

# **Policy on Related Party Transactions**

## **JP Morgan Securities India Private Limited**

Current Effective Date: September 23, 2019

## 1. Introduction

The Board of Directors of JP Morgan Securities India Private Ltd (JPMSI) has adopted the following policy ("Policy") on transactions dealt with the Related Party .

## 2. Related Party Definition

As per the RBI circular RBI/2013-14/487 DBOD.No.BP.BC.96/21.06.102/2013-14 dated February 11, 2014, Group entities are defined as per the RBI guidelines as an arrangement involving two or more entities related to each other through any of the following relationships and a 'group entity' as any entity involved in this arrangement:

- i. Subsidiary – Parent
- ii. Associate
- iii. Joint Venture
- iv. Related Party
- v. Direct or indirect ownership of 20 percent or more interest in the voting power of the enterprise
- vi. Common brand name
- vii. Promoters of bank
- viii. Non- Operative Financial Holding Company (NOFHC) of bank
- ix. An entity which has any of the first six relations, as above, with the promoters/NOFHC and their step-down entities

"Related Party" is as defined under AS 18 /with reference to the Company means a person or entity which is a Related Party under Section 2(76) of The Act, or under the applicable accounting standards.

## 3. Dealing with Related Party

The Company will ensure that the transactions with related party will be done at an arm's length.

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

The Company will follow the same dealing process that is being followed for a similar third party entity. The terms of dealing or financing to any related party will be similar to finance extended to third parties.

Exposure, disclosure and reporting for the Company's exposure to related parties would be as per accounting standards and RBI guidelines as applicable.

The above policy is subject to review from time to time and at least once a year