. **Mrs. Aparna Gupta** is looking the training and education of the staff.

Investor Redressal Policy

Clients can login their complaints through phone, Email, by register post, Currier or in complaint register available at HO and Branch.

The information about investor email ID is displayed on the web site.

The Designated email ID is: info@vponline.in. One person is designated to check the emails received at info@vponline.in.

If any complaint is received it will be noted in complaint register and client will be contacted by phone or email within 24 hrs of complaint received.

Complaint will be sorted out within the three days of its receipt.

If complaint is received in branch, branch head needs to inform the HO immediately over the phone.

The client will be informed about the action taken through the post or email or telephone.

Policy for unauthentic news circulation

As per our policy we will not circulate any news to our clients whether related to market or otherwise.

We are not sending any news letter to our clients.

No information is to be provided to any client regarding market or otherwise.

We authorize our dealers to give details of market rates, trade confirmations, Dividend details etc. to our clients.

Policy for Insider Trading

We are not doing any institutional trading at present.

We had not made any trading on behalf of any listed company promoter of the listed company.

We are doing only Retail client trading.

While opening an account we go through KYC form thoroughly and scrutinize in detail the relation of any client with company to avoid insider trading.

We also check the financial detail of the client.

We do not entertain any walk in clients. Only those clients are allowed to open an account that comes through references. Hence we know the where about of the client.

We appointed a compliance officer to monitor.

Client Code Modification and Error Code Policy

Client Code modification is massive problem of an organization. The main objective of the company to frame a policy for modification of client code for post trade execution. Further educate the dealer and create awareness among them about this policy.

Trade are executed in respective clients account and are not transferred from one client code to another client code or from client code to pro or vice versa in the back office.

Modification of client codes of trades on exchange platform, if any are done to rectify genuine error in entry of client code at the time of placing/modifying the related order.

Error account is created and UCC is uploaded to exchange to rectify the genuine error.

Any trade on account of genuine error is shifted to "Error" account and further square up in the market in the Error account.

Trades transferred to error account are reviewed/Monitor properly to check the genuineness and to prevent the mistake.

Policy would be modified time to time as per circular of SEBI/Exchanges.

References to the Circular...

1. SEBI Circular No: CIR/DPND/6/2011 Dated Jan 01, 2011
SEBI Circular No: CIR/DPND/1/2011 Dated July 05, 2011
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Risk Management System

Funds are received from the client through cheques only.

Cheque is verified with our back office system for checking whether name or bank is register with us against the client name.

We issue A/c payee Cheque to the client.

List of client is prepared daily for debit or credits of the clients. We inform client regarding the debit or credit through telephone and SMS.

We monitor trial balance daily.

If the debit is more that 3 days, physical visit of the client is done for debit recovery and continuous follow up with telephone is done.

If debit balance is more than 3 days we request clients to square up the position.

In case of continuous debit, client is informed by telephone and SMS and physical visit of client address is done.

Limit of Client is opened depending on his/her debit or credit.

We hold the delivery in beneficiary A/c till the debit balance is not cleared by the client and inform the client regarding this through telephone and SMS.

Internal control policy

Policy for closing Clients Accounts

Request letter or Email for closing accounts from client is required at head office 416-417, Naurang House, 21-KG Marg, New Delh-110001.

The information is checked from the back office and Debit/Credit balance is analyzed for the client.

Cheque is prepared if credit balance or demand is raised if debit balance. The information letter is generated and sent to client via post or currier and information is also given through phone simultaneously.

If account is settled, the closing letter is generated and sent to client address.

The client code is set as disabled in the back office software and information is sent to trading department.

Policy for operating Dormant Account

Before operating the dormant account, the client is asked for resubmitting the address proof, ITR, Bank account proof.

A physical verification of client address is done.

On successful completion of verification the client is informed through letter and telephone.

If any change back office is updated.

Information is given to trading department thus enabling the client to trade again.

Policy for operating very old dormant account

Before operating very old dormant account the client is asked for resubmitting the address proof, ITR, bank account proof.

A physical verification of the client is done.

On successful completion of verification the client is informed through letter and telephone.

If any change back office is updated.

Information is given to trading department thus enabling the client to trade again.

Policy for Order receipt and execution

We have telephonic system to receive the order.

Order is taken from the client on the phone and placed into trading terminal.

Only respective client can trade in their account.

Every terminal has updated client code list, the dealer who is doing trade can refer to this list for confirmation of client code.

At the end of the trading the trade confirmation is given to client via telephone.

Policy for sending contract notes

Contract notes are generated daily and sent through email to the client. The email ID is given by client at the time of opening the account.

A copy of contract note is also placed on the web site which client can refer to by login with their user ID and password. User ID and password is given to the client at the time of account opening.

A backup of sent contract log and bounced mail is maintained in the back office system.

Clients need to send email or written request if any change in email ID is required. Based on request the email ID is modified in the back office and informed to the client via phone or email or post.

Policy for sending Quarterly account and security statements

Account and security settlement is done on quarterly basis for the clients.

Account and security statements are generated for every client for the quarters (JAN-MAR, APR-JUN, JUL-SEP, OCT-DEC) .These statements are sent to client in consecutive next month via post or currier.

A dispatch register is maintained to keep the record for sending of quarterly statements.

Policy for Allotment /surrender of trading terminals

Request for any trading terminal is received from the branch or trading department.

The requirement is verified and if requirement is valid we check for certificate and user detail.

After verification request for user ID is raised to exchange.

After getting user ID, all details of user is uploaded to Exchange portal along with location detail.

We receive request from branch or trading department to surrender the trading terminal.

After verification of request, request for deletion of user ID is sent to the exchange via exchange portal or fax and thus surrendering the terminal.

Policy for opening and closing of branches

We do verification of site before opening a branch, if location is right a lease agreement is done with the building owner.

Management decides the type of connectivity and no of terminals.

Request is sent to exchange for the appropriate connectivity mode.

Staff is recruited and trading terminals are set with proper limit.

We upload the trading terminals details to the exchange portal.

Before closing any branch we send information to the connected client through email or telephone with branch closing date.

We also inform client about their new branch where their account are shifted.

We send the request for deletion of user ID to the Exchange Portal.

Branch/ Sub broker Inspection

Branches/Sub broker should be inspected once in 1 year on the basis of following area.

1. Neat, Bolt, CTCL, IML terminal status.
 2. Display of notice board.
 3. Check for illegal activities carried out on such location.
 4. Cash dealing with client.
 5. Any advertisement without permission.
 6. Operation of trading terminals.
 7. Opening and closing time of branch.
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Policy for Introduction of clients/Registration of clients.

We accept the client via reference only. We do not open the account of walk in clients.

When a request for any client comes in through reference, KYC form is given to the client.

After receiving filled KYC form along with document proof we do in person verification.

Entry of in-person verification is done in the KYC form.

If we find all the document submitted and In-person verification correct, Client code is generated and entry is done in the back office.

We upload UCC to the corresponding exchange in which user wants to work.

Welcome kit which contains Client registration documents, email ID details, client code, PAN details and user ID and password of back office, Details of investor grievance email ID, is generated and given to client personally.

The KYC form is kept in index file with proper index no attached it and this index no is entered in the back office software.

Retrieval of any client KYC is done with the help of UCC code and index no attached with it.

Policy on funds

We credit/debit the funds on settlement day.

We ask clients to pay the cheques on same day or next day if any debit. The credit is issued to client by cheques on request of client or on quarterly basis.

Bank account of the client is already registered with us. We are accept or give cheques in prescribed bank account only.

Margin is collected on same day, if any.

We are not doing any funding to the client.

The dividend account is being cleared within 30 days and the respective credit is given to client and account is being come down to zero.

If any client makes default in payment we ask to sell the securities of the client kept with us.

We can charge the delayed Payment from client for overdue payment.

Policy on Securities

If client's credit is available with us then we transfer the security on settlement day. If client request to put the security on hold we hold the security.

In case of debit we are not transferring the security to client account.

We are maintaining separate own beneficiary account.

We are also maintaining separate client beneficiary account.

Client wise segregation of securities is maintained by us.

Client's securities are not maintained by us.

The DP account of the client is registered with us and we do not accept the delivery from third party DP account . Thus we have check on it.

We are not using any client security for own purpose. The securities of clients are maintained in client beneficiary account separately.

Policy on brokerage Charged

We decide the brokerage charged with client after discussion with the client and same brokerage amount is written in the KYC form.

Xerox copy of KYC form is given to the client.

Conflict of interest policy

Purpose:

The purpose of this policy is to ensure fairness in V P CONSULTANTS PVT LTD's decision-making, to protect the reputation and integrity of V P CONSULTANTS PVT LTD and its interests, and to ensure broad public trust and confidence in V P CONSULTANTS PVT LTD activities.

Principles:

V P CONSULTANTS PVT LTD strives:

1. To operate in a balanced, ethical, collaborative, transparent and open manner;
2. To prevent financial interests of persons from compromising their duties
and responsibilities.

Policy:

Staff members and other persons acting on behalf of V P CONSULTANTS PVT LTD or sitting on V P CONSULTANTS PVT LTD panel should not generally participate in any decision involving a transaction in which they may have a conflict of interest.

Definitions:

a. Conflict of interest:

A "conflict of interest" arises when a V P CONSULTANTS PVT LTD person participates personally and substantially in an official capacity in any particular matter in which, to his/her knowledge, he or she or an associated person or an associated institution has a financial interest, if the particular matter will have a direct and predictable effect on that interest.

b. V P CONSULTANTS PVT LTD person:

"V P CONSULTANTS PVT LTD person" includes (a) staff members, (b) other persons acting on behalf of V P CONSULTANTS PVT LTD to whom this policy is expressly applied, and (c) any person sitting on the V P CONSULTANTS PVT LTD panel, such as trustees, Directors of V P CONSULTANTS PVT LTD offices and experts appointed to panels for specific situations.

c. Associated person:

"Associated person" means V P CONSULTANTS PVT LTD person's parent, spouse, domestic partner, child, sister, business partner, relative, friend or person by whom the

V P CONSULTANTS PVT LTD person is employed or with whom he or she is negotiating or has an arrangement concerning prospective employment.

d. Associated institution:

“Associated institution” means (i) any legal entity in which a V P CONSULTANTS PVT LTD person is serving as a member of any governing body, or of which a V P CONSULTANTS PVT LTD person is an employee or a consultant, that receives or may receive funding from V P CONSULTANTS PVT LTD or with which V P CONSULTANTS PVT LTD has a contractual or other legal relationship; or (ii) any legal entity with whom a V P CONSULTANTS PVT LTD person is negotiating or has an arrangement concerning prospective employment.

e. Panel, panel member:

A “panel” is any committee deciding on contract or grant awards, or any other standing or ad hoc committee, panel or board created within V P CONSULTANTS PVT LTD. A “panel member” is any member of such a panel.

Nepotism and favouritism:

We will not favour friends, family or other personal relations in recruitment, procurement, aid delivery or other situations.

Nepotism is favouritism toward relatives and friends. For instance, offering friends or family members a contract, despite the fact that there are other alternatives available who are better qualified and willing to perform the job, or offering higher earnings and other benefits to employees who have a personal relation to the management. To avoid favouritism and nepotism in procurement we follow V P CONSULTANTS PVT LTD’s “Standard Operating Procedure (SOP) about Procurement procedures.” In recruitment at V P CONSULTANTS PVT LTD, general transparent procedures are followed in order to identify the best candidate. It is important to underline that if conflicts of interests are handled, it can in some cases be acceptable to hire/collaborate with family or friends.

Procedure for disclosing and dealing with conflicts of interest:

(1) Staff members

Duty to disclose:

All V P CONSULTANTS PVT LTD staff members have a duty to disclose:

the existence of any conflict of interest (actual or potential); and
the nature of that conflict of interest,

Whenever he or she becomes aware that a conflict actually exists or that it is reasonably likely to occur.

Who to tell about a conflict of Interest:

Disclosures of conflict of interest should be made to the Designated Person. If the Designated Person may him/herself be subject to a conflict of interest, the matter shall be dealt with by the Designated Alternate; **at V P CONSULTANTS PVT LTD, this is the Director.**

Dealing with a conflict:

The Designated Person or Alternate will decide how to deal with the conflict of interest in that particular circumstances of the conflict, and will direct the affected person regarding his or her future duties and involvement in V P CONSULTANTS PVT LTD's work so that they are not prejudiced by the conflict. However, where a conflict of interest exists, the V P CONSULTANTS PVT LTD staff member will **not** participate in the matter that has given rise to the conflict.

Disciplinary action for non-disclosure:

Where a V P CONSULTANTS PVT LTD staff member is believed to have a conflict of interest that has not been disclosed to the Designated Person or Alternate as required by this policy, the staff person will be told why it is believed a conflict exists and be given the opportunity to explain his/her non-disclosure. If, after hearing the response and making further investigations, the Designated Person or Alternate determines that the staff member has failed to disclose a conflict of interest, he/she may decide that disciplinary action should be taken by V P CONSULTANTS PVT LTD in accordance with its grievance and disciplinary procedures. This will depend on the materiality of the conflict and the reasons for non-disclosure.

Procedure for disclosing and dealing with conflicts of interest:**(2) Panel members:**

Any V P CONSULTANTS PVT LTD panel, as defined above, shall apply the following regulations within the context of this policy:

1. A panel member at the beginning of the first meeting of the Panel shall read this policy and shall sign the attached Conflict of Interest Statement (see Appendix).
2. Any conflict of interest shall be disclosed by the panel member to the Panel immediately s/he becomes aware of its existence or aware that it may arise.
3. Any other person participating in the meeting of the Panel (in whatever capacity, whether a member of the Panel or an observer) having information regarding any conflict of interest shall immediately report it to the Panel.
4. It is the duty of the Panel (in the absence of the panel member) to review these disclosures and to decide by majority vote (the Chair having the casting vote in the event of a tie) whether a conflict of interest exists or may arise, and to

decide whether to issue a waiver defining the extent to which that panel member may participate in any discussion of the issue that has given rise to the conflict.

5. Where the panel member failed to disclose a conflict of interest reported to the Panel by any other person, s/he shall withdraw from the Panel.
6. The quorum of the Panel's meeting shall not include the panel member, with regard to the matter in respect of which he or she has a conflict of interest. This means that the panel member may not vote on that matter.

Where obliged by a legal agreement with a donor, V P CONSULTANTS PVT LTD shall report a conflict of interest to the donor after all necessary and relevant investigations and decisions have been made.

In the event of a Panel becoming aware of a potential conflict of interest only after a decision has been made, the Chair of the Panel may, if reconvening the Panel is not practical, declare the decision null and void. However, where possible the Panel shall reconvene to consider the potential conflict in accordance with this Policy. If the Panel determines that a conflict exists, the members of the Panel shall further determine whether the decision of the conflicted member would have affected each of their votes. If each panel member determines that his or her vote would not have been affected, the initial decision will stand. However, if any member states that their vote would have been affected, the vote will be retaken with each affected vote being reversed.

Examples of actual and potential conflicts of interest:

1. A V P CONSULTANTS PVT LTD person advocates the approval of a particular policy from which an associated person or institution will realize some direct financial benefit.
2. A V P CONSULTANTS PVT LTD person participates in the assessment of an associated institution as a grantee of V P CONSULTANTS PVT LTD.
3. A panel member advocates approval of a particular grant or contract whereby an associated person or institution will benefit either as a recipient of funds or by playing some other direct project implementation role.
4. V P CONSULTANTS PVT LTD appoints an expert to review a specification, and the expert is employed or has some other financial interest in a potential bidder.
5. A decision-maker's associated institution has a cooperation agreement with an applicant participating in a call for proposals.
6. An associated person has a shareholding in an organisation which has tendered to provide services to V P CONSULTANTS PVT LTD.
7. A panel member is involved with an applicant for funding as a result of his/her providing a service to that applicant through their intellectual activity, such as freelance writing or media work.

POLICY ON SURVEILLANCE

Objective:

The objective of this policy is to comply with the Rules, Regulations and Bye Laws prescribed by SEBI and Exchanges to monitor and analyze the Trading pattern of the client's in order to observe whether any transaction (buying / selling) done intentionally which will have an abnormal effect on the price and / or volumes of any share which is against the fundamental objective of the Securities Market.

NSE vide circular dated 07-Mar-2013 with Ref No NSE/INVG/22908, intimated that the Exchange would be downloading alerts based on the trading activity of the client for facilitating the effective surveillance mechanism.

Transactional alerts would be downloaded by exchange on member's portal.

Compliance officer would be responsible for monitoring alerts and would gather information from the relevant departments.

Following are the indicative alerts which would be provided:-

Sr No	Transactional Alerts	Segment
1	Significantly increase in client activity	Cash
2	Sudden trading activity in dormant account	Cash
3	Clients/Group of Client(s), deal in common scrips	Cash
4	Client(s)/Group of Client(s) is concentrated in a few illiquid scrips	Cash
5	Client(s)/Group of Client(s) dealing in scrip in minimum lot size	Cash
6	Client / Group of Client(s) Concentration in a scrip	Cash
7	Circular Trading	Cash
8	Pump and Dump	Cash
9	Wash Sales	Cash & Derivatives
10	Reversal of Trades	Cash & Derivatives
11	Front Running	Cash
12	Concentrated position in the Open Interest / High Turnover concentration	Derivatives
13	Order book spoofing i.e. large orders away from market	Cash

*The above transactional alerts are an indicative list. We may also formulate our own alerts in addition to the above mentioned type of alerts as per the requirement from time to time.

The below mentioned activities will be carried out as per the above mentioned NSE circular.

- **Client(s) Information:** We will carry out the Due Diligence of client(s) on a continuous basis. Further, we will ensure that key KYC parameters of the clients are updated on a periodic basis as prescribed by SEBI and latest information of the client is updated in UCC database of the Exchange. Based on this information we establish groups / association amongst clients to identify multiple accounts / common account / group of clients.
- **Analysis:** In order to analyze the trading activity of the Client(s) / Group of Client(s) or scrips identified based on the alerts received from the Exchange, we will:
 - a. Seek explanation from such identified Client(s) / Group of Client(s) for entering into such transactions.
 - b. Seek documentary evidence such as Bank Statement / Demat Transaction Statement or any other documents to satisfy itself.
 1. In case of funds, Bank statements of the Client(s) / Group of Client(s) from which funds pay-in have been met, to be sought. In case of securities, Demat account statements of the Client(s) / Group of Client(s) from which securities pay-in has been met, to be sought.
 2. The period for such statements may be at least +/- 15 days from the date of transactions to verify whether the funds / securities for the settlement of such trades actually belongs to the client for whom the trades were transacted.
 - c. After analyzing the documentary evidences, including the Bank / Demat statement, we will record the observations for such identified transactions or Client(s) / Group of Client(s). In case adverse observations, the same will be reported to the Exchange within 45 days of the alert generation. Extension of the time period from the Exchange will be sought if required.
- **MIS:** A quarterly MIS shall be put up to the Board on the number of alerts pending at the beginning of the quarter, generated during the quarter, disposed off during the quarter and pending at the end of the quarter. Reasons for pendency shall be discussed and appropriate action taken.
- **Responsibility:** The compliance officer Mr. Rishi Raj is completely responsible for the overall supervision of the surveillance activities and the Designated Directors as well as the Compliance Officer are responsible for the record maintenance and reporting of such activities.
- **Internal Audit:** Internal auditor shall review this policy, implementation, effectiveness and review the alerts generated during the period of audit. Internal auditor shall record the observations with respect to the same in their report.