

# VK Wealthwise & Associates

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## Policies & Procedures for Management of Conflict of Interest

### Introduction

VK Wealthwise & Associates (hereinafter referred to as "the Firm") is committed to maintaining the highest standards of integrity and professionalism in the conduct of its business. As a SEBI registered Research Analyst firm, we aim to provide unbiased and accurate research reports to our clients. This document outlines the Firm's internal policies regarding compensation, conflict resolution, publication of research reports, preventing the manipulation of securities, and ensuring the objectivity and reliability of research reports, among other relevant areas.

### I. Policy and Procedure Regarding Trading Limitations on Research Analysts

1. **Monitoring and Approval of Personal Trading**
  - Personal trading activities of research analysts will be monitored, recorded, and, where necessary, subject to a formal approval process to avoid conflicts of interest.
2. **Trading Restrictions Around Research Reports**
  - Research analysts and their associates are prohibited from trading in securities they recommend or follow within thirty (30) days before and five (5) days after the publication of a research report.
3. **Prohibition on Contrary Trading**
  - Research analysts and their associates shall not trade in securities they review in a manner contrary to their recommendations.
4. **Restrictions on Pre-IPO Securities**
  - Research analysts and their associates shall not purchase or receive securities of the issuer before its initial public offering if the issuer is principally engaged in the same types of business as companies they follow or recommend.
5. **Application to Research Entities**
  - These provisions apply to VK Wealthwise & Associates unless the firm has segregated its research activities from all other activities and maintained an arm's-length relationship.
6. **Exceptions to Trading Restrictions**
  - Exceptions to trading restrictions may apply in cases of significant news or events concerning the subject company or an unanticipated significant change in the personal financial circumstances of the research analyst, subject to prior written approval per the firm's internal policies.

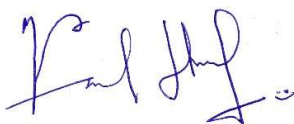


## II. Policy Provisions - Compensation of Research Analysts

1. **Independence from Merchant Banking, Investment Banking, or Brokerage Services**
  - Research analysts' compensation will not be determined or based on any specific merchant banking, investment banking, or brokerage services transactions.
2. **Annual Review and Approval**
  - The compensation of all research analysts will be reviewed, documented, and approved annually by the board of directors or a committee appointed by the board, excluding representatives from merchant banking, investment banking, or brokerage services divisions.
3. **Exclusion of Banking Services Contributions**
  - The board or committee reviewing research analysts' compensation will not consider their contributions to the entity's investment banking, merchant banking, or brokerage services business.
4. **Independence in Supervision**
  - Research analysts will not be subject to the supervision or control of any employee from the merchant banking, investment banking, or brokerage services divisions.

## III. Policy Provisions- Limitations on publication of research report, public appearance and conduct of business

1. **Restrictions on Publication and Public Appearance after Underwriting**
  - Research analysts or entities shall refrain from publishing or distributing research reports or making public appearances regarding a subject company for which they have acted as a manager or co-manager within:
    - Forty (40) days following the pricing of an initial public offering (IPO), or
    - Ten (10) days following the pricing of a further public offering (FPO).
  - Exceptions to these restrictions may be granted within the specified periods with prior written approval from legal or compliance personnel as per internal policies and procedures.
2. **Limitation on Publication before Expiry of Lock-Up Period**
  - If VK Wealthwise & Associates participates as an underwriter in an issuer's IPO, research reports or public appearances regarding that issuer shall not be published or distributed before the expiration of twenty-five (25) days from the offering date.
3. **Restrictions Related to Lock-Up Agreements**
  - Research analysts or entities involved in public offerings shall not publish or distribute research reports or make public appearances concerning the company within fifteen (15) days prior to entering into, and fifteen (15) days after the expiration, waiver, or termination of a lock-up agreement or similar restriction agreement, without prior written approval as per internal policies and procedures.
4. **Prohibition of Solicitation Activities**
  - Research analysts or individuals employed by VK Wealthwise & Associates shall not engage in activities aimed at soliciting investment banking, merchant



banking, or brokerage services business, including sales pitches and deal roadshows.

**5. Communication Guidelines**

- Research analysts shall refrain from communicating with current or prospective clients in the presence of personnel from investment banking, merchant banking, or brokerage services divisions or company management regarding investment banking services transactions.

**6. Independence in Sales and Marketing**

- Personnel from investment banking or brokerage services divisions shall not direct research analysts to engage in sales or marketing activities related to their transactions. However, investor education activities and pre-deal research are permitted.

**7. Documentary Basis for Research Reports**

- Research analysts shall ensure that research reports are based on adequate documentary evidence supported by research.

**8. Assurance of Favourable Review**

- Research analysts shall not provide any promise or assurance of a favourable review in research reports to a company or industry as consideration for business relationships or compensation.

**9. Consistency in Research Views**

- Research reports issued shall be consistent with the views of research analysts regarding a subject company.

**10. Separation from Sales and Trading Activities**

- VK Wealthwise & Associates shall ensure that research analysts are separate from employees performing sales trading, dealing, corporate finance advisory, or any activity that may affect the independence of research reports.

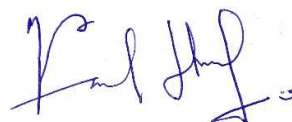
#### **IV. Policy Provisions - Disclosures in Research Reports**

**1. Disclosure of Material Information** VK Wealthwise & Associates shall disclose all material information about itself, including:

- Business activity: A detailed description of our firm's business operations and areas of expertise.
- Disciplinary history: Any past disciplinary actions or regulatory sanctions imposed on the firm.
- Terms and conditions: The terms and conditions under which research reports are offered to clients.
- Details of associates: Information about any affiliates, subsidiaries, or other associated entities.
- Any other information necessary for making investment decisions.

**2. Ownership and Material Conflicts of Interest** Research reports and public appearances shall disclose:

- Financial interests: Whether the research analyst, research entity, or their associates or relatives have any financial interest in the subject company, along with the nature of such interests.
- Ownership: Disclosure of actual/beneficial ownership of one percent or more securities of the subject company by the research analyst, research entity, or their associates or relatives at the end of the month preceding the publication of the research report or public appearance.



- Material conflicts of interest: Any other material conflicts of interest at the time of publication of the research report or public appearance.
3. **Disclosure of Compensation** Research reports shall disclose:
- Compensation received: Whether VK Wealthwise & Associates or its associates have received any compensation from the subject company in the past twelve months.
  - Involvement in public offerings: Whether VK Wealthwise & Associates or its associates have managed or co-managed public offerings of securities for the subject company in the past twelve months.
  - Compensation for services: Whether VK Wealthwise & Associates or its associates have received any compensation for investment banking, merchant banking, or brokerage services from the subject company in the past twelve months.
  - Other compensation: Whether VK Wealthwise & Associates or its associates have received any compensation for products or services other than investment banking, merchant banking, or brokerage services from the subject company in the past twelve months.
  - Benefits received: Whether VK Wealthwise & Associates or its associates have received any compensation or other benefits from the subject company or third party in connection with the research report.
4. **Additional Disclosures** Public appearances shall also include:
- Details of client relationship: Whether VK Wealthwise & Associates or its associates have received compensation from the subject company in the past twelve months, and the types of services provided.
  - Other regulatory disclosures: All other disclosures as specified by the Board under any other regulations.

## V. Policy Provisions - Contents of Research Report

1. **Reliable Information**
  - Research analysts shall ensure that all facts presented in research reports are based on reliable information obtained from credible sources. Any sources used for data collection shall be disclosed in the report.
2. **Definition of Terms**
  - Terms used in making recommendations shall be clearly defined in research reports. These terms shall be consistently used throughout the report to maintain clarity and avoid confusion among readers.
3. **Rating System**
  - If VK Wealthwise & Associates employs a rating system, each rating shall be clearly defined in terms of its meaning, time horizon, and benchmarks on which it is based. This definition shall be provided in research reports to help investors understand the significance of each rating.
4. **Graphical Representation**
  - Research reports containing ratings or price targets for a subject company's securities, assigned for at least one year, shall include a graph of the daily closing price of such securities. This graph shall cover the period assigned or a three-year period, whichever is shorter. The graphical representation of price movements provides investors with additional insights into the historical performance of the securities.

## **VI. Policies on Recommendations in Public Media**

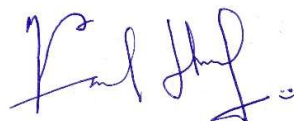
- 1. Disclosure of Registration Status and Financial Interest**
  - Any research analyst or research entity, including directors or employees, shall disclose their registration status and details of financial interest in the subject company if they make a public appearance.
- 2. Application of Regulatory Provisions**
  - All provisions of regulations 16 and 17 shall apply mutatis mutandis to any person, including directors or employees of investment advisers, credit rating agencies, asset management companies, or fund managers, when making public appearances or recommendations in personal capacities.
- 3. Disclosure Requirements**
  - When making recommendations or offering opinions concerning securities through public media, individuals shall disclose the following:
    - Name and registration status: The individual's name and registration status with the relevant regulatory authorities.
    - Financial interest: Details of any financial interest in the subject company at the time of making the recommendation or offering the opinion.

## **VII. Policy Provisions - Distribution of Research Reports**

- 1. Prevention of Selective Disclosure**
  - Research reports shall not be made available selectively to internal trading personnel or specific clients or classes of clients in advance of others entitled to receive the report. All clients shall have equal access to research reports.
- 2. Review of Third-Party Research Reports**
  - Prior to distribution, any third-party research reports distributed by VK Wealthwise & Associates shall be reviewed for accuracy and completeness.
  - Research analysts or entities distributing third-party research reports shall ensure that there are no untrue statements of material fact or false or misleading information in the reports.
- 3. Disclosure of Material Conflict of Interest**
  - When distributing third-party research reports, VK Wealthwise & Associates shall disclose any material conflict of interest of the third-party research provider.
  - If no material conflict of interest exists, VK Wealthwise & Associates may provide a web address directing recipients to relevant disclosures by the third-party research provider.
- 4. Exception to Disclosure Requirements**
  - Provisions regarding the review and disclosure of third-party research reports do not apply if VK Wealthwise & Associates has no direct or indirect business or contractual relationship with the third-party research provider.

## **VIII. Policy Provisions - General Responsibility**

- 1. Maintaining Arms-Length Relationship**
  - Research analysts and entities shall maintain an arms-length relationship between their research activities and other business activities. This separation is essential to ensure the independence and objectivity of research outputs.



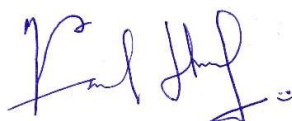
2. **Adherence to Code of Conduct**
  - Research analysts and entities shall abide by the Code of Conduct specified in the Third Schedule. This includes upholding principles of integrity, objectivity, and professionalism in all aspects of their work.
3. **Prior Approval for Change in Control**
  - In the event of a change in control of the research analyst or entity, prior approval from the Board shall be obtained. This ensures transparency and accountability in corporate governance practices.
4. **Furnishing Information to the Board**
  - Research analysts and entities shall provide the Board with relevant information and reports as specified by the Board from time to time. This facilitates effective oversight and governance of research activities.
5. **Compliance with Certification and Qualification Requirements**
  - It is the responsibility of research analysts and entities to ensure that their employees or partners comply with the certification and qualification requirements specified under regulation 7 at all times. This includes maintaining the necessary credentials and qualifications to perform their roles effectively.

## **IX. Policy Provisions - Maintenance of Records**

1. **Required Records**
  - Research analysts and entities shall maintain the following records:
    - Research reports duly signed and dated.
    - Research recommendations provided.
    - Rationale for arriving at research recommendations.
    - Record of public appearances.
2. **Format and Preservation**
  - All records shall be maintained either in physical or electronic form and preserved for a minimum period of five years.
  - In cases where records are required to be duly signed and are maintained in electronic form, such records shall be digitally signed to ensure authenticity and integrity.
3. **Annual Audit**
  - Research analysts or entities shall conduct an annual audit to ensure compliance with regulatory requirements. The audit shall be conducted by a member of the Institute of Chartered Accountants of India or the Institute of Company Secretaries of India.

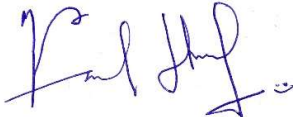
## **X. Policy Provisions - Dispute Resolution**

1. **Submission to Dispute Resolution Mechanism**
  - All claims, differences, or disputes between VK Wealthwise & Associates and its clients arising out of or in relation to our activities in the securities market shall be submitted to a dispute resolution mechanism as specified by the regulatory authority, which may include mediation, conciliation, and/or arbitration.
2. **Mediation**



- Mediation shall be the preferred method for resolving disputes whenever feasible. It involves the voluntary participation of both parties, facilitated by a neutral mediator, to reach a mutually acceptable resolution.
- 3. Conciliation**
- If mediation is unsuccessful or not appropriate for the nature of the dispute, conciliation may be pursued. Conciliation involves the intervention of a third party to assist the parties in reaching a settlement.
- 4. Arbitration**
- In cases where mediation and conciliation fail to resolve the dispute, or if arbitration is mandated by regulatory requirements, arbitration shall be pursued. Arbitration involves the appointment of an impartial arbitrator or panel to adjudicate the dispute and render a binding decision.
- 5. Compliance with Regulatory Procedure**
- VK Wealthwise & Associates shall adhere to the procedure specified by the regulatory authority for submitting disputes to the dispute resolution mechanism. This may include following specific steps, timelines, and documentation requirements.

**Approved by:**



**Vatsal Khemka**

**On behalf of VK Wealthwise & Associates**

**Date – 19<sup>th</sup> June 2024**