

Policies and Procedures

DP TradeKING

DP TradeKING Private Limited (hereinafter referred to as DP TradeKING) is a member of the National Stock Exchange Limited and Bombay Stock Exchange Limited in the Equity, Equity Derivatives Segment, Currency Derivatives Segment and Depository Participant of National Securities Depository Limited having its registered office at 3rd Floor, Silver Oak, Opp. Panchal Hall, Town Hall Road, Anand - 388001, Gujarat, India.

For the purpose of these Policies & Procedures, wherever the context so mentions "Client", "You" or "Your", it shall mean any natural or legal person who has agreed to open an account or initiate the process of opening an account with DP TradeKING by providing their information while registering on the platform as a user. DP TradeKING allows any person to surf the website without registering on the website. The term "We", "Us", "Our" and "Team DP TradeKING" shall mean M/s DP TradeKING Private Limited.

Client Identification

Before opening any Trading account with us, the following measures shall be taken:

- In person verification of the client Identify beneficial ownership and control, i.e., determine the persons who beneficially own / control the account.
- Collect information about client's background, occupation and also check the name of the introducer.
- Collect and verify all original documents from the client.
- Collect a certified copy of valid documents showing details of his permanent address, current address, PAN, nature of his occupation, financial status and also a recent photograph.
- For clients trading in F&O segment, documentary proof of his financial details will be collected.
- In case of Corporate client, collect copies of certificate of incorporation, Memorandum of association and other documents as required by SEBI
- In case of Corporate client, collect adequate information of the persons authorised to deal on behalf of the company.
- The client shall be interviewed personally regarding the purpose of opening the account i.e., whether short term trading or long term investment.
- Prior experience in stock market
- Introducer details

KYC Updation Process

All corporate clients must submit annual report every year. In case of individual clients, Client Master details shall be sent to all clients, who will confirm either that the details are updated or shall be advised to submit details if required. He shall also specify his present occupation and financial income details per annum in the same declaration.

: DP TradeKING Private Limited :

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(NSE TM Code : 90100, BSE TM Code : 6650)

NSDL: Depository Services through DP TradeKING Private Limited -
SEBI Registration No. : IN-DP-318-2017 (DP ID : IN304182).

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The information should be adequate enough to satisfy competent authorities (regulatory/enforcement authorities) in future that due diligence was observed by us in compliance with the Guidelines.

Failure by prospective client to provide satisfactory evidence of identity should be noted and reported to the principal officer.

Further, we should also maintain continuous familiarity and follow-up with the client where inconsistencies in the information provided are noted.

The account will not be opened where we are unable to apply the above KYC policies, e.g., non co-operation of the client in providing full information etc.

Client Categorisation

Each client will be marked into 3 categories, High Risk, Medium Risk and Low Risk from the point of view of the anti money laundering laws. The categorization will be made based on the following parameters/ factors of risk perception:

High Network Clients

- Trusts/ NGOs / Charities receiving donations
- Companies having close family shareholdings (The above are considered of High Risk as per SEBI guidelines) The other parameters are nature of business activity, trading turnover, manner of making payment etc. Provision will be made in the back office software for noting categorization of each client. The high-risk client will require regular KYC update.

The clients will be placed under low, medium and high-risk category based on their turnover per day. Corporates / HNIs having respectable social and financial standing, Clients who make payment on time and take delivery of shares can be considered as Low

Suspended Persons

SEBI and other authorities suspend or debar persons / entities from participating in securities market on several instances. We as a Broker are required to ensure that such persons do not trade through us.

We shall lay down systems for identifying transactions which is not in consonance with the financial status declared/ shown by the client. Also, unusual activities compared to past transactions, sudden activity in dormant accounts, activity inconsistent from declared business activity, should be traced. This shall require appropriate changes in our back office software.

Systems shall be put in place for identifying transactions likely to be market manipulation, and which appears to be insider trading and also any transaction which seems to have no bonafide intention. Regular communications by means of mailers, SMS, Email are sent to clients at various intervals requesting them to update their latest financial and KYC details available with us.

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Role of Compliance Team & Internal Audit: The compliance team will play an important role in ensuring compliance of the above policies and procedures. The account opening team will exercise adequate due diligence as stated above. There will be periodic checking by the Principal Officer and the same report will be properly filed

here is a system of concurrent audit, which will also include ensuring compliance of the

- Due diligence in KYC norms.
- Generation of exception reports
- Trading in dormant client codes
- Level of awareness of staffs

Policy for Inactive Clients

All that you need to know in case your trading account is not active for more than 12 months.

Funds

System of Payin and Payout of funds:

Payin : Clients can transfer funds into the Trading Account only from such bank accounts which are registered with DP TradeKING. Any transfer from a non-registered bank account will not be considered and the client does not get any trading limit credit for such transfers.

If a client chooses to transfer using NEFT or by means of cheque, there will be no cost.

If the client transfers funds via cheque, the details of the transfer along with a copy of the cheque should be made available to DP TradeKING for the credit to be updated on the trading account.

Payout : All payouts will have to be compulsorily placed on the Backoffice access provided to the clients OR inform to your Relationship Manager to pur request for payout in Backoffice on behalf of client. All payout requests will be processed electronically and the credit shall come to the client's primary bank account within 24 hours of having processed the payout request.

Withdrawal requests for Equity, Derivatives, Currency will be processed at 7:00 PM on working days. If you place a withdrawal request before 5:00 PM, the money will be credited to your account the same day of bank working day. If you place a withdrawal request after 5:00 PM, it will be processed on the next working day and you will receive the funds in 24 hours.

The Payout window for Commodities is 10:00 AM every day - requests placed before 8:00 AM will be honored on the same day. Requests placed after 10:00 AM will be honored the next day.

Payout windows are closed on Saturday and Sunday OR Trading Holiday(s) - this means if you place a request on Saturday or Sunday or Trading Holiday(s) or after 5:00 PM on Friday/Trading Holiday(s), it will be honored only on Monday/Next Working Day respectively.

Margins

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Client Funding : DP TradeKING does not engage in the business of Client Funding. Clients are required to have sufficient balance in their accounts to hold/carry forward positions.

NSE/BSE Equity : DP TradeKING has a policy of giving exposure as per margin requirement by stock exchanges on spectrum of stocks; applicable margin is given for delivery trades. The client needs to have enough money in his/her trading account to take delivery of shares failing which DP TradeKING can cut the position. Comprehensive real-time margins require at DP TradeKING can be updated on exchange platform on daily basis.

NSE/BSE Futures and Options : DP TradeKING does not engage in the business of Client Funding. Clients are required to have sufficient balance in their accounts to hold/carry forward positions.

NSE/BSE Futures and Options : Leverage provided here is subject to market conditions and changes in its proportion are dynamic. Comprehensive real-time margins require at DP TradeKING can be updated on exchange platform on daily basis.

NSE Commodities: Intraday (MIS) trading is allowed in all Non Agri products sans Brent Crude Oil and Silver 1 Kg and Gold 10 Grams. Leverage provided is subject to market conditions and changes in its proportion are dynamic. Currently 50% of SPAN is required to trade intraday. Carry Forward (NRML) positions require 100% SPAN.

Cover Orders: Currently available for NSE/BSE/CDS Equity and FO typically the margin benefit under this is higher relative to MIS positions.

Risks pertaining to commodity options that devolve into futures on expiry:

- All open options contract will be devolved into futures on the expiry date of the options contract.
- The exchange blocks a margin equivalent to 25% of the margin required to hold the devolved future contract 2 days before expiry and 50% of the margin, 1 day before expiry.
- Failure to produce the margin in the trading account can lead to a square-off of open positions at the discretion of the RMS team.
- The margin block will be applicable for contracts part of the exchange's sensitivity report.

Intraday products square off timings:

Item	Equity/Cash	Equity Derivatives	Currency futures	Commodity
Intraday Margin Time	3:20 PM onwards	3:25 PM onwards	4:45 PM onwards	25 minutes before Close

*Note: Intraday square off timings can change based on the discretion of our risk management department.

A Call-n-Trade charge of ₹25 will be applicable for all positions squared off by our RMS desk, including auto square off.

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If any intraday position or an MIS trade is not squared off on the same day due to any link or system failure or any risks associated with internet/wireless based trading which may occur at the end of the Client, DP TradeKING or the respective Exchange, it shall be treated as a Cash and Carry ("CNC") or NRML position and carried forward to the next trading day. In case of such a situation arising, the onus of squaring off the position will be on the Client. Our RMS desk shall square off any such position, without the requirement of a margin call, if the necessary cash is not available in the Client's account.

Margin policies : The margin policies for trading through DP TradeKING can be obtained by clicking on [this link](#)

Note

- Minimum Contract Charge (MCC) is ₹25 + GST applicable if contract value's brokerage is below MCC.
- Offered Brokerage Charges + GST will be levied for all OFS, Buyback and Takeover orders placed through DP TradeKING by way of Call-n-Trade OR Online Trade.
- Option premium received from writing options will not be considered as Cash/Capital.
- Delivery is not available on currency options.
- Cover Order is not available for stock options.
- Positions which do not have sufficient funds can be cut any time at the discretion of our RMS desk. There will be no margin calls or intimation from our RMS desk.
- Any open positions can be squared off at the discretion of our RMS desk If the funds available in your account are short of exchange specified margins. There will be no margin call before the position is squared off. During times of extreme volatility, the loss could be more than the funds available in your account before the position is squared off. All resulting charges or debts that might occur from such square offs will have to be borne by the client.
- Collateral margin will not be considered for equity delivery positions.
- All Intraday positions will automatically be squared off at the end of the each trading day.
- Trading in NSE Commodities contracts will be banned a day prior to the delivery intention period.
- DP TradeKING blocks SPAN margin (as per exchange's requirement) + Exposure margin of 5% for overnight positions on NSE Commodities.
- Fines levied by the exchange for short margin will be payable by the client.
- Clients will have to ensure all CNC, NORMAL, and INTRADAY products are closed by the EOD.
- Payments will only be accepted from the client's registered bank account, cash and DD payins are not accepted.
- Commodities with staggered delivery will be closed 10 days prior to the delivery date in order to avoid physical delivery, also commodities with compulsory delivery will be closed a day before their respective delivery intention periods.
- On the start of the delivery intention period, clients will not be informed before closing any open positions to avoid compulsory delivery notice. Clients are advised to close their positions well in advance.
- For Commodities, on the start of delivery intention period, no contract will be available under CNC product type.
- Physical Delivery of Commodities is not allowed.
- Because of illiquidity of stock option contracts, market orders have been disabled on stock options. Only limit orders are allowed. Place a limit buying order higher than the current price

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or selling order below the current price, this will act as good as market order but will also protect from any impact cost due to illiquidity.

- Instruments available for trading at DP TradeKING are subject to the discretion of the risk management team, and these may change from time to time for various reasons.
- Stocks and scrips which are currently in the derivatives (including Futures & Options) segment and they fail to meet:
 - the Eligibility Criteria (specified vide SEBI Circular number CIR/DNPD/3/2012 dated July 23, 2012) for a continuous period of three months; and
 - the Enhanced Criteria (specified vide SEBI Circular number SEBI/HO/MRD/DP/CIR/P/2018/67 dated April 11, 2018),shall be physically settled.

With reference to the above two stated Circulars along with any further updates regarding the same from SEBI or any Exchanges from time to time, where stocks/scrips which fail to meet both such Eligibility Criteria and Enhanced Criteria, DP TradeKING's policy on settlement with respect to such stocks can be read here.

- Due to exchange imposed member level open interest restrictions, not all strike prices for option contracts may be available for trading.
- In case your account is in debit balance and/or if you have insufficient funds to manage your trading positions, you will be charged an interest of 18% per annum as delayed payment charges.
- All information mentioned here is subject to change at the discretion of our Risk management team.

Collateral Margins

- For all pledge requests placed before 4:00 PM, the collateral margin will be available to trade on T+1 day (next working day) only on pledge request confirmed by client. All requests placed after 4:00 PM will be processed only on the next working day.
- Margins will be provided after the applicable haircut. You can [click here](#) for the applicable haircut on various stocks. A haircut of 10% would mean that if you pledged stocks worth Rs 1 lakh, Rs 90,000 (90% of 1 lakh) will be added as collateral margin to your trading account.
- You can see this margin under the heading Direct Collateral on our trading platforms DP Trade PRO (IBT / Desktop), DP Trade Touch (STWT - Web/mobile), and CTCL.
- You will be able to use this entire margin after haircut for taking intraday or overnight positions in Futures, and for writing Options of equities, indices, and currencies. You will not be able to use this margin to buy Options or take further positions on the equity segment.
- Exchanges stipulate that for overnight F&O positions, 50% of the margin needs to compulsorily come in cash and the remaining 50% can be in terms of collateral margin. If you don't have enough cash, your account will be in debit balance and there will be an delayed payment (interest) charges charge of 18% per annum applicable on the debit amount. So, if you take positions that requires a margin of Rs 1 lakh, you will need at least Rs 50,000 in cash irrespective of how much collateral margin you have. Assuming you don't have this Rs 50,000, whatever you are short by will be the debit balance for the day, and delayed payment (interest) charges will be applicable for that amount. You can check this link to know more on how the delayed payment (interest) charges will be computed.
- Liquid funds are considered as cash equivalents by the exchange, so the above 50% rule wouldn't apply. The Margin received from pledging liquid funds will be as good as having cash in your trading account. All cash equivalent stocks are updated here.

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- All delayed payment (interest) charges accumulated will be debited once every week on the ledger. A link to see cumulative delayed payment (interest) charges calculation can be found on the holding page itself.
- All pledged stocks are marked as pledge in the client's demat account until they are unpledged. The process of pledging will cost ₹20 plus GST per scrip irrespective of the quantity, and there is no charge for unpledged. So if you pledge 100 shares of Infosys and 200 shares of Reliance, the cost for pledging is ₹40 plus GST (20*2). This charge will be debited from your ledger the day the pledge request is processed.
- You will continue to get benefits of all corporate actions like dividends, splits, bonuses, etc. on the stocks you have pledged.
- This facility is available only for those clients who have opened a demat account through DP TradeKING with PoA duly mapped to DP TradeKING. It is not available for non PoA accounts.
- DP TradeKING reserves the right to liquidate any stock in case debit arises in the client's account and subsequent non payment of such debits.
- DP TradeKING reserves the right to make any changes in the policy with due intimation to the client.

Debit balance

Delayed payment charges

DP TradeKING follows the practice of posting the settlement obligation towards their transaction in the client ledger on the settlement date. All clients are advised to make the payment before the pay-in time on the settlement day, though there are instances wherein client may delay the payment beyond the settlement date. Although, it is obligatory for a broker to meet the settlement obligation in time, therefore, in order to ensure timely receipt of funds from clients towards their payment obligation, "charges for delayed payment" are levied in the client's account. The sum towards "charges for delayed payment" is levied to discourage delayed payment from clients who do not deposit the required sum of money before the payin time on the payin day. "Charges for delayed payment" are levied on the respective ledger debit of the clients at a rate of 18% per annum of the debit balance in the account. For the purpose of reckoning debit balance, the debit balance in the client ledger is consolidated across all segments of the respective exchange after giving effect to the release of margin.

Charges on FO position

In the Equity Derivative Segment and Currency Derivative Segment, we accept the approved securities from clients for margin purpose. Exchanges stipulate that for overnight F&O positions, 50% of the margin needs to compulsorily come in cash and the remaining 50% can be in terms of collateral margin. If you don't have enough cash, your account will be in debit balance and there will be an interest charge also called delayed payment charges at a rate of 18% per annum applicable on the debit amount. So assume you take positions that require a margin of Rs 1 lakh, you will need at least Rs 50,000 in cash irrespective of how much collateral margin you have. Assuming you don't have this Rs 50,000, whatever you are short by will be the debit balance for the day, and interest will be applicable for that amount. Liquid bees are considered as cash equivalents by the exchange, so the above 50% rule wouldn't apply. So margin received from pledging liquid bees will be as good as having cash in your trading account. Check this blogpost if you have any queries regarding pledging.

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Contract notes and Margin statement

DP TradeKING will issue contract notes & margin statements to its clients over registered email ID within 24 hours of the trade taking place. Along with the Contract Note, the client shall also be furnished with a copy of the daily margin status which is also available to be viewed on their respective Backoffice Personal Ledger.

Demat Accounts

DP TradeKING will maintain client's securities in a designated account called the Client Beneficiary Account. The securities of DP TradeKING will be kept in a separate demat account termed as DP TradeKING Beneficiary Account. The clients' and DP TradeKING's own securities will not be mixed with each other.

DP TradeKING will open all DP Accounts with NSDL Depository under DP ID IN304182 of DP TradeKING Private Limited. A client has the facility of linking his existing Demat Account to the Trading Account and taking delivery of stocks or opening a new Demat Account with DP TradeKING under NSDL Depository DP ID IN304182. A client who wants to fully engage in trading in the Delivery Segment of NSE/BSE, will have to compulsorily open an account with DP TradeKING Private Limited Transfer of shares from a third-party Demat account in to DP TradeKING's pool account and subsequent selling of such stocks is not allowed.

Trades

The trades of clients shall be carried out in the respective client code only. The dealers shall take utmost care while executing the trades of the clients regarding the accuracy of Client Code, Quantity, Price, etc.

Illiquid Securities

The Exchanges specifies a list of Illiquid Securities where higher due diligence is to be exercised by the Brokers. The list is displayed in our website for client's information. The trade pattern in such scrips by our clients is monitored. In case of high volume in any scrip compared to Exchange volume, the client is asked to submit clarification.

Closing of accounts/dormant account

The Clients account shall be closed upon a specific request from the client. The closure shall be effective only after a period of one month has elapsed from the date of application/intimation or the date of settlement of account whichever is later. Client has to settle his/her account before giving application for closure of an account.

Settlement of account shall mean that there is no outstanding balance of shares or funds in the books of the client and DP TradeKING and the same is confirmed by the client. The date of confirmation shall

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be the effective date of settlement. As far as dormant accounts are concerned, we do not close such accounts, but mark the same as “Inactive” till further action by the concerned client.

Employee Training

We have policy for ongoing employee training programme so that the total staffs of our company completely aware of the provisions of AML and CFT procedures and amendments thereof. These training programmes are totally focused for frontline staff, back office staff, compliance staff, risk management staff and staff dealing with new customers as it is very crucial that all those concerned fully understand the rationale behind these guidelines, obligations and requirements, implement them consistently and are sensitive to the risks of their systems being misused by unscrupulous elements, if there is any lapse on the part of any staffs of the company.

A register of attendance of participation in such Education/ training program is maintained for the employees, kept secured with the Compliance Department.

As resolved DP TradeKING shall take adequate measures as per its internal policy to prevent money laundering and shall also put in place a frame work for PMLA policy. The policies and procedures as mentioned above shall not be final as it may adopt additional measures to safeguard its interest with respect to activities associated with PMLA.

Investor grievances

The Compliance Officer shall be the designated officer for handling the Investors Grievances and Client Complaints. The email ID you can write to in case you have any grievance is grievance@dptradeking.com.

The resolution of the Complaint shall be done at the earliest and the same shall be recorded in the register along with the date of resolution.

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DP TradeKING PMLA Policy

Anti Money Laundering Measures

Background

The Prevention of Money Laundering Act, 2002 came into effect from 1st July 2005. Necessary Notifications / Rules under the said Act were published in the Gazette of India on 1st July 2005 by the Department of Revenue, Ministry of Finance, and Government of India.

SEBI vide circular dated 18th January 2006 required Market intermediaries to lay down policy framework for anti money laundering measures to be followed. DP TradeKING being a Stock Broker needs to adhere to the same. SEBI has also issued a Master circular dated 19th December 2008, which consolidates all the requirements/obligations issued with regard to AML/CFT until December 15, 2008

Objective

Money laundering has now become one of the major concerns of international financial community. Money Laundering is not just an attempt to disguise money derived from illegal activities. Rather, money laundering is involvement in any transaction or series of transactions that seek to conceal or disguise the nature or source of proceeds derived from illegal activities, including drug trafficking, terrorism, organized crime, fraud and many other crimes.

The objective is to have a system in place for preventing any money laundering financial transaction through us and also to identify, monitor, report any such transaction to appropriate authorities.

“Know Your Customer” (KYC) is the guiding principle behind the Anti-Money Laundering (AML) measures. It incorporates the “Know Your Customer” Standards & “Anti Money Laundering” Measures, hereinafter to be referred as “KYC Standards” and “AML Measures”. The objective of is to “have in place adequate policies, practices and procedures that promote high ethical and professional standards and prevent the Company from being used, intentionally or unintentionally, by criminal elements”. KYC Standards and AML Measures would enable the Company to know/ understand its customers, the beneficial owners, the principals behind customers who are acting as agents and their financial dealings better which in turn will help the Company to manage its risks prudently

The management of the company is fully committed to establish appropriate policies and procedures for ensuring effectiveness and compliance with respect to all relevant legal requirements.

The regulatory / statutory requirements

An officer of the company will be designated as “Principal Officer” who will ensure proper discharge of all legal requirements with respect to the same Mr. Bhavik Patel, Compliance Officer is the Principal Officer responsible for

- Compliance of the provisions of the PMLA and AML guidelines
- Act as a central reference point and play an active role in identification & assessment of potential suspicious transactions

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- Ensure that DP TradeKING discharges its legal obligation to report suspicious transactions to concerned authorities.

The main aspect of this policy is the customer due diligence process which means:

- Obtaining sufficient information about to the client in order to identify who is the actual beneficial owner of the securities or on whose behalf transaction is conducted
- Verify the customers identity using reliable independent source document, data or information
- Conduct on-going due diligence and scrutiny of the account/ client to ensure that the transaction conducted are consistent with the clients' background/ financial status, its activities and risk profile.

The customer due diligence process includes three specific parameters:

- Policy for acceptance of clients : Each client should be met in person Complete KYC to be done for all clients No account to be opened in a fictitious/benami name or on an anonymous basis
- Clients Identification Procedure (Risk profiling) All clients to be classified as per the risk into 3 categories Low, Medium and High Risk
- Suspicious Transaction identification and reporting Any unusual activity compared to past transactions Sudden activity in Dormant accounts Sudden High volume / high value transactions
- National Securities Depository Limited (NSDL) communique through Ref: Circular No. NSDL/POLICY/2017/0021 dated April 12, 2017 advises that the Beneficial Owners should submit/update their Aadhar Card copy with the Depository Participant. Please ensure that you update your Aadhar Number with DP TradeKING as per the mentioned notices.

The principal officer shall report the nature, amount, date and all related details of any and all suspicious transactions recorded.

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DP TradeKING Surveillance Policy

Surveillance Measures

Background

We along with our Employees/Branch-Offices/Sub-Brokers/Authorized Persons are the first touch point in the securities market for investors and are expected to have reasonably fair understanding about their client(s) and its trading activity. Thus, Exchanges/regulators have entrusted on us the first level of the responsibility to ensure that neither us nor our client(s) are misusing the trading system by indulging in manipulation or any other illegal activities which can cause risk to the integrity of the market and distorts the equilibrium of the market. In addition to the exchange/SEBI surveillance directives issued from time to time this policy has been prepared with the following objectives:

- Alerts to be generated.
- Threshold limits and the rationale for the same.
- Review process.
- Time frame for disposition of alerts and if there is any delay in disposition, reason for the same should be documented.
- Suspicious/Manipulative activity identification and reporting process.
- Record Maintenance.

Applicability

The policy is applicable to the stock broking operations and depository participant (DP) operations w.e.f. 01.08.2021 of DP TradeKING Private Limited (DPTKPL). The policy is approved in the meeting of Board of Directors of DP TradeKING Private Limited (DPTKPL). dated 19th July 2021, Monday.

The policy is framed in accordance with the provisions of SEBI Circular No. SEBI/HO/ISD/ISD/CIR/P/2021/22 dated 01st March 2021, NSE Circular No. NSE/SURV/48818 dated 01st July 2021 and NSDL Circular No. NSDL/POLICY/2021/0072 dated 15th July 2021.

Surveillance Policy for Stock Broking:

The Stock Exchanges viz. NSE and BSE are providing alerts based on predefined criteria to the all the stock brokers including DPTKPL through their portals. As per applicable Circulars, DPTKPL is reviewing these alerts and taking appropriate actions after carrying out due diligence viz. either disposing off alerts with appropriate reasons/findings recorded or filing Suspicious Transaction Report (STR) with FIU-India in accordance with provisions of PMLA (Maintenance of records) Rules, 2005.

In addition to the same, DPTKPL has framed its Surveillance Policy for Stock Broking operations to generate alerts as per guidance provided in NSE Circular No. NSE/SURV/48818 dated 01.07.2021 based on following criteria:

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NSDL: Depository Services through DP TradeKING Private Limited -
SEBI Registration No. : IN-DP-318-2017 (DP ID : IN304182).

Registered Office: 3rd Floor, Silver Oak, Opp. Panchal Hall, Town Hall Road, Anand - 388001, Gujarat.

- Trading activity in a single day by one client or group of clients who have contributed more than 25% in single scrip or a single derivative contract.
- A client or a group of clients who are either new client/ clients or who have reactivated their trading account after significant time gap and who have contributed more than 50% of the total trading volume of a single scrip or derivative contract in a single day.
- Client or a group of clients dealing frequently in small quantities in a scrip.
- Trading activity of a client found to be disproportionate considering a reported income range details or networth.
- A client who has submitted modification request for changes in his/her/its demographic details of address, email id, mobile number, bank details etc. at least twice in a month.
- A client or a group of clients who have been found to have direct or indirect connection with a listed company and who have executed any transactions prior to any dissemination of any price sensitive information by such listed company.
- A client or group of clients having more than 20% volume of any scrip listed in for 'information list' or 'current watch list'.
- A client or group of clients which persistently earn or incur high amount of loss through their trading activities or clients who appear to have executed trades with the objective of transfer of profits or losses.
- A client who is holding more than 5% of paid up capital of a listed company and has pledged 100% of his/her/it's such holding for margin purpose and who has also significant trading volume in the same scrip which he/she/it holds.
- In case of a client or a group of clients who have been identified as per any of the above 9 criteria and whose orders are placed through a dealing office which is far from such client's address as per his/her/its KYC.
- A client having demat account with DPTKPL and who has holding in a scrip of more than 5% of paid up capital of a listed company which has received the same shares through off-market transfer.
- A client who has received shares of a listed company through multiple off-market transfer and has pledged such shares.
- Identification of IP addresses of clients to identify multiple client codes trading from same IP address.
- Clients who are connected with each other as per key KYC parameters of the clients as updated by respective client.
- The stock broking operation shall review the alerts provided by Stock Exchanges on an ongoing basis and shall ensure to process the same as early as possible. In any case, these alerts will be processed within 45 days from the date of generation of the alert by the Stock Exchanges.
- In case of any delay in disposing off any alerts, reasons for the same shall be recorded.
- The stock broking operation shall identify suspicious/ manipulative activities undertaken by any client through monitoring of order(s) and trade(s).
- The stock broking operation shall, in case of reporting of any transaction as STR to FIU-India, shall evaluate whether any further action including suspension of the trading activity of the suspect client(s), reporting to Stock Exchanges/SEBI and/or other Regulatory Authorities.

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- The stock broking operation shall maintain records for such period as is prescribed under PMLA (Maintenance of Records) Rules, 2005, and Securities Contracts (Regulation) Rules, 1957 and any other directions as may be issued by SEBI/ Stock Exchanges from time to time.

Surveillance Policy for operations as Depository Participant

NSDL is providing transactional alerts on biweekly basis based on threshold defined by NSDL to the all the Depository Participants including DPTKPL through NSDL report download utility. As per applicable Communiqués, DPTKPL is reviewing these alerts and taking appropriate actions after carrying out due diligence viz. either disposing off alerts with appropriate reasons/findings recorded or filing Suspicious Transaction Report (STR) with FIU-India in accordance with provisions of PMLA (Maintenance of records) Rules, 2005.

In addition to the same, DPTKPL has framed its Surveillance Policy for Stock Broking operations to generate alerts as per guidance provided in NSE Circular No. NSE/SURV/48818 dated 01.07.2021 based on following criteria:

- Multiple Demat accounts opened with same PAN/mobile number/ email ID/ bank account details/ address. While reviewing BO account details, the details of existing BO shall also be considered.
- Email/ letters sent to clients on their registered email ID/address which bounces/ returns undelivered.
- A BO who has submitted modification request for changes in his/her/its demographic details of address, email id, mobile number, bank details, POA holder, Authorised Signatory etc. at least twice in a month.
- Frequent off-market transfer of securities more than twice in a month without genuine reasons.
- Off-market transactions not commensurate with the income/networth of the BO.
- Pledge transactions not commensurate with the income/networth of the BO.
- High value off-market transfer immediately after modification of either email ID/mobile number/ address without genuine reason.
- Review of reasons for off-market transfer provided by the BO which appears non-genuine based on either profile of the BO or on account of reason codes, including frequent off-market transfer with reason code gift/donation to unrelated parties and/or with reason code off-market sales.
- Sudden increase in transaction activity in a newly opened account in a short span of time. An account in which securities balance suddenly reduces to zero and an active account with regular transaction suddenly becomes dormant.

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Proprietary Notice

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