

ALANKIT IMAGINATIONS LIMITED

POLICY OF CONFLICT OF INTEREST

INDEX

- 1. Introduction**
- 2. Purpose**
- 3. Scope**
- 4. Conflict of Interest and its potential areas**
- 5. Procedures and controls to managing Conflicts of Interests**
- 6. Communication of policies, procedures and code to all concerned**
- 7. Implementation and Review of policy of management on Conflict of Interest**
- 8. Violation and Consequences**
- 9. Disclosure**

1. Introduction

Alankit Imaginations Limited engages in providing financial services in Indian Commodity Markets to institutional investors, high-networth individuals and retail investors. The Company is registered as a Stock Broker with various Stock Exchange(s) of India i.e., BSE, NSE, MCX, and NCDEX.

SEBI, vide its circular no. CIR/MIRSD/5/2013 dated August 27, 2013 has laid down the guidelines requiring registered intermediaries to establish and implement a conflicts of interest policy (hereinafter the “Policy”).

To adhere to the above guidelines and in order to establish the highest standards of ethical and to act at all times in the best interests of the clients, this policy has been formulated under the instructions of the Board Members of the Company.

The policy lays down that Company is required to take all reasonable steps to identify, eliminate or manage conflicts of interest entailing a material risk of damage to a client’s interest. The Company is committed to acting honestly, fairly and professionally and in the best interests of its clients.

2. Purpose

The purpose of this Policy is to set out the Company’s approach to identify and manage conflicts of interest which may arise during the course of its business activities.

This Policy aims at:

- a. identifying circumstances which may give rise to conflicts of interest entailing a material risk of damage to clients’ interests,
- b. establishing appropriate procedures and systems to manage those conflicts, and
- c. ensuring the maintenance of such procedures and systems in an effort to prevent actual damage to clients’ interests through conflicts identified.

Further the policy intends Intermediaries and their Associated Persons to comply with the following –

- a. high standards of integrity in the conduct of business;
- b. fair treatment of clients and no discrimination amongst them;

- c. avoidance of conflict of personal interest with the client and primacy of clients' interest;
- d. appropriate disclosure to the clients of possible source or potential areas of conflict of interest;
- e. reducing the opportunities for conflict through prescriptive measures;
- f. appropriate restrictions on transactions in securities while handling a mandate of issuer or client;
- g. not to deal in securities while in possession of material non published information;
- h. not to communicate the material non published information
- i. not to manipulate the demand for, or supply of, or to influence prices of, securities.
- j. not to have an incentive structure that encourages sale of products not suiting the risk profile of the clients;
- k. not to share client information for the personal interest;

3. Scope

The Policy applies to the Board of Directors and Employees of the Company (collectively referred to as "Employees") and relevant associated persons as defined in SEBI (Certification of associated persons in the securities market) Regulations, 2007 with respect to all interactions with the clients.

4. Conflicts of Interest

The word "conflict of interest" specifies those Conflicts of Interest that may give rise to a material risk of damage to the interests of the client.

A "Conflict of interest" occurs when personal interest of the Board Members and Senior Management Personnel interferes or appears to interfere, in any way, with the interest of the Company.

Conflicts may arise between:

- *The Company and a Client;*
- *A Relevant Person and a Client;*
- *Two or more Clients of the Company in the context of the provision of services by the Company to those Clients*

Potential conflicts of interest areas

1. The Company or employees or relevant associated person(s) is/ are likely to make a financial gain, or avoid a financial loss, at the expense of the client.
2. The Company or employees or relevant associated persons has/have an interest in the outcome of a service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in the outcome.
3. The Company or employees or relevant associated person(s) has/have a financial or other incentive to favor the interest of another client or group of clients over the interest of one client.
4. The Company or employees or relevant associated persons receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monies, goods or services, other than the standard commission or fee for that service

5. Procedures and controls to managing Conflicts of Interests

The procedures and controls that the Company follows to manage the identified conflicts of interests include the following:

1. Effective procedures to prevent or control the exchange of information in the activities involving a risk of conflict of interest where the exchange of that information is likely to harm the interest of one or more clients;
2. Measures to prevent or limit any person from exercising inappropriate influence over the way in which capital market services are carried out;
3. Chinese walls restricting flow of confidential and price sensitive information within the Company, physical separation of departments and sharing of information only on a "Need to Know Basis". The same shall be governed by 'Prevention of Insider Trading Policy' applicable at Ambit Group level.

5. Appointment of Independent Internal auditors to ensure that appropriate systems and controls are maintained and their effectiveness or otherwise is being reported to the Company's Board of Directors.

6. Personal account dealing requirements applicable to employees in relation to their own investments needs an approval from the Compliance Team by submission of an Investment Request Form. The same shall be governed by 'Prevention of Insider Trading Policy' applicable at Alankit Imaginations Ltd.

7. Provisions governing access to electronic data as per the 'Mobile Phone Usage Policy' of the Company and 'Prevention of Circulation of Unauthenticated News'.

8. The employees are governed by measures laid down in the internal code of conduct and other policies which include the following:

- a. restrictions on dealing in securities while handling client's mandate or while in possession of material non published information, or communicating such information while dealing on client's behalf, manipulating demand or supply of securities or influencing their market price. The same shall be governed by 'Prevention of Insider Trading Policy' applicable at Alankit Imaginations Ltd.
- b. Restrictions on an incentive structure that encourages sale of products not suiting the client's risk profile.
- c. Restrictions on divulgence of client's confidentiality unless required by or under the law.
- d. The associated persons shall at all times maintain high standards of integrity in the conduct of their business followed by compliance reporting to Board of Directors and senior management.

9. The Company's Compliance team has oversight on the business to ensure that internal controls are appropriate.

10. The Board of Directors of the Company and the Compliance team share the responsibility for keeping the Policy in place. Any situation or transaction involving an actual or potential conflict of interest should promptly be reported to the Compliance team and obtain their determination as to whether a conflict exists.

11. Where a conflict arises and the Company is aware of it, it will disclose the conflict to the client prior to undertaking the business for that client or, if the Company does not

believe that the disclosure is appropriate to manage the conflict, the Company may choose not to proceed with the transaction or matter giving rise to the conflict.

12. Periodic review of the Policy will be done at the Board Meeting of the Company. The same shall be need basis.

6. Communication of policies, procedures and code to all concerned

This Policy on management of Conflict of Interest offers general guidance in addition to Alankit's policies and procedures and is not meant to replace any of those policies or procedures and shall be made available through Alankit's website www.alankit.co.in or by sending a request in writing. We expect all our associated persons, employees, to adhere to this policy. The Board of Directors of Alankit Imaginations Limited reserves the right to amend, supplement or discontinue this policy and the matters addressed herein, without prior notice, at any time.

7. Implementation and Review of policy of management on Conflict of Interest

This policy shall come into effect from the date of approval of the Board of Directors of the company for its implementation so as to provide necessary guidance enabling identification, elimination or management of conflict of interest situations and that the same shall be reviewed and assessed annually by the company management.

8. Violation and Consequences

Any non- adherence with the Policy will be subject to strict action.

9. Disclosure

The Company reserves the right to make review and / or amend its Policy and whenever it deems appropriate.