

SURVEILLANCE POLICY

This policy is being prepaid in our company to frame broad parameters and Framework for receipt of alerts from the National Stock Exchange as well as Alerts generated by our own system.

This policy for effective monitoring shall specify the time frame for this position of alerts. This policy shall also provide for documentation for reasons for delay in this Position of alerts.

It has been decided that this policy shall be approved by the board of directors of the company, It has been decided that a quarterly MIS should be put up to the board on the number of alerts Pending at the beginning of the quarter generated during the quarter, disposed of during the quarter and pending at the end of the quarter. The reasons for pending shall be discussed and Appropriate action will be takes.

The Compliance officer will be responsively for the effectiveness of the surveillance process.

The internal auditor will review the policy its implementation and review the alerts generated during the period of audit. The auditor shall record the observations will respect to the same in their report.

Further, designated directors would be responsible for all surveillance activities carried out by the trading member and for the record maintenance and reporting of such activities.

The transactional alerts will be provided by the exchange in following.

- 1) Significant increase in client activity.
- 2) Sudden trading activity in dormant a/c.
- 3) Client/group of clients deal in common stock.
- 4) Clients concentrated in a few illiquid scripts.
- 5) Circular trading.
- 6) Reversal of trade.
- 7) Funds running

In case of alerts, the trading member should analyse the trading activity of the clients.

The company shall seek explanation from such identified client for entering into such transaction.

Further the company should seek documentary evidence such as bank statement, Demat Transaction Statement or any other documents for its satisfaction.

The company shall record its observations for such identified transaction a client after analysing the documentary evidences including the bank and the Demat statements. in case of adverse observation the company shall report all such instances to the exchange within 45 days of the alert generation.

SHARAD AGARWAL BROKING
SE. VIC. PVT. LTD.

Sharad Agarwal
Director