

## **Internal Control Policy**

### **1. Details**

**M/s ARJ Securities Pvt. Ltd.** is a company incorporated on 26<sup>th</sup> September, 1987. The company has been providing stock broking services after it took over the partnership firm **M/s ARJ Securities** which was converted from a partnership organization to a company. The company has its registered office at **48/49, 4<sup>TH</sup> FLOOR, BAJAJ BHAVAN, NARIMAN POINT, MUMBAI - 400021** and has been promoted by Mr. Shailesh Jhaveri and Mr. Hemal Jhaveri, who are the designated directors of the company and have long been associated with the business of capital market. The company majorly caters to the retail clients, HNI's and Institutional clients through its network of sub-brokers and franchisees.

### **2. Client Code Modification:**

- Client code modification has to be done as an exception and not in routine.
- Only genuine cases of errors are to be modified for objective criteria laid by the exchange.
- The organization has a policy of not considering any transfer of trades in the back office and all updates are done in the post closing or during market hours. The penalty as levied by the exchange for client code modification will be recovered from the client if the same has been levied due to the clients fault.
- All the modifications are to be routed via Error Account which is uploaded to the exchange.
- Additionally the software also generates reports which are reviewed on regular basis to check any mishappening existing in the office.
- The branches / sub-brokers are warned in case of transfer of trades for such transfer of trades and cautioned that severe actions would be taken if such errors continue.
- There is training of the dealers to make them aware of the reasons on the same and are educated to reduce the errors. The clients are also advised about various measures they can take for the same.
- There is a well drafted exhaustive policy which is made available to everyone.

### **3. PMLA**

- Refer PMLA Policy.

### **4. Introduction/Registration of clients**

- Persons are added as clients only after they have had a meeting with the director / sub-broker / employee of the company.
- The Application forms for opening an account are issued only when the management is satisfied with the client's financial capacity to trade in stock market and after the prospective client provides the valid reference for his account.
- Know your client form duly complying with the mandatory requirements specified by the SEBI & Exchange are processed further along, Supporting documents, proof of bank account, etc are collected from all the clients.

- The company has the policy of approval of all application forms by the Director of the company before allowing trading to applicant
- The details are entered in the back office software by the maker of the document. Further a senior person acts like a checker to see that the details have been properly entered in the back office software to avoid any issue in future.
- This data is then uploaded to the exchange.
- Walk clients are not entertained and only clients through reference are enrolled.
- The clients only through reference are entertained. The financial capability of the client is assessed on the basis of the balance sheet, profit and loss, income tax return, wealth details, etc which shows the financial position. 2 years balance sheet is taken from corporate clients. The individual clients are not comfortable providing the financial document, and hence a declaration is considered on the basis of the comfort of the organization vis a vis the client.
- The client registration modalities are carried out in house and not outsourced.
- The documents are stored at the office and filed properly for easy retrieval whenever required.
- With reference to updating of client's financial information, the client are requested in the register of funds statement sent on quarterly basis to provide the details. Client have also been sent draft letter for providing the feedback. The client information has been received from some of the clients.
- In case if any transactions carried out in dormant accounts (not being operated in last six months), then before entering the transaction the dealers enquires about the same from the head dealer / director before entering the trade and thus enters a trade only after verifying the authenticity of client entering the order.

## 5. Funds:

- Any money received or held on behalf of clients, is to be kept in a separate bank account titled "Client Account". Funds lying in this account cannot be utilized for any purpose other than for meeting clients' obligations
- Some of the clients have given consent to the company to maintain running accounts on their behalf to avoid trouble of receiving / paying funds on daily basis.
- The company collects and releases funds through banking channels i.e. Account Payee Cheques & Demand Drafts only.
- Quarterly Settlement is done as per the SEBI circular SEBI/HO/MIRSD/DOP/P/CIR/2022/101 dated July 27, 2022, and Exchange circular NSE/INSP/53115 dated July 27, 2022, and circular NSE/INSP/49458 dated 31st Aug 2022, NSE/INSP/53820 dated September 23, 2022 on "Settlement of Running Account of Client's Funds lying with Trading Member (TM).
- We at the time Monthly/Quarterly Settlement as per the client preference if there is any liability of the company arise to release the fund then it will release funds only through RTGS/NEFT in normal circumstances
- With reference to NSE Circular no. NSE/INSP/43250 dated 16th January,2020 in running account settlement we are not investing the actual settlement amount (Monthly / Quarterly) of the clients with the consent/without consent of the client / through POA in any scheme or investment products including mutual funds, Exchange traded funds such as liquid bees etc. And we credit the settlement amount (Monthly/Quarterly) to the client

bank account directly and not run any schemes to invest the actual settlement amount (Monthly / Quarterly) with the consent/without consent of the client / through POA in any scheme or investment products

- The Accounts Team coordinates with settlement team regarding pay-in of securities by clients and then releases the pay-out cheques to the client. In case of any shortage, the amount is released after partly withholding the pay-out fund.
- In case of pay-in, the cheques are collected on or before pay-in date of particular settlement & on receipt of cheques it is verified that the cheques are from client's designated Bank Account only and no third party payment is accepted.
- In case of pay-out, after verifying that there is no short pay-in of shares, the company will release the payments of the clients either by electronic fund transfer or by issue of cheques. The cheques are either hand delivered or by courier to the client's correspondence address.
- In case of own trading pay-in/pay-out funds are arranged through own funds. Company is not doing any fund based activities such as funding to clients except where client fails to meet his pay-in obligation.
- The collections of funds from clients are also transacted in above manner; cheques are sometimes directly deposited by the clients.
- The bank details of the clients mentioned in the KYC/CRD are entered in the backoffice. This helps to provide a control on receipts from Third party. Any third party receipts are not accepted and the cheques are returned to the client.
- As per SEBI circular SEBI/HO/MIRSD/DOP/P/CIR/2021/577 dated June 16, 2021, and Exchange circular NSE/INSP/48624 dated June 16, 2021 and further NSE circular NSE/INSP/49458 the clients having credit balance, who have not done any transaction in the 30 calendar days since the last transaction, the credit balance shall be returned to the client by ARJ, within next three working days irrespective of the date when the running account was previously settled. And follows the various compliance mentioned in the said circular

## 6. BOLT Terminal

- Take complete details of procedure adopted. The same should include at least following:
- The Limit setting of the terminals is decided on the basis of the funds margin and securities value given to the member
- In case any terminal gets surrendered then the client would be mapped to the head office for further trading and in case if the client specifies any particular location from where he want to trade then the client is mapped to that terminal.
- The terminals are installed / activated only after complying with the regulatory requirement of informing Exchange and uploading of the details of the authorized user.
- The member controls and the auditors during their visit check that only authorized trading software is used by the branch offices and sub-broker offices.
- The visits are made by the company staff or the auditors during their visit the branches check that only authorized persons are operating the terminal. Additionally the company carries out proper due diligence before opening of the branch or sub-broker is carried out. The directors / senior management spend regular time to access the working of the branches and sub-brokers and various concerns including the volume vis a vis clients vis a vis clients profile and activity pattern are considered.

**7. Contract Notes/Daily Margin Statement/AGTS/Quarterly Statement**

- Contract Note / Daily Margin Statement are issued on daily basis to the clients.
- Auto numbering of the contract notes is done through the system and the contract note is initiated to 1 (first contract note) every year on 01st April.
- The organization sends contract notes within 24 hrs and daily margin for both Cash & F&O Segment statements on T day of execution of the trade physically/ electronically to all the clients. The quarterly statements are also sent physically/ electronically. to all the clients
- Contract Note / Daily Margin Statement is for the sub-broker's office/authorized persons office clients are issued from the head office only. Hence entire documentation and proofs are maintained in the HO only.
- Contract Note / Daily Margin Statement are issued physically as well as digitally.
- For the correspondences done physically, POD's are maintained as per requirement of law. For hand deliveries, signature of the client on duplicates and for courier, POD's is maintained.
- Duplicate copies are maintained for all the correspondences physically done.
- For correspondences electronically made, Log reports generated from the system is maintained.
- Copies in soft form maintained for all digital correspondence.
- Contract notes, daily margin statement are issued as per prescribed format of the exchange.
- Annual Global Statement sent to the clients within 30 days after the end of the every financial year in physical/electronically.
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**8. Securities:**

- Client Securities are to be segregated from ARJ's own securities. Client securities are not to be appropriated to meet ARJ's own obligations.
- In case of sale of shares, deliveries are received from the clients in the pool accounts intimated to the clients on T day/T+1 / T+2 Day & the demat account is automatically reconciled through Back office software Master by importing depository transaction files.
- In case of Pay-out of shares, after verifying that all the due funds are received, shares are transferred to respective clients on Pay-out date
- The company reconciles its pool, principle, and CUSA(Clients unpaid securities account) account on a daily basis. If the clients have a debit balance and have purchase any shares then same will be moved from Pool account to CUSA account, and in the event of non-payment such securities will be disposed-off within 5 trading day from the date of payout in proportion to the amount not received and after taking into account any amount lying to the credit of the client. The balance securities shall be transferred to the respective client's demat account.
- The company has received authority from clients to maintain their running account to avoid any trouble of receiving/paying securities on daily basis. Proper record for securities held of clients is maintained.
- All the shares lying in the Client Margin Collateral Account are segregated segment-wise & client-wise through Back Office Software & record of the same is maintained in Back Office Software.

- Proper segregation is maintained by Back office Software for own shares & clients' shares.
- For delivery of securities company has activated auto payout facility in clients demat account, for which daily report is been sent to the Clearing House / Clearing Corporation.
- The company also reconciles its pool, principle, CISA and client beneficiary account on a daily basis.
- The company has subscribed for easi facility to monitor online the activities of pool and other accounts.
- The demat details of the clients mentioned in the KYC/CRD are entered in the backoffice. This helps to provide a control on receipts from Third party. Any third party receipts are not accepted and the securities, are returned to the client.

#### **9. Statements of Accounts**

- Statement of accounts for funds and securities are issued on Weekly/monthly or quarterly basis as consented by the client in the KYC/CRD.
- As per NSE Circular NSE/INSP/47227 dated February 03, 2021 ARJ send a complete 'Statement of Accounts' for funds and securities/commodities in respect of each of its clients on weekly basis from Monday to Saturday for each week with 4 working days in the next week
- Statement of accounts is for the branches/sub-broker's office/authorized persons office clients are issued from the head office only. Hence entire documentation and proofs are maintained in the HO only.
- Statement of accounts, contract notes, daily Margin statement are issued physically as well as digitally.
- For the correspondences done physically, POD's are maintained as per requirement of law. For hand deliveries, signature of the client on duplicates and for courier, POD's is maintained.
- Duplicate copies are maintained for all the correspondences physically done.
- For correspondences electronically made, Log reports generated from the system is maintained.
- Copies in soft form maintained for all digital correspondences.
- Contract notes, daily margin statement are issued as per prescribed format Of the SEBI and exchange.

#### **10. Execution of POA (Power of attorney) (if applicable) -**

- The trading member has taken restricted POA from clients for meeting their transaction related pay-in obligations only.
- The POA provides only restricted right and does not provide total control to the broker on the Depository account or Bank account of the client.
- Only few employees of the company are authorized to operate the POA. The persons authorized are either directors or employees of the company with long standing and confidence. Thus the chances of misutilisation of the POA are very bleak.
- The POA is taken in the name of member only and persons authorized by the board are only further registered with the depository or the bank.

#### **11. Square off of positions / Liquidation of securities without consent of clients**

- The organization does not have a system of squaring off the position of a client or Liquidation of securities without the consent of the client. The organization tries to have extra margin so that client positions are not forced to be squared off. Clients are priorly informed about the margin requirement and as the clients normally give the margin or square off their position on their own. Clients are warned / informed that their position may be squared off in case of shortfall of margin / pay-in default for the shares bought in the cash market. The clients are contacted and informed about the margin requirement over phone by the company staff or by the sub-brokers.
- The organization has CMS facility for collecting cheques at all parts of the country. In case of shortfall, the clients are informed to deposit the cheques in the bank account or securities are told to be transferred to the client margin account. The client is given sufficient time to act on the margin shortfall.
- Margin calls being made on phone, no record are maintained for the same.

#### **12. Policy for internal shortages**

- The internal shortage if any existing within the organization is informed to the exchange so that proper auction of the same can be done by the exchange and the journals / bills / debit notes for the same are debited to the client in whose account the shortfall has occurred.
- In case if an auction is not made by the exchange then both the clients are appraised of the situation and in case of the client in whose account the internal shortage has occurred, the buying transaction is done in the exchange and when after 2 days the shares are received from the exchange, the shares are delivered to the old buying clients who could not receive the shares due to internal shortage.

#### **13. Opening & closing of branches**

- Since the organisation has no branch, the procedure for the same has not yet been devised. However proper due diligence would be carried out for the same to avoid any future issues and to have clear understanding between the branches and sub-brokers. Further the document of responsibilities will also be made detailing the duties and rights of the branch in charge.

#### **14. Monitoring of Sub-broker/AP**

- A person is considered for sub broker/AP only after assessing the financial position, business capacity, experience, past operations etc. A sub broker is personally interviewed by managing director and only if found proper, further action for making a sub broker by SEBI / Exchange application is considered.
- Sub brokers/AP usually operate from the registered office of the company and there all activities are under the observations of the organization. The records of sub brokers are periodically verified by company officials to verify that all statutory and other dues are being paid on timely basis by the sub brokers.

- In case of sub broker operating from the premise other than registered office of the company for which company officials takes surprise visits of such locations twice in a month to assure their activities are in compliance with the regulations.
- The organization has proper demarcation of work and responsibility within the organization. The company has the dedicated personnel for DP operations who are responsible for the all activities of the department thus person in charge of trading is not allowed access to DP operations of the company . They intimate the client for their payin obligations on a daily basis at the same time they confirm the payouts to the clients on a daily basis. They also reconcile all their records on daily as well as weekly basis.

#### **15. Closure of client accounts / dormant account**

- As a company policy, clients account once opened are not closed, although the client may not trade at all over a long period of time.
- With reference to accounts which have been not traded for more than twelve months, wish to trade at any future date then, the time they want input an order, an enquiry is made about their non trading in the share market. Only on receipt of a satisfactory reply, then further actions for execution of transaction are carried out.
- The organization does not allow trading by members in the old code in case their accounts are transferred from one branch / sub-broker to another branch / sub-broker. In such a case, the old account is blocked and the client is registered under a new account code for further transactions.
- In case of clients who have not traded for more than two years, the time they call up execution of any trade then enquiry is made about their non activeness in the share market. Additionally, their updated financial information is also enquired & called for. Only after they have given the updated financials and after the directors feel comfortable for their trading, only then further actions for execution of transaction are carried out.

#### **16. Receiving and Execution of Orders**

- Trading limits have been set for clients, terminals, which are reviewed by the RMS in close surveillance.
- The Organization setup is small and all the client are personally known to management/sub broker, their financial position is known and the dealer is aware of the risk appetite of the client which helps in better control.
- The company has restricted the access to the dealing office only to the authorized persons who are dealers and sub brokers of the company.
- The approved clients are informed of the dealers / sub-broker who would be responsible for receiving, validating and entering the orders on behalf of them.
- The orders are received over phone, through sub-brokers, personal instructions when they are in the office. The organization does not have a telephone recording system as the orders are duly confirmed at the time of entry itself when the orders are inputted in the system.
- To give better & personal service to the clients they are divided group wise among the dealers so that particular dealer can serve a particular group of clients which helps dealer to understand client investment strategy in a better way & serve them accordingly. The concerned dealers have access of back office system in which the clients

balance positions are updated daily and on the basis of the same the exposure is determined by the dealer. In cases exceeding the normal trading pattern, the dealer contacts the front office head to decide on the trade. The orders are entered instantly as given by the client without any delay. The orders are inputted as informed by the clients and no discretionary power is used if the order meets the requirement of margin and other risk management parameters.

- The orders are received from the clients only or through an authorized person as may be informed to the organization.
- On execution of valid order into exchange system, dealers confirm the trade with the client so as to avoid any future dispute.
- At the end of the trading hours, the dealer informs the clients about the execution of the orders placed by the clients.
- After market hours, back office team informs the client about their executed trades for the day and also about their obligation towards Pay-in & Pay-out of funds & securities for the particular day.

## 17. Compliance Function

- The role of Compliance officer is to formulate compliance policy for the Company and to monitor the company's business activities to ensure compliance.
- The Compliance Officer advises line management of the company about the impact of applicable regulations on their business area and also supports them in discharging their responsibilities to comply with applicable regulations.
- The company has also implemented compliance calendar to keep proper control over the operations and compliances.
- In order to achieve the above objectives, the Compliance Department undertakes following activities on a regular basis:
  - Check on securities dealing conducted by ARJ;
  - Check on staff dealing to ensure that it is in accordance and is in conformity with Code of Conduct for Prevention of Insider Trading;
  - Review of client files to ensure the documentation is complete;
  - Review of 'client account' to ensure compliance with regulatory requirements on client funds;
  - Identify potential conflicts of interest;
  - Review of documentation, particularly in areas with regulatory responsibility;
  - Review of specific transaction if any.
  - Review of any complaints, penalties, fines
  - The compliance department is also responsible for updating of the policies in line with the various circulars being issued by the exchange and is also responsible for implementing the various exchange / SEBI requirements.
  - The compliance department also carried out Employee training within the organization to keep the employees updated.
  - Review of the alerts provided by the exchange, replying and also maintaining the records for the same.
  - The compliance department is also responsible for providing all the submissions as required to the regulators before the due date. In case of any delay they

should inform / update the senior management regarding the delay in submissions.

### 18. Portfolio Manager

N. A. as Portfolio Manager facility not obtained by the Member.

### 19. Brokerage Charged

Brokerage is charged uniformly to all clients as per the slab given below. No brokerage schemes are provided to the clients.

### 20. Brokerage & Statutory Charges:-

| Segment  | Sq off % |      | Sq off Min (Ps) |      | Settlement % |      | Settlement Min (Ps) | Delivery % | Delivery Min (Ps) |
|--|----------|------|-----------------|------|--------------|------|---------------------|------------|-------------------|
|  | Buy      | Sell | Buy             | Sell | Buy          | Sell |                     |            |                   |
| BSE  |          |      |                 |      |              |      |                     |            |                   |
| <b>GST:</b> GST at applicable rates must be levied on brokerage.   |          |      |                 |      |              |      |                     |            |                   |
| <b>STT:</b> STT at applicable rates must be levied on transaction value.   |          |      |                 |      |              |      |                     |            |                   |
| <b>Stamp Duty:</b> Stamp Duty is payable under The Bombay Stamp Act, 1958 for transactions in equities and derivatives segments: |          |      |                 |      |              |      |                     |            |                   |

### 21. Client Margin Information:-

- The company transacts on behalf of clients in Cash segment & F&O segment. With respect to the collection of margin in cash segment, the company now mandatorily collect margin with effect from 1st January, 2020 as per circular dated 31 Dec, 2019\_BSE\_20191231-52. However, all efforts are made to see that none of the cash segment transaction leads to any loss for the organization. The Risk Management Team/Management collect upfront margin(VaR margins and Extreme loss Margin (ELM)) on T day & M2M on T+2 day before execution of the trades and Peak margin as per NSE Circular no. NSE/INSP/46485 dated November 11, 2022.
- No transaction is executed for clients until the Initial Margin(VAR + ELM) has been collected from the clients.
- The Company daily uploads the span margin file to the exchange.
- The Upfront margin can be collected in below mention forms
- Consolidated fund balance across exchange,
- Cheques, bank credits, fixed deposit, bank guarantee, Mutual Fund Units, Government securities / T Bills and list of securities which are actively traded on National exchange, and not declare as illiquid Securities by such exchange. Securities

that will be taken, haircut will be applied on the basis of VAR or as may be required by the exchange.

- Securities, which are provided as margin, but are sold in the cash market can be considered up-to T+1 day from the date of sale without any haircut.
- M2M can be collected through Cheques received / recorded in the books of Member on or before T+1 day and deposited by member by T+2 day (excluding bank holiday, if any), can be considered, provided the same is cleared within T+5 working days.
- The option of reporting the margin can be done upto T+5 days, however the back office department is authorized to do the uploading from T+1 day itself on the basis of the valuation of the total margin lying to the credit of the ledger(Across all exchange) plus the value of the other margin securities provided by the client. In case any corrections are required in the file due to dishonor of any client cheque, etc then the new file will be uploaded after due consultation and permission of the seniors and the last file uploaded will be considered to be the final file
- The margin file uploaded is checked and then only uploaded to the exchange
- In case where the margin requirements is more than necessary margins are collected in any of the following form the clients (1) Early Pay-in of Shares, (2) Collection of Cheques on T/T+1 day, (3) Collection of funds and/or securities as Margin.

With respect to collection and maintenance of margins in the F&O segment the same is as detailed below:

#### **F & O /Currency Margins**

- No transaction is executed for clients until the Initial Margin has been collected from them. Funds or shares are received from the clients as Margin.
- Shares of clients are marked as Margin are marked separate 'Client Margin Pledged Demat Account'.
- The Company daily uploads the span margin file to the Exchange.
- The clients are regularly sent the collateral margin report updating them on their margin requirement and the margin given by them to the organization and the surplus/shortfall in the margin, so that effective steps can be taken by the clients on the same.
- The option of reporting the margin can be done upto T+5 days, however the back office department is authorized to do the uploading from T+1 day itself on the basis of the valuation of the total margin lying to the credit of the ledger(Across exchange) plus the value of the other margin securities provided by the client. In case any corrections are required in the file due to dishonor of any client cheque, etc then the new file will be uploaded after due consultation and permission of the seniors and the last file uploaded will be considered to be the final file.
- The margin file uploaded is checked and then only uploaded to the exchange.
- The margin can be collected in through cheques, bank credits, fixed deposit, bank guarantee, Mutual Fund Units, Government securities / T Bills and approved list of securities. With respect to the securities that will be taken, haircut will be applied on the basis of VAR or as may be required by the exchange.

- The margins are to be collected from all the clients in the F&O as well as Cash segment, “Securities kept in “Unpaid securities account” can be considered towards reporting of client’s margin obligation in the derivative segment after adjusting any debit balances in such client ledger, across all segments and Exchanges as per circular dated 27th Sept,2019 NSE/INSP/42229 & BSE circular no. 20190927-39. & we has accepted securities as margin obligation from clients only by way of margin pledge/repledge in the depository system by opening a separate demat account for accepting margin pledge which shall be tagged as “Client Securities Margin Pledge account”. in accordance with SEBI circular no.SEBI/HO/MIRSD/DOP/CIR/P/2020/28 dated February 25,2020.
- The company has a system where the stocks not approved by the exchange will not be considered in collaterals calculation, however the company may retain the same for extra security
  - Short margin Penalty – With reference to NSE Circular no. NSE/INSP/45191 dated July 31, 2020 & NSE/INSP/49929 dated October 12, 2021 we do not pass the penalty for short collection of upfront margin to client. and penalty passed to client only in case of short reporting of margin/margin on consolidated crystallized obligation/MTM

## **22. Mandatory Insurance Cover**

- The requirement of taking the mandatory Insurance cover and submitting the same to the stock exchange has to be taken care by the Compliance department in consultation with the operations / accounts department or with guidance from the senior management as may be required.

## **23. Payment of Dividend:-**

- The company receives dividend on the client shares directly in the client bank account.
- The company pays all the dividends received on behalf of clients at the earliest and any time not later than 90 days of receiving of the dividend. The client dividend account is nullified every month to see that client dividend is credited to respective client account.

## **24. Arbitration /Dispute resolution Committee**

All arbitration proceedings in BSE and NSE as well as meetings of Dispute Resolution Committee of NSE concerning SBIL must be attended by CEO/COO or any Senior person authorized by it.

## **25. Continuity Planning/ Alternate plan in case of disaster, etc:-**

- For Front office operations the company has provided with the power backup to all dealing terminals so as to compensate for power supply interruption. The front office has connectivity to exchange via two leased lines.
- For Back office operations, company takes daily backup into hard disk of server. Apart from internal backup company also takes weekly external backup on DVDs and keeps copy of it in a remote place (Managing Director’s residence) for safety custody.
- The backups are regularly tested to see their usability in case of any disaster.

**26. Investor Redressal Mechanism:-**

- The register of complaints is centrally maintained under the observation and control of the director.
- The e-mail id for redressal of investor grievances is informed to the clients by the Client Registration form, contract notes and quarterly statements sent. There are no investor complaints pending with any of the Exchanges
- We have not received any complaint till date and hence no complaints are recorded in the Register of Complaints.
- The director / senior employee is responsible to see that there are no investor complaints pending.
- There is an escalation mechanism in case if any investor complaint does not get redressed by the director in-charge or by the senior staff.
- As no complaints are received, requirement of analysis is not required, however the same will be analysed as and when complaints are received.
- Whether any system is in place to get client feedback on matters like receipt of contract notes, trade confirmation, SOA, Margin statement, etc.? - Not required and hence not existing.
- The director personally looks into the regular operations and monitors and controls the operations to ensure that cash, cheque and demand drafts received from clients are properly accounted in the respective client ledger only.
- In case the TM is maintaining more than one back office software for maintaining client level information, check for the reasons or benefits. Compare the client master of all back office software to ensure that no different records with an intention to defraud investors are -maintained - Not applicable as only one back office software is maintained.
- No employee of the organization at the HO is exercising POA to operate client's bank and demat accounts that scrip and the closing amount will be credited to the purchasing client and debited to the selling client.