

ANTI BRIBERY & GIFT

Version 1.1

Initiator: S.Swaminathan

Effective: 1 April 2015

PURPOSE

Peerless Funds Management Co Ltd (PFMCL) is committed to implementing and enforcing effective systems to inculcate integrity and counter bribery & corruption. It is the policy & philosophy of the Company and the Board of Directors to conduct all aspects of the business in an honest and ethical manner, irrespective of the circumstances.

BASIC GUIDELINES

PFMCL accords utmost importance & zero-tolerance to incidents of bribery & corruption and employees who breach this policy will be subject to disciplinary action leading to termination of employment.

APPLICABILITY

This policy applies to all stakeholders working for the Company or related to the Company, including anyone providing services to the Company such as consultants or contractors. This will include employees, directors, fixed term contractual personnel on our payroll, temporary workers and consultants not on the payroll.

BRIBERY, CORRUPTION AND POLITICAL CONTRIBUTIONS

It is strictly prohibited for any employee of PFMCL to engage in bribery or corrupt activities of any kind for any purpose, including but not limited to the benefit of the company, the employee or that of the employee's family, friends or business associates.

GIFTS AND HOSPITALITY/ENTERTAINMENT

Offering or acceptance of gifts and hospitality/entertainment is permitted, provided it is within reasonable limits or which could be interpreted as an attempt to materially influence the person receiving the gift / hospitality.

Employees are strictly prohibited from dealing in any transactions in cash in the business context, whether accepted or offered.

Employees must inform Head – Compliance in writing for all gifts & hospitality / entertainment accepted or offered, irrespective of the amount involved.

Giving or receiving of gifts valued above Rs. 10,000/- is strictly prohibited.

Value for this purpose will be a voluntary disclosure by the employee or the declaration taken from the person making the gift. In certain cases, the Company can also use, for reference, the determinable market price for the same commodity, wherever available. In case of any contradiction / confusion, the decision of the management will be final and binding.

Head – Compliance will update the MD & CEO of such disclosures and take necessary decision on the gifts accepted / offered, in consultation with the MD & CEO.

DEFINITIONS

Bribery is the offer or acceptance of any kickback, gift, loan, fee, reward/other advantage given to/ taken from customers, agents, distributors, vendors, research analysts, rating agencies or employees of any such party or to/from government officials, as an incentive to do something which is dishonest, unethical, illegal, improper or is a breach of trust or a breach of any other PFMCL policy or principles for the firm's or its employee's benefit or that of the employee's family, friends, or business associates.

The following are excluded from the above definition:

- any consideration / commitments from / to agents, distributors etc. in the normal course of business, as a performance incentive for enhancing the business of the Company.
- gifts given by the Company to its partners, vendors, customers, distributors, agents etc. as a matter of good gesture or on occasions such as New Year, Festivals etc. or receipt of gifts (of reasonable value) in the nature of diaries, calendars etc. from vendors.

Corruption is the offering, giving, soliciting or acceptance of an inducement or reward (including facilitation payments or hidden commissions) which may improperly influence the action of any person in relation to the Company's business.

Facilitation Payments are improper payments made to facilitate or expedite the performance of "routine" governmental action.

Gifts/Hospitality include items, goods, services, corporate entertainment and business assistance, any gratuity etc. from which the person offering or accepting the gift/hospitality may derive benefit.

Disciplinary Action means any action that can be taken on the completion of / during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

Protected Disclosure means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

REPORTING AND ADVICE

Employees should report and discuss incidents & situations involving suspicions of bribery and corruption, with the MD&CEO in writing (including by email) so as to ensure a clear

understanding of the issues raised. These will also include cases like entering into individual arrangements with 3rd parties etc.

Contact details are:

The Managing Director,

Peerless Funds Management Company Limited
Peerless Mansion, 1 Chowringhee Square, 3rd Floor,
Kolkata - 700 069
Email: inform@peerlessmf.co.in

Protected Disclosure concerning the MD/CEO should be addressed to the Chairman of the Audit Committee or the Chairman of the Company.

The Chairman, Audit Committee or

The Chairman, Board of Directors

Peerless Funds Management Company Limited
Peerless Mansion, 1 Chowringhee Square, 3rd Floor,
Kolkata - 700 069

The investigation process will be as outlined in Whistle Blower Policy.

MONITORING POLICY

The policy will be monitored on an on-going basis to ensure that it addresses issues effectively.

The following will be monitored by Compliance:

- all individuals working for the Company are advised of the policy on its implementation;
- all new employees are informed of the policy immediately upon joining
- assessment of any reported incident or related occurrence.

Monitoring of the policy is essential to assess the effectiveness of the Company to establish control of its ethical obligation.

REVIEW & AMENDMENT TO THE POLICY

This policy will be reviewed annually and, if necessary, revised in the light of legislative or organisational changes. Improvements will be made by learning from experience and the use of an established annual review.

Any amendment to this policy is subject to approval of the Board of Directors of the AMC & Trustees.

Approved By:

Board of Directors of Peerless Funds Management Co. Limited on **20 February 2015**

Board of Directors of Peerless Trust Management Co. Limited on **3 March 2015**