

MARCK SECURITIES PVT. LTD.



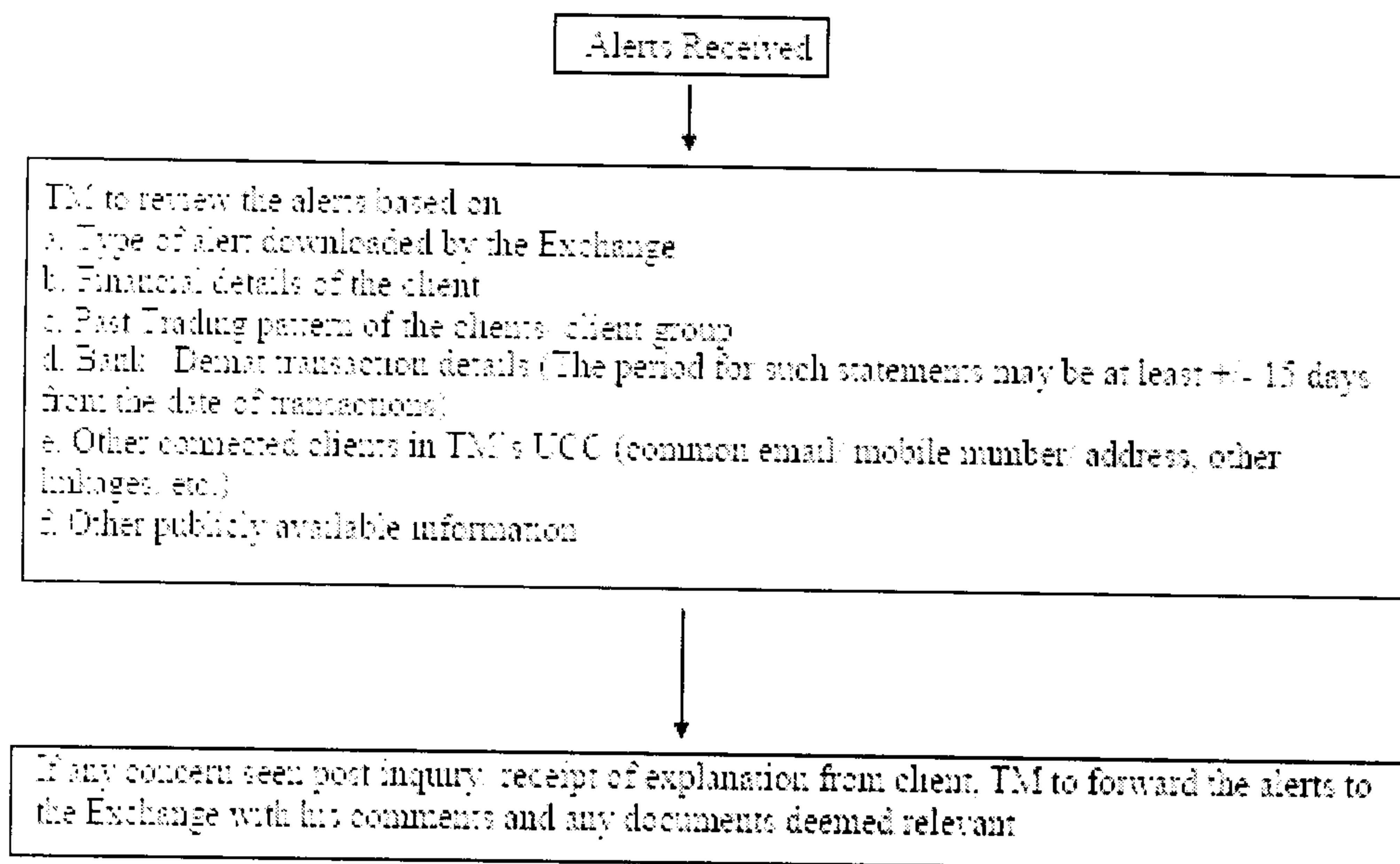
Surveillance(Transaction Alerts) Policy

Member : NSE, Sebi Regn No.: INB/INF/INE231107138
Member : BSE, Sebi Regn No.: INB/INF011107134
Member : DSE, Sebi Regn No.: INB051107135
Member : MCX-SX, Sebi Regn No.: INE261107138
CM & TM : Cash, Derivatives & Currency Segment(TM)
Depository Participant - NSDL

The Exchanges have started providing Alerts related to Transactions done by Trading members in both equity and derivative markets.

We at Marck Securities Pvt Ltd need to follow steps for its compliance:

STEPS TO BE FOLLOWED IN RESPECT OF TRANSACTIONAL ALERTS



Note: In case of any adverse findings / comments, the Trading Member shall send its comments to the Exchange within 45 days of the alert generation. The Trading Member may seek extension of the time period from the Exchange, wherever required.

The following activities are also required to be carried out by the Trading Members based on

UCC parameters:

Client(s) Information: _

Trading Members are required to carry out the Due Diligence of its client(s) on a continuous basis. Further, Trading Members shall ensure that key KYC parameters are updated on a periodic basis as prescribed by SEBI and latest information of the client is updated in UCC database of the Exchange. Based on this information the Trading Member shall establish groups / association amongst clients to identify multiple accounts / common account / group of clients.

Analysis: _

In order to analyze the trading activity of the Client(s) / Group of Client(s) or scrips identified based on above alerts, the Trading Member are required to :

a. Seek explanation from such identified Client(s) / Group of Client(s) for entering into such transactions.

b. Seek documentary evidence such as bank statement / demat transaction statement or any other documents to satisfy itself.

In case of funds, Bank statements of the Client(s) / Group of Client(s) from which funds pay-in have been met, to be sought. In case of securities, demat account statements of the Client(s) / Group of Client(s) from which securities pay-in has been met, to be sought.

2. The period for such statements may be at least +/- 15 days from the date of transactions to verify whether the funds / securities for the settlement of such trades actually belongs to the client for whom the trades were transacted.

c. After analyzing the documentary evidences, including the bank / demat statement, the Trading Member shall record its observations for such identified transactions or Client(s) / Group of Client(s). In case adverse observations are recorded, the Trading Member shall report all such instances to the Exchange within 45 days of the alert generation. The Trading Member may seek extension of the time period from the Exchange, wherever required.

Monitoring and reporting: _

1. For effective monitoring, Trading Member shall:

Frame a surveillance policy covering: _

i. Receipt of Alerts from Exchanges / generated at member's end.

ii. Time frame for disposition of alerts and if there is any delay in disposition, reason for the same shall be documented.

iii. Suspicious / Manipulative activity identification and reporting process

iv. Record Maintenance

The surveillance policy of the Trading Member shall be approved by its Board (in case of _corporate trading member), Partners (in case of partnership firms) or Proprietor (in case of sole proprietorship firm) as the case may be.

A quarterly MIS shall be put up to the Board (in case of corporate trading member), _ Partners (in case of partnership firms) or Proprietor (in case of sole proprietorship firm) on the number of alerts pending at the beginning of the quarter, generated during the quarter, disposed off during the quarter and pending at the end of the quarter. Reasons for pendency shall be discussed and appropriate action taken. Also, the Board (in case of corporate trading member), Partners (in case of partnership firms) or Proprietor (in case of sole proprietorship firm) shall be apprised of any exception noticed during the disposition of alerts.

The surveillance process shall be conducted under overall supervision of its Compliance _Officer.

Designated directors / partners / proprietor / Compliance Officer would be responsible for _all surveillance activities carried out by the Trading Member and for the record maintenance and reporting of such activities.

2. Internal auditor of Trading Member shall review the surveillance policy, its implementation, effectiveness and review the alerts generated during the period of audit. Internal auditor shall record the observations with respect to the same in their report.

