

## **J. G. Shah Financial Consultants Pvt. Ltd.**

### **Point No. 16. INSIDER TRADING**

Insider Trading is a term that refers to dealing in securities taking advantage of prior information of corporate actions.

We are taking following steps to observe insider trading.

#### 1. Registration of Clients.

While registering the client we obtained prior undertaking from clients that they shall refrain from any short of price sensitive information of any scrip.

#### 2. Dealing with Clients.

At dealing level, bolt operators are instructed to report unusually high volumes of trading in scrips executed from our terminals. Clients entering into such trades are questioned about the logic behind such huge volumes which may have been done either in one day or over a couple of days.

#### 3. Post Dealing.

We monitors clients pay-in Pay-out of funds & securities & trading pattern regularly and inquire with them if we found any abnormal trading pattern.

Furthermore routing of funds and securities are closely monitored to ensure that no third party is involved in such trades.

Attempts are made to refrain clients from trading in scrips in which corporate action is impounding.