


CONFLICT OF INTEREST POLICY
OF
CHAITANYA INDIA FIN CREDIT PRIVATE LIMITED



Version No.	CIP/1.0/18-19
Originally adopted Date of Policy	3 rd December 2018
Review date	-
Amended/Modified Date of Policy	-
Policy owner	Board of Directors
Approved by	Board of Directors
Signature	

1. Purpose

Chaitanya Rural Intermediation Development Services Private Limited and Chaitanya India Fin Credit Private Limited herein after referred as (the "Group") is provider of a financial services that faces potential and actual conflicts of interest. Managing these conflicts of interest effectively is essential to protect the Group and its customers and to support the Group's vision of meeting the full spectrum of financial service needs for the low and middle Income Rural Customers. To assist the Group's employees, this Policy includes examples that may arise together with minimum standards and principles for identifying and managing conflicts of interest.

2. Scope and application

This Conflict of Interest Policy ("Policy") is mandatory and applies to all employees ("Employees") of the Group including the Executive Boards of the Group and, all units of the group and wherein both are collectively called as "Associates". Where local laws, regulations or rules impose a higher standard, that higher standard must be followed.

3. Handling conflicts of interest

A. Identifying conflicts of interest

To identify a conflict of interest, consideration should be given to whether the Group or a person linked to it, including its employees:

- is likely to make a financial gain or avoid a loss, at the expense of a customer.
- has an interest that is different from the customer in relation to:
 - the outcome of a service provided; or
 - a transaction carried out on behalf of the customer
- has a financial or other incentive to favour the interest of one customer or group of customers over the interests of another customer.
- conducts the same business as the customer.
- receives, or will receive, a benefit (monetary and/or non-monetary) from a third party in relation to a service provided to a customer that is likely to impair the ability to act in the best interest of the customer. Consideration should be given to the nature and scale of the benefit.

These conflicts of interest may arise in the following general situations:

- Conflict of Interest between the Group and its customers.
- Conflict of Interest between customers or groups of customers.
- Conflict of Interest between employees and customers, vendor's, Business Correspondents, Business Partners of the Group.
- Conflicts between any member of the Board of Directors, any member of the Executive Board or employees and Group's vendors, Business Correspondents, Business Partners.

B. Responsibilities and Implementation

It is the responsibility of every Manager of the Chaitanya to adhere to this Policy within his or her area of functional responsibility, to lead by example, and to provide guidance to those Associates reporting to him

or her. All Associates are responsible for adhering to the principles and rules set out in this Policy. HR is responsible for ensuring conflicts of interest are disclosed by new hires during the hiring process. The owner of this Conflicts of Interest Policy is Group Compliance Team.

C. High Risk Conflicts of Interest that must be avoided or removed

1. Personal workplace relationships

Associates must not

- Be in a supervisory, subordinate, or control relationship (e.g., having influence over conditions of employment) with closely related persons
- Be involved in any hiring decision regarding closely related persons (including internal/external hiring and internal transfers)

2. Outside engagements, including employment

Associates must not have any kind of paid or unpaid engagement with

- A Chaitanya business partner or competitor, unless it meets a Chaitanya business purpose or does not influence (and cannot be perceived as influencing) the Associate's business judgment
- Any other person or company if this impacts their performance at Chaitanya

3. Personal financial interests

Associates must not own any interest equal to or greater than 2% in any company which competes with or does business with Chaitanya.

The Associates shall not initiate/enter into transactions with any other party that would affect the best interest of Chaitanya including confidentiality of information.

4. Relationships with business partners and competitors

Every Associate during the tenure of employment is prohibited from

- Conduct Chaitanya's business with any entity in which they have a substantial interest or with which they have a substantial affiliation
- Act as an official of or advisor or consultant to any government agency with regulatory or supervisory power over Chaitanya

5. Gifts, meals, travel, entertainment

Associates must not directly or indirectly solicit or accept from any Chaitanya's business partner or competitor

- Cash or cash equivalents (e.g., stocks, gift certificates, discounts not based on a collective agreement, etc.); this includes actual and potential business partners or competitors
- Gifts; if a gift is received nonetheless, it must be returned if it influences or could be perceived as influencing the Associate's business judgment

- Meals, travel, or entertainment, unless it predominantly meets Chaitanya' s business purpose, is accompanied by a representative of the business providing it, and does not influence (and cannot be perceived as influencing) the Associate's business judgment. Accepting entertainment of a non-ordinary, exceptional nature requires manager approval.

6. Fees, commissions, services, other favours

Associates must not directly or indirectly solicit or receive a fee, commission, service, or other favour from any actual or potential Chaitanya's business partner or competitor.

4. Redressal Mechanism

The Associates shall report any kind of conflict of interest to the concerned officials as mentioned below

Mr. Anand Rao
Chaitanya India Fin Credit Private Limited
#98,3rd floor, Sirsi circle, Mysore Road, Chamrajpet, Bangalore-560018, Karnataka.
Email- anand@chaitanyaIndia.in

Mr. Samit S Shetty
Chaitanya India Fin Credit Private Limited
#98,3rd floor, Sirsi circle, Mysore Road, Chamrajpet, Bangalore-560018, Karnataka.
Email: samit@chaitanyaIndia.in

The above-mentioned officials shall recommend adequate measures to mitigate the non-compliance. The Board shall evaluate and initiate appropriate action.

5. Non-Compliance

Non-Adherence to any of the provisions of this policy by the Associate shall amount to misconduct and disciplinary action will be taken by the concerned authorities. The Company reserves the right to initiate the disciplinary action irrespective of whether the assignment or contract authorises or not.

6. Review

Board of Chaitanya shall review and update this policy from time to time. The updated policy will also be accessible on the official website of the Company.