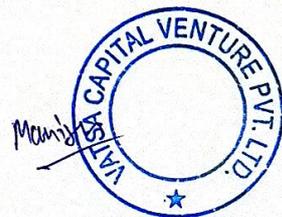




**VATSA CAPITAL VENTURE PRIVATE LIMITED**



## **Policy on Mandate Acceptance Criteria**

- (i) The document has been prepared in accordance with the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended from time to time as per the requirement.
- (ii) The purpose of the Document is to provide essential information about the company in a manner to assist and enable the investors/clients in making an informed decision for engaging the company.
- (iii) The document contains necessary information about the company required by an investors/client before availing services, and the investors/clients may also be advised to retain the document for future reference.
- (iv) This Document is dated 27-02-2026

### **Details of the Company**

Name of Merchant Banker	Vatsa Capital Venture Private Limited
Registered Office Address	4-C/6, 2 <sup>nd</sup> Floor, New Rohtak Road, Karol Bagh, New Delhi-110005
Phone No(s)	01140456969
E-mail address	<a href="mailto:info@vatsacapitalventure.com">info@vatsacapitalventure.com</a>
Website	<a href="https://vatsacapitalventure.com/">https://vatsacapitalventure.com/</a>

### **Details of the Compliance Officer**

Name of Compliance Officer	CS Manish
E-mail Address	<a href="mailto:investors.grievances@vatsacapitalventure.com">investors.grievances@vatsacapitalventure.com</a>



# **Policy on Mandate Acceptance Criteria**

## **1. Objective**

The objective of this Policy is to lay down a structured and comprehensive framework for acceptance of mandates by the company in accordance with the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, including the Code of Conduct specified under Schedule III thereto, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and other applicable laws, rules, circulars, and guidelines issued by SEBI from time to time. This Policy aims to safeguard investor interests, ensure regulatory compliance, mitigate risks, and uphold the highest standards of professional integrity.

## **2. Regulatory Compliance Assessment**

Prior to acceptance of any mandate, the Company shall assess the regulatory permissibility of the proposed transaction and the legal standing of the client entity.

The Company shall verify compliance with applicable provisions of:

- SEBI Act, 1992;
- SEBI (Merchant Bankers) Regulations, 1992;
- Companies Act, 2013;
- FEMA regulations and RBI guidelines;
- applicable stock exchange regulations; and
- other relevant regulatory requirements.

The Company shall ensure that the issuer, its promoters, directors, and key managerial personnel:

- are not debarred or restrained by SEBI or any regulatory authority;
- satisfy the fit and proper person criteria under applicable SEBI regulations;
- are not classified as wilful defaulters or fugitive economic offenders; and
- are not subject to adverse regulatory or stock exchange disciplinary actions.

The purpose of this assessment is to prevent association with non-compliant entities and ensure lawful conduct of capital market activities.

## **3. Client Due Diligence and KYC**

The Company shall undertake comprehensive client due diligence prior to acceptance of any mandate in accordance with:

- Prevention of Money Laundering Act, 2002 (PMLA);
- SEBI Anti-Money Laundering (AML) guidelines and master circulars; and
- Know Your Client (KYC) norms prescribed by SEBI.



Due diligence shall include:

- verification of identity and constitution of the client;
- identification of beneficial ownership and control structure;
- screening against sanctions and regulatory watchlists;
- background verification of promoters and directors;
- assessment of integrity, reputation, litigation history, and regulatory track record; and
- risk categorization of clients under a risk-based KYC framework (Low/Medium/High Risk).

This process is intended to assess client credibility and mitigate money laundering, regulatory, and reputational risks.

#### **4. Financial Eligibility and Issuer Assessment**

The financial eligibility and soundness of the issuer shall be evaluated to ensure compliance with the eligibility criteria and disclosure requirements prescribed under the SEBI (ICDR) Regulations, 2018, wherever applicable. This assessment shall include review of audited and restated financial statements, net worth, profitability, cash flows, capital structure and indebtedness, audit qualifications, and accounting practices, contingent liabilities and related party transactions; as well as the issuer's ability to meet listing and post-issue compliance obligations. The rationale is to ensure financial robustness and disclosure readiness, thereby protecting investor interests.

#### **5. Business Viability and Project Assessment**

The Company shall assess the viability and sustainability of the issuer's business and the proposed transaction by evaluating the business model, industry outlook, growth prospects, objects of the issue, and proposed utilization of funds. Corporate governance practices, management capability, and internal control systems shall also be reviewed. The rationale is to ensure that the proposed issue is based on a credible business plan and offers long-term value creation potential.

#### **6. Risk Assessment and Legal Review**

A comprehensive risk assessment shall be conducted covering legal, financial, operational, regulatory, and reputational risks.

The review shall include examination of:

- material litigations and regulatory proceedings;
- contingent liabilities and guarantees;
- contractual obligations;
- compliance history; and
- material risk disclosures required under SEBI regulations.

Where necessary, the Company may rely on independent professionals, including legal counsel, auditors, or industry experts.



Mandates involving risks that cannot be adequately disclosed or mitigated shall not be accepted.

### **7. Conflict of Interest and Independence**

The Company shall maintain independence and objectivity in accordance with the SEBI (Merchant Bankers) Regulations, 1992.

Prior to acceptance of a mandate, the Company shall:

- identify actual or potential conflicts of interest;
- maintain a conflict of interest register;
- implement information barrier (“Chinese Wall”) mechanisms where required; and
- ensure appropriate disclosures and safeguards.

Mandates shall not be accepted where conflicts of interest cannot be effectively managed or mitigated.

### **8. Internal Review and Approval Mechanism**

Every proposed mandate shall be subject to internal review and approval by the Mandate Acceptance Committee or such authorized internal body as designated by the Company.

The approval process shall include review of:

- regulatory compliance assessment;
- due diligence findings;
- financial and business evaluation;
- risk assessment outcomes; and
- conflict of interest evaluation.

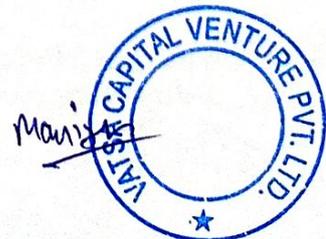
Acceptance of a mandate shall require concurrence of the Compliance Officer prior to execution of the engagement agreement.

This mechanism ensures accountability, consistency, and collective oversight.

### **9. Execution of Engagement Agreement**

No mandate shall be considered accepted unless a formal engagement letter or agreement is executed with the client clearly specifying:

- scope of services;
- roles and responsibilities;
- regulatory obligations;
- disclosures and cooperation requirements; and
- fee structure and termination provisions.



## **10. Mandate Rejection or Withdrawal Criteria**

The Company shall decline or withdraw from a mandate where:

- due diligence reveals material adverse findings;
- regulatory non-compliance is identified;
- disclosures are inadequate or misleading;
- conflicts of interest cannot be mitigated;
- the client fails to provide accurate or complete information; or
- continuation of the mandate may adversely affect investor interests or regulatory compliance.

## **11. Ongoing Monitoring and Responsibility**

Acceptance of a mandate shall not absolve the Company of its continuing obligations under SEBI regulations.

The Company shall undertake continuous monitoring throughout the mandate period to:

- ensure ongoing regulatory compliance;
- identify material adverse developments;
- escalate significant issues internally; and
- ensure timely and accurate disclosures.

## **12. Documentation and Record Maintenance**

The Company shall maintain proper documentation relating to mandate acceptance, including:

- due diligence records;
- KYC and AML documentation;
- internal approval notes;
- conflict assessment records; and
- engagement agreements.

Records shall be preserved for such period as prescribed under applicable SEBI regulations and applicable laws.

## **13. Mandate Fees & Discontinuation Conditions:**

- The mandate fee paid by the client shall be non-refundable, irrespective of whether the mandate is completed, withdrawn, rejected, or discontinued, except where expressly agreed otherwise in writing.
- In case the client intends to discontinue, terminate, or withdraw from the mandate after execution of the engagement letter, the client shall be required to obtain a No Objection Certificate (NOC) from the Company before engaging any other intermediary or proceeding further with the transaction.
- The Company reserves the right to withhold issuance of such NOC until all outstanding fees, expenses, and obligations under the engagement terms are duly settled.



- Withdrawal by the Company due to regulatory, compliance, or investor protection concerns shall not entitle the client to claim refund of mandate fees.

#### **14. Review and Amendments**

This Policy shall be reviewed periodically and amended as necessary to align with changes in SEBI regulations, circulars, and regulatory expectations.

#### **Conclusion**

Through this Policy on Mandate Acceptance Criteria, the company reaffirms its commitment to transparency, ethical conduct, regulatory compliance, and protection of investor interests, in furtherance of the orderly development and integrity of the Indian capital markets.

