

SANKALP SHARE BROKERS PVT. LTD..

INTERNAL CONTROLS

1. Registration of Clients :

All clients in our Company are allowed to trade only after they have completed the Registration process including the filling of Account Opening Form & KYC Documents (KYC Documents to be done in case of non KRA Registered clients). For Clients who are already registered under KRA a softcopy of the same is download from KRA Authority. In case of fresh KRA the scanned copy of the same is uploaded to KRA registering Authority for registration at their end. Further a copy of Rights & Obligations, Risk Disclosure Document, Guidance Note, Policies & Procedures along with a copy of Tariff Sheet is given to clients. Further there are some other documents which are Non- mandatory to be executed by clients at their discretion. A receipt is taken from the client as a token of his acceptance of all the documents. After verifying the details given by clients, In-person verification is done & the client code is generated and activated in the system.

2.Receiving , Validating & entering the orders of clients in the trading platform :

After Registration details are uploaded to the Exchange and the client code is allotted to the Client the same is mapped to a dealer in the Front end office and the client is authorized to place the orders only after the mapping has taken place .The orders of the clients are accepted verbally on phone or they can come to our office and ask the person in-charge of the terminal to enter the orders on their behalf . In case of dormant accounts i.e. accounts which are inactive for more than eight quarters the client is required to furnish a latest Bank statement or any other documents

to re-activate the client account.

3. Collection and Release of Payments to clients :

Cheques are normally collected from the client within one working day of the transaction taking place and payment is made to the clients within 24 hours of pay-out. However if client has given us a authorisation to maintain running account (separately by authorizing us in writing) the same can be released any time at his order.

4. Collection and maintenance of Margins :

Margins are collected from specific clients and kept in separate client margin account before a transaction takes place and in case of Mark to Market the same is notified to the client upon receiving of the same from the exchange and requested him to make the payment by next day . The margin is refunded once the client asks for the same after ensuring that there are excess deposit in his account or there is no outstanding position in his account.

5. Collection and delivery of Securities to the Clients .

Collection of securities for pay-in is received from the client from there respective demat accounts only before pay-in and pay-out is made to clients within 24 hours of receiving the same from the respective clearing corporation subject to realization of funds. Further own securities are kept in separate beneficiary account. If the client furnishes securities as margin they are kept in an account designated for receiving shares on account of client margin.

6. Monitoring of Branches / Sub-Brokers / DP Operations etc.

We do regular visit at our branches to check the proper compliance at branch level. We do not have any sub-brokers. As regards DP Operations they are carried out centrally at the head office with

properly trained staff.

7. Operation and Compliance Requirement :

Operations relating to various system and back office etc are looked after by Back Office Executives and Compliance related matters are looked after by our Compliance Officer. The above functions are performed regularly by the above mentioned persons and their team.

8. Payment of Dividend etc.

Payment of Dividend etc. are made to clients as and when they are received by the Company on behalf of the Client. A credit note giving the details of dividend thereof is given to the client for his records.

9. Continuity planning / Alternate plan in case of disaster etc.

Currently we are using multiple lease lines, V-sats and internet mode of connectivity with exchanges. With relation to back office operations the back office data are backed up regularly on a daily basis and a copy of the same is kept in safe and another copy at secure place outside the office premises.

10. Control relating to Communications with client and Access to Social Networking

Prohibition on circulation of unauthenticated News:

To Protect Investors to Stop Unauthenticated News Circulation by the Company's Employees/Temporary Staff or other dealing person and by company Infrastructure. As per code of conduct for Stock Broker in SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 and SEBI circular Cir/ISD/1/2011 dated March 23, 2011, all SEBI registered market intermediaries are required to have proper internal code of conduct to govern the conduct of its Employees. In view of same, Sankalp Share Brokers Pvt Ltd. implements code of conduct for communicating through various modes of communication. Company

Directors/ Officers /Employees/ Temporary Staff/ Voluntary Workers are prohibited from:

1. Circulation of unauthenticated news related to various Scrips in blogs/chat forums/ email etc.
2. Encouraging or circulating rumors or unverified information obtained from client, industry, any trade or any other sources without verification.
3. Either forwarding any market related news received in their official mail/personal mail/blog or in any other manner except after the same has been seen and approved by the Compliance Officer.

Our Company Directors/ Officers / Employees/ Temporary Staff /Voluntary Workers are restricted from circulation of rumors or unverified information obtained from client, industry, any trade or other sources without verification.

The Company Directors/ Officers / Employees/ Temporary Staff /Voluntary Workers will have to seek prior approval from Compliance Officer of Sankalp Share Brokers Pvt Ltd before forwarding any market related news received by them either in their official mail/ personal mail/blog or in any other manner and all the reporting with regard to violation of the same shall be done to the designated Compliance Officer.

If an employee fails to do so, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for disciplinary action.

Access to Blogs/chat forums/messenger sites etc. has been restricted by Sankalp Share Brokers Pvt Ltd and is not allowed.

11. Redressal Mechanism for Investor Grievance

Investors have been intimated about the exclusive E-mail Id at the time of opening their client account with us and periodically when we send them quarterly statement of funds and accounts and the Email Id

is also displayed on the contract notes which the investor receives when he executes a trade with us. If an investor wants he can address his grievance through this exclusive email Id or if he so desires he can come to our office and write his grievance in the Complaint Register or otherwise he can write a letter addressed to the Compliance Officer of the Company detailing his grievance . After receiving the grievance the Compliance officer looks at the matter and try to resolve the matter on a priority basis within seven days of receiving the grievance. If the matter is not some how resolved within seven days the investor is updated about the progress of the grievance regularly and it is the duty of the compliance officer to resolve the matter on a priority basis at the earliest .