Amit Jasani Financial Services Pvt. Ltd.

Member : National Stock Exchange of India Ltd.
Bombay Stock Exchange Ltd.

Registered Office : Hind Rajasthan Chambers, 3rd Floor, 6, Oak Lane, Fort, Mumbai-400 001.
Tel.: 6614 5678 / 6614 5641 • Fax: 6614 5656 • E-mail: ajfsl@nayaissue.com

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From: The Board of Directors

To,

1. Operations
2. Dealing
3. Systems
4. Accounts
5. Compliance

SURVEILLANCE POLICY

We should carried out the following procedures, policies and processes to facilitate effective surveillance mechanism for smooth functioning of the broking business of the company :-

1. **POLICIES:**

   We should carried out transactional alerts at our end as well as downloading of alerts to be provided by the Exchange on daily/weekly basis on the following activities :-

   a) Significantly increase in client activity

   b) Sudden trading activity in dormant account

   c) Clients/Group of Client deal in common scrips

   d) Clients/Group of clients is concentrated in a few illiquid scrips

   e) Clients/Group of clients dealing in scrip in minimum lot size

   f) Clients/Group of Clients concentration in a scrip

   g) Circular Trading

   h) Wash Sales

   i) Reversal of Trades

   j) Concentrated position in the Open Interest/High Turnover concentration

   k) Pump and Dump and Front Running

   l) Order book spoofing

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2. PROCEDURES:

Clients Information:

- We should carried out due diligence of clients information on a continuous basis
- KYC parameters viz., additional bank, demat accounts, changes in address and financial informations of the clients to be updated on a periodic basis and latest information of the client is updated in UCC database of the Exchange.
- Based on clients information, we should establish group of clients/association of clients and common accounts.

ANALYSIS :

Based on the transactional alerts generated at our end or alerts provided by the Exchange, we should analyze the following:-

- Trading Activity of the Clients/Group of Clients or scrips identified
- Seek explanation from such identified Clients/Group of clients for entering into such transactions
- Bank Statement or Demat Transaction Statement to be obtained for documentary evidence. In case of funds, bank statements of the Clients/Group of Clients from which payments has been made for pay-in and whether the bank details are registered in our client master. In case of securities, demat statement of the Clients/Group of Clients from which shares are delivered for pay-in and whether the beneficiary owner of the demat account is registered in our client master.
- The period for such statements may be at least +/- 15 days from the date of transactions to verify whether the settlement of such trades actually belongs to the clients/group of clients for whom the trades were transacted.
- To scrutinize the relevant documents and record its observations for such identified transactions or Clients/Group of Clients
- To report any adverse observations are recorded to the Exchange within 45 days from the date of such alerts generated.

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3. PROCESSES:

Following processes to be made for effective monitoring and reporting :-

- To maintain a surveillance register
- Recording of alerts generated at our end and receipt of alerts provided by the Exchange
- Time frame for alerts generated and disposition. If there is any delay, reason for the same
- Quarterly MIS shall be put up to the Board for the followings:
  - Number of Alerts pending at the beginning of the quarter
  - Alerts generated/provided by the Exchange during the quarter
  - Alerts disposed off during the quarter
  - Alerts pending at the end of the quarter and reasons for the same.
  - The Board shall be apprised of any exception noticed during the disposition of alerts.

OTHERS:

The surveillance process shall be conducted by our Compliance Officer.

Our Designated Directors and Compliance Officer will be responsible for record maintenance and reporting of all surveillance activities.

For and On behalf of the Board of

Amit Jasani Financial Services Pvt Ltd.,

For AMIT JASANI FIN. SER. (P.) LTD.

Director