

## **CLIENT REGISTRATION & CLOSURE OF CLIENT ACCOUNTS**

### **A. Policy for acceptance of clients:**

The company is governed by the byelaws, rules, and regulations of the SEBI and Multi Commodity Exchange of India Limited. The authorities have specified minimum documentation and verification required before opening an account of a client, which is quite extensive. We do not outsource client registration service. Apart from that the authorities have made rules and regulations and issued circulars from time to time for proper governance of securities market. Compliance of these rules and regulations ensures that all the transactions have proper audit trail as well as client verification. However, all representatives of the company must ensure following while opening an account of a client and doing transaction with them:

- a) No account is opened in a fictitious / benami name or on an anonymous basis.
- b) Factors of risk perception (in terms of monitoring suspicious transactions) of the client are clearly defined having regard to clients' location (registered office address, correspondence addresses and other addresses if applicable), nature of business activity, trading turnover etc. and manner of making payment for transactions undertaken. The parameters shall enable classification of clients into low, medium and high risk. Clients of special category (as given below) may, if necessary, be classified even higher. Such clients require higher degree of due diligence and regular update of Know Your Client (**KYC**) profile.
- c) Documentation requirements and other information to be collected in respect of different classes of clients depending on the perceived risk and having regard to the requirements of Rule 9 of the AML Rules, Directives and Circulars issued by SEBI from time to time.
- d) Ensure that an account is not opened where the company is unable to apply appropriate Client Due Diligence measures/ KYC policies. This shall apply in cases where it is not possible to ascertain the identity of the client, or the information provided to the intermediary is suspected to be non - genuine, or there is perceived non - co-operation of the client in providing full and complete information. The company shall not continue to do business with such a person and file a suspicious activity report. It shall also evaluate whether there is suspicious trading in determining whether to freeze or close the account. The company shall be cautious to ensure that it does not return securities of money that may be from suspicious trades. However, the company shall consult the relevant authorities in determining what action it shall take when it suspects suspicious trading.
- e) The circumstances under which the client is permitted to act on behalf of another person / entity shall be clearly laid down. It shall be specified in what manner the account shall be operated, transaction limits for the operation, additional authority required for transactions exceeding a specified quantity/value and other appropriate details. Further the rights and responsibilities of both the persons i.e. the agent- client registered with the intermediary, as well as the person on whose behalf the agent is acting shall be clearly laid down. Adequate verification of a person's authority to act on behalf of the client shall also be carried out.

- f) Necessary checks and balance to be put into place before opening an account so as to ensure that the identity of the client does not match with any person having known criminal background or is not banned in any other manner, whether in terms of criminal or civil proceedings by any enforcement agency worldwide
- g) The Client Due Diligence process shall necessarily be revisited when there are suspicions of money laundering or financing of terrorism (ML/FT).

## **B. Registration Procedure:**

### **Individual Clients**

- a. Generally a client is **introduced by another existing client or by new/existing branch head/relation managers/ Authorised Persons**. However, if a client approaches directly, a proper verification of address, occupation and credential must be carried out by the Compliance Officer.
- b. Know your client (KYC) / Client Registration form must be duly filled up and the information regarding residence/correspondence address, bank details, depository details **must be verified** with the original documents and if required from any other authentic sources.
- c. The Client must provide a recent photograph and necessary **identity proof and address proof** as specified in the KYC form.

### **Non Individual Clients**

- a. The company will open a trading account for Non-individual entity, if the Partner/ Director/ Karta of Partnership Firm/ Company/ HUF respectively is our client and he/she has been **properly verified** as mentioned for individual clients.
- b. Copies of PAN card, **financials for last 2 years** or from inception of such entity if such entity is not older than 2 years, must be obtained strictly.
- c. **Shareholding pattern** and list of controlling persons must be obtained
- d. **Photograph of each** Partner/Whole time Director/Karta/controlling person and details must be obtained as specified by the SEBI and Stock Exchange.

The registration forms which are duly filled in and signed are collected and sent to the Head Office. In-person Verification/ Digital KYC is done by the employees/Authorised Person (AP). Verifying Personnel's Name, Designation Signature and date of verification is marked in the Registration form. Then the client details are entered in the Back Office software after receipt of the original forms and supporting documents.

For outstation clients an online verification through SKYPE or any other such mode is carried out after receiving the hard copy of account opening form in HO.

Defective forms are sent back to the clients/AP for rectification with a covering note. For all satisfactory forms, PAN is checked with IT site and then required additional details, if any are entered in the back office, based on the Original form.

For individual clients we have incorporated financial details in our client registration kit and it is ensured that the same is duly filled by the client and the bank statement for the previous three months and minimum six months for derivative clients/ last ITR copy is also collected from the clients. For Corporate clients we are collecting at least 2 years' audited financial statements and income tax return.

Thereafter, the Unique Client Code (UCC) code is generated and activates the account after cross verification of all the details once again. The Required client details are then uploaded to Commodity Exchange site. After obtaining the Success file the same is given for mapping in the trading terminal.

A welcome kit including a welcome letter mentioning the Client code, Xerox copy of the Client registration form are sent to the Client and the proof of dispatch is maintained. The Unique Client Code activated for the client is intimated to the client by means of E-mail & SMS simultaneously.

All the Client forms and the supporting documents are kept in safe custody at the Head Office. We have also started the process of updating the Client details including the financial details at regular intervals. This process is done in co-ordination with the APs.

### **Execution Procedure**

#### **A. Client Registration Policy**

The agreement along with the Know Your Client (KYC) and Risk disclosure document (RDD) should be signed by the client. The required documents should be collected from the clients strictly as per the documents mentioned in the checklist of the agreement book.

- Primary Client Agreement checking by Back Office executive.
- Final Checking by Senior Back Office Executive including interview if required.
- Allotment of Client Code.
- Uploading the client details to the MCX by Senior Back Office executive or Compliance Officer.
- On receipt of Valid Report, confirming the codes allocated to clients by Back office executive.
- Final Review by Internal Auditors.
- Periodical Review of financial data by Compliance Officer on yearly basis of all active clients by Back Office executive.
- Deactivation of Client Code by Senior Back Office executive on receipt of written documents from Client and/or written instruction from Compliance Officer/ Board of Directors.
- Intimation in writing to Client regarding deactivation of client code & reason thereof.
- Keeping client Registration kit of closed account separately and/or handover records to legal department.
- Accounts introduced by 'deactivated client' to review & report the same to Compliance Officer.

### **Closure of Client Accounts**

The Client accounts shall be closed upon receipt of a closure request received from the client as per the specific format as decided by the Company, from time to time. 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 or the date of re-activation of dormant account whichever is later.

Settlement of account shall mean that there is no outstanding balance in the books of the client and Achievers Commercial Pvt Ltd (ACPL) and the same is confirmed by the client. The date of confirmation shall be the effective date of settlement. If the Client has credit balance in his/ her account, the remaining amount will be refunded to the client and if the client has debit balance in his/ her account, he/she will clear all his/ her dues first before closing the accounts.

If the account is dormant and the client wants to close his/ her account, he/ she will follow the procedure of re-activation of dormant account first as per the Company's policy on Re-activation of Dormant Accounts. His/ her account will be closed only after re-activation of dormant accounts successfully.

### **Dormant Accounts & Procedure of Re-activation**

In case of dormant trading accounts in which no transaction has been placed during the last 365 days (Three Hundred and Sixty Five days) i.e., 12 calendar months, the account of the client shall be suspended and the client shall not be permitted to execute a fresh transaction in the account unless the client provides either of the following:

- A written request in hard copy along with completed & signed Dormant Account Reactivation Form to reactivate the account and process the transaction duly signed by Client and submitted to HO along with the latest 6 months' bank statements for updating the financial details.
- Concerned Dealers are required to check the identity of the person before taking down orders.
- The said client before placing orders has to confirm their KYC requirements as provided earlier and in case the KYC requirement stands changed meanwhile, he will be required to first comply with the latest one.

The Compliance Team shall take necessary measures to reactivate the dormant clients after verifying all the documents.

**For Achievers Commercial Pvt Ltd**

Sd/-

**Pankaj Kumar Das**  
**Compliance Officer**

### **Order Receipt & Execution**

The company is governed by the byelaws, rules, and regulations of the SEBI and Multi Commodity Exchange of India Limited. The authorities have specified minimum documentation and verification required before opening an account of a client, which is quite extensive. Apart from that the authorities have made rules and regulations and issued circulars from time to time for proper governance of securities market. Compliance of these rules and regulations ensures that all the transactions have proper audit trail as well as client verification. However, all representatives of the company must ensure following while opening an account of a client and doing transaction with them:

- e) No account is opened in a fictitious / benami name or on an anonymous basis.
- f) Factors of risk perception (in terms of monitoring suspicious transactions) of the client are clearly defined having regard to clients' location (registered office address, correspondence addresses and other addresses if applicable), nature of business activity, trading turnover etc. and manner of making payment for transactions undertaken. The parameters shall enable classification of clients into low, medium and high risk. Clients of special category (as given below) may, if necessary, be classified even higher. Such clients require higher degree of due diligence and regular update of Know Your Client (**KYC**) profile.
- g) Documentation requirements and other information to be collected in respect of different classes of clients depending on the perceived risk and having regard to the requirements of Rule 9 of the PML Rules, Directives and Circulars issued by SEBI from time to time.
- h) Ensure that an account is not opened where the company is unable to apply appropriate Client Due Diligence measures/ KYC policies. This shall apply in cases where it is not possible to ascertain the identity of the client, or the information provided to the intermediary is suspected to be non - genuine, or there is perceived non - co-operation of the client in providing full and complete information. The company shall not continue to do business with such a person and file a suspicious activity report. It shall also evaluate whether there is suspicious trading in determining whether to freeze or close the account. The company shall be cautious to ensure that it does not return securities of money that may be from suspicious trades. However, the company shall consult the relevant authorities in determining what action it shall take when it suspects suspicious trading.

- h) The circumstances under which the client is permitted to act on behalf of another person / entity shall be clearly laid down. It shall be specified in what manner the account shall be operated, transaction limits for the operation, additional authority required for transactions exceeding a specified quantity/value and other appropriate details. Further the rights and responsibilities of both the persons i.e. the agent- client registered with the intermediary, as well as the person on whose behalf the agent is acting shall be clearly laid down. Adequate verification of a person's authority to act on behalf of the client shall also be carried out.
- i) Necessary checks and balance to be put into place before opening an account so as to ensure that the identity of the client does not match with any person having known criminal background or is not banned in any other manner, whether in terms of criminal or civil proceedings by any enforcement agency worldwide

#### **Order Receipt:**

Most of the times the client is entertained by the dealer who regularly deals with the client. The trades of clients are carried out in the respective client code only. The dealers take utmost care while executing the trades of the clients regarding the accuracy of Client Code, Quantity and Price etc. The orders from the clients are promptly executed by the dealers and the oral confirmation of the placement of the orders is immediately provided to the clients. Moreover, only registered clients are allowed to enter the dealing room for placing the orders.

#### **Mechanism for order management and execution:**

The clients are divided among the dealers at head office level, so that particular dealer can serve a particular group of clients which helps dealer to understand the client investment strategy in a better way & serve them accordingly. The orders are entered instantly by the dealer on the instruction given by the client. On execution of valid order into trade, dealers confirm the trade with the client so as to avoid any future dispute. Voice Logger System has been maintained for placing/ modification/ cancelling orders. At the end of the trading hours, the dealer informs the clients about the execution of the orders placed by the clients. Also a trade confirmation SMS message covering details of all the trades executed is forwarded to client after completion of trading hours on registered Mobile No. of the client.

#### **For Achievers Commercial Pvt Ltd**

**Sd/-**  
**Pankaj Kumar Das**  
**Compliance Officer**

### **Sending Contract Notes, Margin Statement, Statement of Accounts to Clients**

1. Contract notes, Margin Statement, Statement of Accounts have been sent electronically to the clients at their registered email id from the Head Office. The Company does not outsource the service of sending the said documents. Member shall ensure that all the rules/Business Rule/Bye-Laws/ circulars issued from time to time in this regard are complied with. In case of any change in the email id, the client shall communicate to the Member immediately about such change.
2. Contract Notes, Margin Statement and Statement of Accounts are sent to the clients at following intervals:
  - a. Contract Notes: within 24 hours of the trade taking place
  - b. Margin Statement: within 24 hours of the trade taking place
  - c. Statement of Accounts: Monthly
3. The Member shall ensure that all the said documents sent through the e-mail shall be digitally signed, encrypted, non- tamper able and in compliance with the provisions of the IT Act, 2000.
4. The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the said documents at the e-mail ID of the client.
5. The proof of delivery i.e., log report shall be maintained by the Member under the applicable rules/circulars/guidelines. The log report shall provide the details of all the documents that are not delivered to the client/e-mails rejected or bounced back. In case of such scenario, the said documents will mail again to the clients.
6. If any client requests that he/she does not receive the said documents, we will send the documents again to that particular client through email.
7. If the rights and obligations of the parties hereto are altered by virtue of change in Rules or Bye-laws, Rules and Business Rules of the relevant commodity exchange where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.
8. The Member shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant commodity exchange where the trade is executed.

**For Achievers Commercial Pvt Ltd**

**Sd/-**

**Pankaj Kumar Das**  
**Compliance Officer**

## **LIQUIDATION AND CLOSE OUT OF POSITION**

Without prejudice to our other rights (including the right to refer a matter to arbitration), the client understands that we shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.

In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, we may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge against the legal heir.

We shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a client. In case where defaulting client is a corporate entity/ partnership/proprietary firm or any other artificial legal entity, then the name(s) of Director(s)/ Promoter(s)/Partner(s)/Proprietor as the case may be, shall also be communicated by to the relevant Exchange(s).

We also intimate the client before square off his/her position through email/ calls. We could not square off his/ her position until he/ she authorizes the same. In cases of exceptional scenario, if the client does not receive calls or reverts back to our email, we wait for 2-3 days for his/her reply from the date of our email/ call and thereafter we square off his/ her position without waiting further.

Margin records have been kept by the Company. The email regarding details of short margin also sent to the clients through email.

**For Achievers Commercial Pvt Ltd**

**Sd/-**  
**Pankaj Kumar Das**  
**Compliance Officer**



### **TRANSFER OF TRADES**

As per the policy of the Company, transfer of trade from one account to other account is not permissible. 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.

In the exceptional error case, the matter shall be thoroughly investigated before the trade being transferred from one client to other client on the exchange platform.

In case the trade is captured in the wrong code due to typographical error, family member code, and wrong code conveyed by the client or any other, post investigation and understanding the matter, if the Board satisfies, allow transfer of trade. Further, in all the scenario, trade must be cross verified from both the clients, i.e. the client in which trade was done and client to who's account trade is to be transferred.

In all cases of transfer of trade, i.e. cases which came to the knowledge of the Management, will be placed and approved by the Board before such transfer.

**For Achievers Commercial Pvt Ltd**

**Sd/-**

**Pankaj Kumar Das**  
**Compliance Officer**

## **Investor Redressal Mechanism**

The Register of complaints is centrally maintained. The Company has a dedicated Customer Relation Team to monitor & redress complaints lodged with branches / AP. The Complaints received from clients through mail, letter at branches/AP is forwarded to Head Office (HO) through email, calls or post to respective Customer Relation Manager where they are redressed on online basis. If the complaint is not resolved at this level, then it is forwarded to Compliance Department. The pending investor complaints at this level is monitored by the Compliance Officer. Analysis of such complaints is done by the management and preventive measures have been taken and implemented.

Complaints registered against the company and received through exchanges are redressed by Compliance Department and are recorded in the Register of Complaints.

The Company has designated e-mail ID, i.e. [grievance@achiiversequitiesltd.com](mailto:grievance@achiiversequitiesltd.com) to enable investors to register their complaints.

The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.

The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued there under as may be in force from time to time.

The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.

The client/stock-broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stock-broker shall be binding on the client/stock-broker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stock-broker.

Cheques, DDs received by APs sent to the HO, records are maintained and the same has been taken into effect in the client's ledger immediately.

**For Achievers Commercial Pvt Ltd**

Sd/-

**Pankaj Kumar Das**  
**Compliance Officer**

## **OPENING & CLOSING OF BRANCHES/ AUTHORISED PERSONS (APS)**

### **Opening of Branches/AP:**

While opening a branch/ AP, account opening documents are submitted to the AP Cell, HO at first. After verification of all the documents, back office code generated and cheque in relation to registration fee is sent to Bank for clearing. Thereafter, AP branch code is created in the back office software and an agreement is entered into with the AP. All the documents are uploaded on the Exchange as well as the documents are sent to the AP. If the Exchange approves, hard copy of the agreement, welcome letter, flex, visiting cards are sent to the AP.

### **Closing of Branches/ AP:**

Branch/ AP closing either initiated at branch level if the branch manager shows his interest to discontinue or initiated by Head Office if the performance of the branch is not acceptable to the company. While closing the branch/ AP, branch/ AP and clients are informed about the closure of branch/ AP. At the time of registration of a client, the client is mapped both at AP and HO level. Therefore, while a branch/ AP surrenders their terminal, the client mapped to that branch/AP, transfer to the HO by default. An intimation is sent to the Exchange after closing all the client codes. Closing confirmation mail is sent to the branch/AP after receiving confirmation from the exchange and final cheque and ledger is couriered.

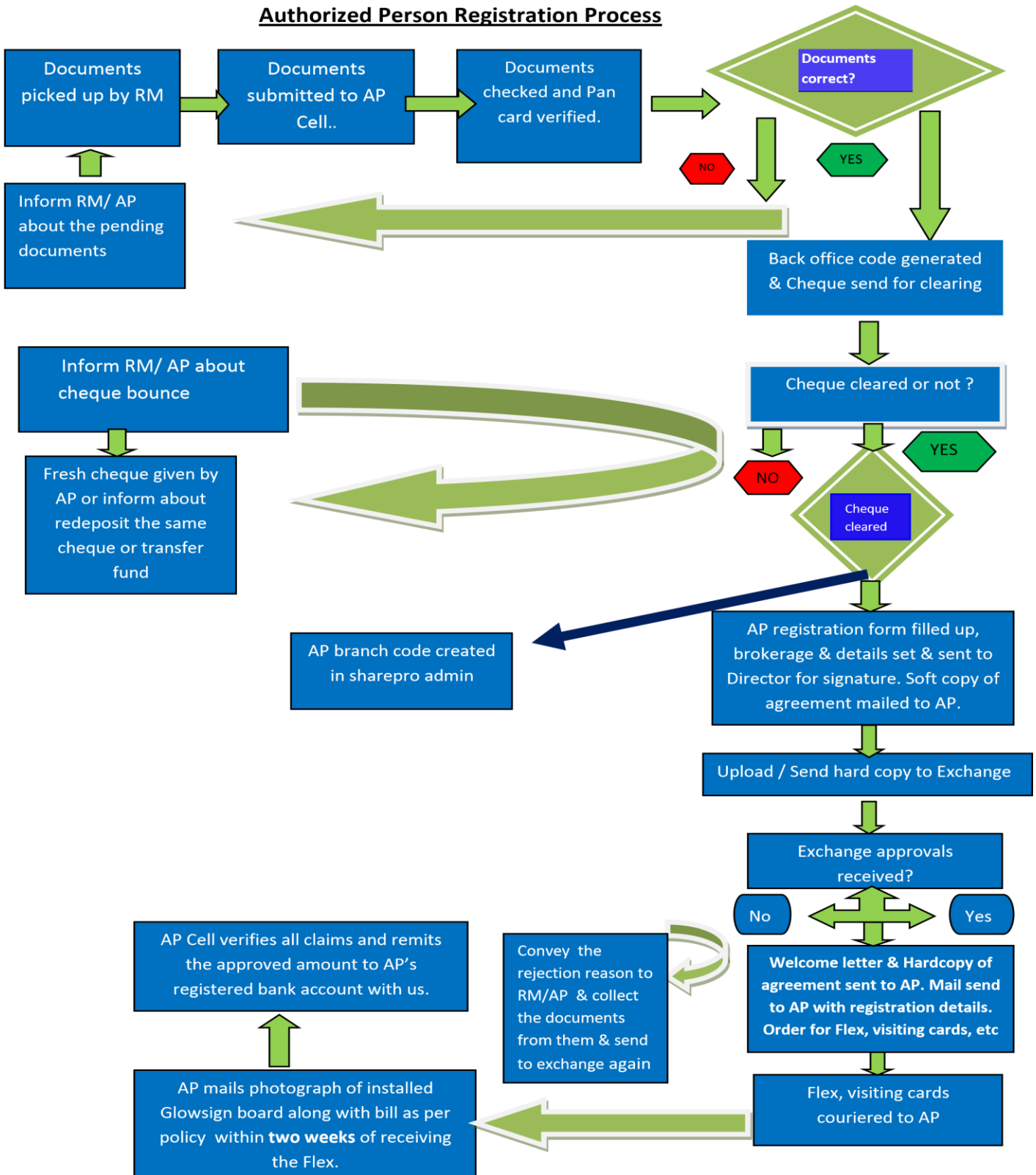
AP Registration Process and Cancellation Process are elaborated below through flow chart.

**For Achievers Commercial Pvt Ltd**

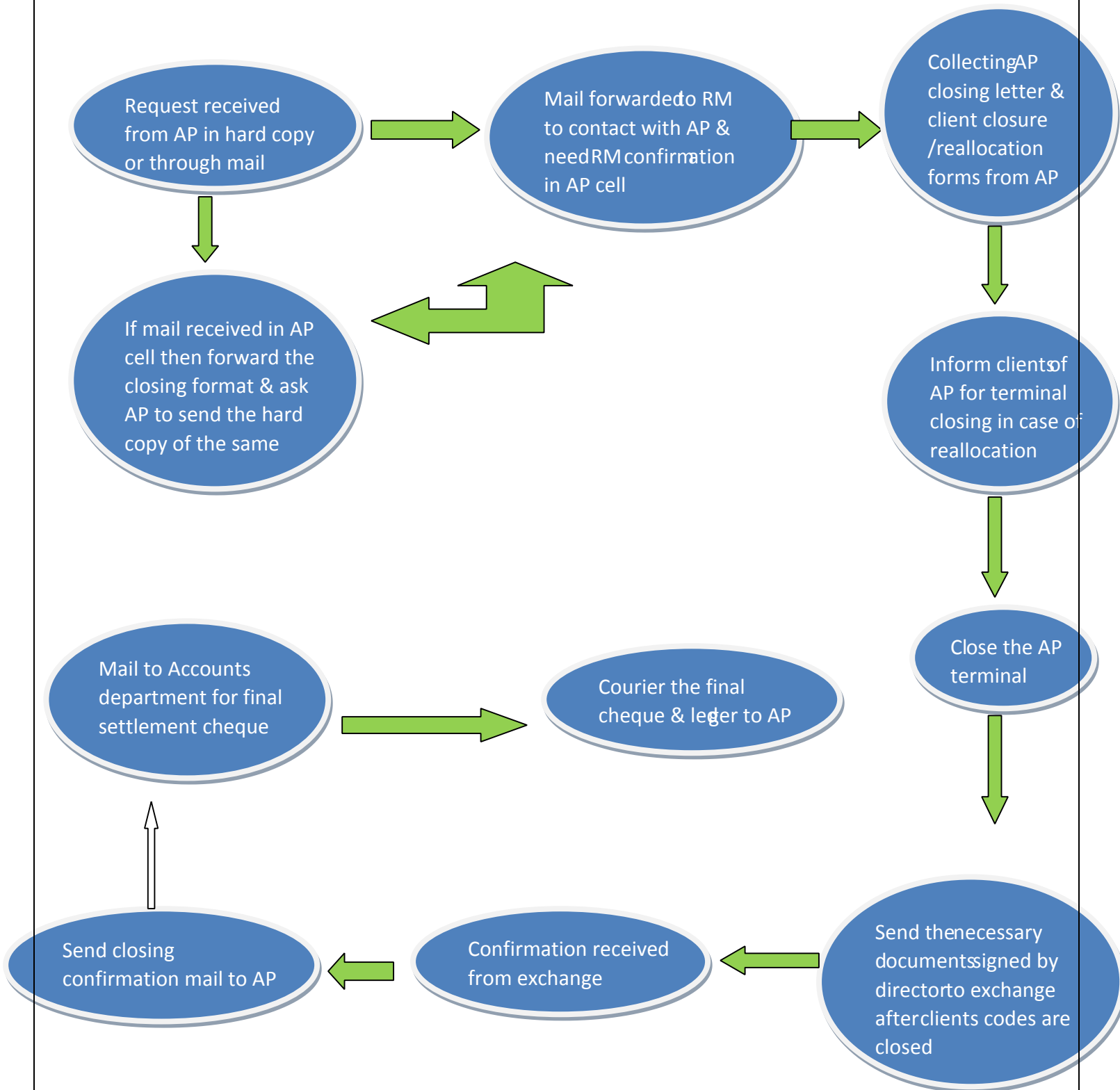
**Sd/-**

**Pankaj Kumar Das  
Compliance Officer**

### Authorized Person Registration Process



**Authorized Person Registration Cancellation Process:**



## **ALLOTMENT/SURRENDER OF TRADING TERMINALS, OPENING & CLOSING OF BRANCHES/AP**

### **Allotment / Surrender of Trading Terminals:**

The trading terminals are provided to the dealer/s that is/are appointed by the Company and authorized persons only. The Exchange compliance requirements regarding allotment of terminals is strictly adhered to while allotment of terminals. In case of any closure of Branch/AP, the entire user IDs allotted to that location are surrendered.

### **Opening of Branches/AP:**

While opening a branch/ registration of an AP, account opening documents are submitted to the AP Cell, HO at first. After verification of all the documents, back office code was generated and cheque in relation to registration fee is sent to Bank for clearing. Thereafter, AP branch code is created in the back office software and an agreement is entered into with the AP. All the documents are uploaded on the Exchange as well as the documents are sent to the AP. If the Exchange approves, hard copy of the agreement, welcome letter, flex, visiting cards are sent to the AP.

### **Closing of Branches/ AP:**

Branch/ AP closing either initiated at branch/AP level if the branch manager/ AP shows his interest to discontinue or initiated by Head Office if the performance of the branch/AP is not acceptable to the company. While closing the branch/ AP, branch/ AP and clients are informed about the closure of branch/ AP. At the time of registration of a client, the client is mapped both at AP and HO level. Therefore, while a branch/ AP surrenders their terminal, the client mapped to that branch/AP, transfer to the HO by default. An intimation is sent to the Exchange after closing all the client codes. Closing confirmation mail is sent to the branch/AP after receiving confirmation from the exchange and final cheque and ledger is couriered.

**For Achievers Commercial Pvt Ltd**

**Sd/-  
Pankaj Kumar Das  
Compliance Officer**

## **BRANCH/AUTHORIZED PERSONS (AP), INSPECTIONS**

Branches/ APs are inspected periodically by HO and Internal Auditor of the Company. Branches/APs will be monitored by phone and personal visit by HO officials at a regular interval.

Branches/ APs are monitored randomly to ensure below points:

- No Cash dealings with clients are carried out.
- No Contract note / confirmation has been issued to clients other than the ones sent by HO.
- No Commission, brokerage or fees has been accepted from any client by associate.
- No funds have been transferred from clients account to the account of associate or from account of one client to the account of another client.
- No personal trades of the associate have been executed in clients account under any circumstances.
- Whether records/ registers are maintained.

If any irregularities are found, the Branches/ APs are informed about the same during inspection and proper guidance are provided to them to eliminate the irregularities. The Branches/ APs may contact the Customer Care Relation team or the Compliance Department in case of any enquiry.

**For Achievers Commercial Pvt Ltd**

**Sd/-**

**Pankaj Kumar Das**

**Compliance Officer**

## **SURVEILLANCE POLICY PROCESS AND PROCEDURE**

### **Objective: -**

To monitor the trading pattern of client and to scrutinize the alert generated by system or Exchange. Record and report the outcome of scrutiny to exchange and Board of Achievers Commercial Pvt Ltd (ACPL).

Surveillance and monitoring is very crucial part of today's trading system. Effective surveillance can achieve investor protection, market integrity and safeguard of capital market. The main objective of surveillance is to stop suspicious and manipulated trading activity by individual or group of individuals on the exchange platform.

With reference to above mentioned objective of monitoring trading pattern of client and generating and scrutinizing alerts all exchange has started facility of generating alert and sending the same to member for scrutinizing and reporting.

The entire process of scrutinizing and reporting of alert has to be completed within 45 days from receipt of alert from exchange or any other time limit prescribed by Exchange or SEBI from time to time.

The process has to be carried out under monitoring and guidance of compliance officer Designated directors and compliance officer will be responsible for implementation of policy and process.

A quarterly MIS of receipt and generation of alert and status of the same has to be put before the board and reason for pendency has to be discussed and appropriate action should be taken.

### **STEPS TO BE FOLLOWED IN RESPECT OF TRANSACTIONAL ALERT:-**

- Review the alerts based from Exchange/generated at ACPL
- Type of alert downloaded by the Exchange
- Significantly increase in client activity (Periodicity Monthly)
- Sudden Trading activity in dormant account (Periodicity Monthly)
- Concentrated position in the Open Interest (Periodicity Daily)



- High Turnover concentration (Periodicity Daily)
- Financial details of the client
- Past Trading pattern of the clients/ client group
- Bank/Demat transaction details (The period for such statements may be at least +/- 15 days from the date of transactions)
- Other connected clients in TM's UCC (common email/ mobile number/ address, other linkages, etc.)
- Other publicly available information

**DIFFERENT TYPES OF ALERT AND PROCESS TO BE FOLLOWED:-**

S No.	Type of Alert	Segment	Process to be followed
1.	Significant Increase in client Activity.	Commodities	Review Client's KYC Obtain explanation from client To seek bank statements/ITR/ Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
2.	Sudden Trading Activity in dormant account.	Commodities	Review KYC & obtain fresh documents wherever necessary including reactivation letter. To seek bank statements / ITR Copy/ Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
3.	Client(s) / Group of client(s) deal in common Commodities	Commodities	Review KYC of clients based on information and find out if any nexus exists between them. Review the trading pattern in common commodities and profit and loss in each transaction.
4.	Client(s) / Group of client(s) dealing in Commodities in minimum lot size.	Commodities	Obtain explanation from client To seek bank statements / ITR / Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
5.	Client(s) / Group of client(s) concentration in a Commodities	Commodities	

<b>6.</b>	Circular trading	Commodities	Review KYC of clients based on information find out any nexus exists between them. Review the trading pattern in common commodities with respect to time and price at which order's are placed and executed and profit and loss for each transaction. Obtain explanation from client. To seek bank statements/ ITR/ Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
<b>7.</b>	Pump and Dump	Commodities	Review KYC of clients. Review the trading pattern. Obtain explanation from client. To seek bank statements/ ITR/ Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team
<b>8.</b>	Wash Sales	Commodities	Review KYC of clients. Review the trading pattern to ascertain amount of loss from each transaction. Obtain explanation from client. To seek bank statements/ ITR / Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
<b>9.</b>	Reversal of Trade	Commodities	
<b>10.</b>	Front running	Commodities	Review KYC of clients. Review the trading pattern with date of corporate announcement by company and ascertain amount of profit from each transaction. Obtain explanation from client. To seek bank statements/ ITR / Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.
<b>11.</b>	Concentrated position in open Interest / High	Commodities	Review KYC of clients. Review the trading pattern and position in capital market. Obtain

	turnover concentration		explanation from client. To seek bank statements if so deemed necessary by Compliance/Management team.
<b>12.</b>	Order book Spoofing / Large order away from market price	Commodities	Review KYC of clients. Review the trading pattern. Obtain explanation from client. To seek bank statements/ ITR / Warehouse receipt and/or DP statements if so deemed necessary by Compliance/Management team.

**This policy has been approved and taken on record in the meeting of the Board of Directors held on 15<sup>th</sup> Day of December, 2017.**

If any concern is seen post inquiry/ receipt of explanation from client, forward the alerts to the Exchange with comments and any documents deemed relevant. During the review of KYC information if any deviation is observed in parameters that are updated to exchange while uploading the UCC, then the revised parameters should be updated to Exchange. Record for each such alert analysis and conclusion drawn there on has to be maintained for the time period prescribed by Exchange/SEBI from time to time

**For Achievers Commercial Pvt Ltd**

**Sd/-  
Pankaj Kumar Das  
Compliance Officer**

## **POLICY ON DEALING WITH INACTIVE/DORMANT CLIENTS**

### **Introduction**

**ACHIEVERS COMMERCIAL PVT LTD** (hereinafter referred to as the 'Company') incorporated on 13<sup>th</sup> June, 2006 under Companies Act, 1956, is a Stock broker of the Multi Commodity Exchange of India Limited (MCX) registered under the Securities and Exchange Board of India (SEBI).

### **Background**

This is with reference to the Exchange Circular No. MCX/COMP/513/2009 dated December 15, 2009 and Circular No. MCX/COMP/298/2010 dated August 21, 2010 regarding dealings between a client and a stock broker.

**Accordingly the following Mechanism have been put in place:** The following accounts shall be categorized as Inactive/ Dormant Accounts:

### **Trading Account**

A Trading account in which no transaction has been carried out for a period of more than 365 days (Three Hundred and Sixty Five days) i.e., 12 calendar months shall be classified as an Inactive/Dormant Account.

## **TREATMENT OF INACTIVE/DORMANT ACCOUNTS**

### **Transactions in Dormant Trading Accounts**

In case of dormant trading accounts in which no transaction has been placed during the last 365 days (Three Hundred and Sixty Five days) i.e., 12 calendar months, the account of the client shall be suspended and the client shall not be permitted to execute a fresh transaction in the account unless the client provides either of the following:

- A written request in hard copy along with completed & signed Dormant Account Reactivation Form to reactivate the account and process the transaction duly signed by Client and submitted to Achievers Commercial Pvt Ltd along with the latest 6 months' bank statements for financial updation.
- Concerned Dealers are required to check the identity of the person before taking down orders.
- The said client before placing orders has to confirm their KYC requirements as provided earlier and in case the KYC requirement stands changed meanwhile, he will be required to first comply with the latest one.

The Compliance Team shall take the necessary measures as formulated in this policy to reactivate the dormant clients.

### **MONITORING OF TRANSACTIONS**

- Evaluation for dormant account will be done on a daily basis for Trading Accounts.
- Sudden activity in dormant accounts in large volume shall be viewed as a suspicious transaction and report will be generated.
- Such reports shall be reviewed by the Authorized Official.
- Transactions found to be suspicious shall immediately be reported to the Risk Management and Compliance Department.

### **RECORD MAINTENANCE**

- All the relevant documents, records, forms have been kept by the Company as per the rules and regulations framed by the SEBI/ Exchange or as decided by the Board of Directors from time to time, whichever is more stringent.

### **OTHERS**

**Return of Assets:** The Balances lying in the Dormant Trading accounts shall be returned to the client at the time of the calendar quarterly/monthly settlement. In the event the client wishes to receive the funds/securities from such Trading account before the calendar quarterly/monthly settlement, the Client shall make a request in writing which shall be submitted to Achievers Commercial Pvt Ltd (Head Office). The funds/securities from such Trading account shall be returned within 7 days from receipt of the request.

### **Review of Policy**

The policy may be reviewed as and when there is any change introduced by any statutory authority or as and when it is found necessary to change on account of business needs or Risk management Policy.

**For Achievers Commercial Pvt Ltd**

Sd/-

**Pankaj Kumar Das**  
**Compliance Officer**

## **ERROR CODE POLICY**

### **Reason/Purpose:**

1. The following would constitute genuine errors with regard to client code modifications:
  - Error due to communication and/or punching or typing such that the original client code/name and the modified client code/name are similar to each other
  - Modification within relatives ('relative' for this purpose would mean "relative" as defined under the Companies Act, 1956).
2. Shifting of any trade (institutional or non-institutional) to the error account of the trading member shall not be treated as modification of the client code under SEBI circular dated July 5, 2011, provided the positions arising out of trades in error account are subsequently liquidated/closed out in the market and not shifted to some other client code.
3. Trading members would be required to disclose the client codes which are classified as 'Error Accounts' to the exchange at the time of UCC upload.
4. With a view to minimize errors committed by the trading members, the exchange will also periodically review the trades following to the 'Error Account' of the trading members.

### **Work Procedure:**

#### **On Line Modification:**

- Genuine punching errors in the client codes while placing orders shall be allowed to be modified.
- Client code modification facilities shall be disabled from all the dealer terminals.
- Client code modification shall be carried out only from the admin terminals located at H.O. surveillance desk by Compliance Officer under the intimation to any of the directors.
- While carrying out code modification, genuineness of the punching errors shall be verified against corroborative circumstantial evidences like similarities of codes, trades in immediately preceding codes, square off

trades without holdings or position or any such other evidences shall have to be taken into account.

- Complete records of daily online trade modifications shall be maintained in soft form.

**Off Line modifications:**

- Genuine punching errors in client code, if detected after the end of post-closing sessions may be allowed to be modified subject to the verification of genuineness as narrated above.
- A register/approved mail are required wherein details shall be maintained for all such modifications. Concerned dealer/sub-broker/AP shall enter the required details.

**Reporting System**

- Client code modification issues should be reported to the Compliance Officer and can be done only after getting approval after knowing it is genuine as per the exchange directives.
- Any client code modification shall be subjected to this policy be carried at Head Office of the company.
- The company review the Error Account file sent by the Exchange periodically.

This policy is approved by the Board of Directors at their meeting held on 15 December, 2017 and the policy will be reviewed from time to time by the Board as required.

**For Achievers Commercial Pvt Ltd**

**Sd/-  
Pankaj Kumar Das  
Compliance Officer**

### **PREFUNDED INSTRUMENT POLICY**

1. Prefunded Instrument like Pay order/Demand Draft are acceptable under the SEBI & Exchange guidelines from clients for payin/shortfall of FO Margin etc. Preferably only A/C payee cheque will be receivable from clients for aforesaid purpose. If client want to provide us the same then client(s) have to submit the sufficient proof of aforesaid prefunded instrument issued form its own bank account which is registered with us.
2. Cheques/NEFT/RTGS from clients would be accepted only of those banks whose details have been provided during client registration.
3. No third party cheques would be accepted.
4. NO CASH PAYMENT IS ACCEPTED
5. The Braches/Clients/SB/AP should mail the details of the cheques deposited directly to the bank at [pay@achiiversequitiesltd.com](mailto:pay@achiiversequitiesltd.com). The branches/Clients/SB/AP should ensure that the mails should be receive by m so that the benefit made by the client can be posted to the ledger on the same day.
6. Clients are advised not deposit any cash directly to company's account. If cheque/DD/PO/NEFT/RTGS is deposited then intimation should be given in writing along with pay in slips/Ref. No. otherwise credit will not give to client till proper documents are received from client.
7. For outstation clients, payments made by the clients would be not posted to the account of the clients unless HO receives credit for the same by the bank since outstation clearing cheque takes a period of 15-20 days to get cleared.
8. Local Cheques received within 2 PM will be posted to the ledger on the same day. The effect of the cheques received beyond 2 PM would be given on the next day.
9. All the relevant records have been kept by the Company for the time being as specified under the rules and regulations of the applicable Act.

**For Achievers Commercial Pvt Ltd**

**Sd/-**

**Pankaj Kumar Das**  
**Compliance Officer**



## **POLICY ON CYBER SECURITY AND CYBER RESILIENCE**

### **Introduction**

We, Achiivers Commercial Private Limited (**the “Company”**), being a brokerage house, provides services to our customers. Therefore, it is necessary to have a robust cyber security and cyber resilience framework in order to provide essential facilities, perform critical functions systematically relating to securities market and to protect the data from cyber-attacks and cyber threats.

In view of the above circumstances, the Company adopts the Policy on Cyber Security and Cyber Resilience at its Board Meeting dated March 12, 2019 which will be effective from April 1, 2019.

### **Background**

SEBI has issued circular No. SEBI/HO/MIRSD/CIR/PB/2018/147 dated December 03, 2018, providing guidelines on Cyber Security and Cyber Resilience. The objective of the said circular is to adapt to the rapid technological developments in Securities Market which have highlighted the need for robust Cyber and Cyber Resilience at the level of Stock brokers/Depository participants who are performing significant functions in providing services to the holder of Securities.

In order to protect the integrity of data and guard against breaches of Privacy and to comply with the applicable regulations, Achiivers Equities Limited has framed a policy for implementation to meet the objectives.

### **Date of Implementation of the Circular**

Circular shall be effective from April 1, 2019.

It is observed that the level of Cyber-attacks and threats attempt to compromise the Confidentiality, Integrity and Availability (CIA) of the computer systems, networks and databases (Confidentiality refers to limiting access of systems and information to authorized users, Integrity is the assurance that the information is reliable and accurate and Availability refers to guarantee of reliable access to the systems and information by authorized users). Cyber Resilience is an organization’s ability to prepare and respond to a cyber-attack and to continue operation during, and recover from, a cyber-attack.

**Accordingly the following Policies & Procedures have been put in place:-**

**Governance**

**Risk management framework to Manage risk to systems, networks and databases from cyber-attacks and threats.**

- Identify, assess and manage Cyber Security risk associated with processes, information, networks and systems:
  - a) 'Identify' critical IT assets and risks associated with such assets.
  - b) 'Protect' assets by deploying suitable controls, tools and measures.
  - c) 'Detect' incidents, anomalies and attacks through appropriate monitoring tools/processes.
  - d) 'Respond' by taking immediate steps after identification of the incident, anomaly or attack.
  - e) 'Recover' from incident through incident management and other appropriate recovery mechanisms.
  
- As a Stock broker trading through APIs based terminal or acting as a depository Participants should refer best practices from international standards like ISO 27001, COBIT 5, etc., or their subsequent revisions, if any, from time to time.
- We have designated Mr. Suman Chakraborty, Director of the Company, to assess, identify and reduce security and Cyber Security risks, respond to incidents establish appropriate standards and controls and direct the establishment and implementation of processes and procedures as per the Cyber Security Policy.
- A reporting procedure has been designed to facilitate communication of unusual activities and events to the Designated Officer in a timely manner.
- The Designated officer and the technology committee will periodically review instances of cyber-attacks, if any, domestically and globally, and take steps to strengthen Cyber Security and cyber resilience framework.

**Identification**

- We have identified critical assets based on their Sensitivity and criticality for business operations, services and data management. Maintenance of up-to-

date inventory of the hardware and systems and the personnel to whom these have been issued, software and information assets (internal and external), details of its network resources, connections to its network and data flows. Accordingly identify cyber risks, along with the likelihood of such threats and impact on the business and thereby, deploy controls commensurate to the criticality.

## **Protection**

### **Access controls:**

- Any access to systems, applications, networks, databases, etc., should be for a defined purpose and for a defined period. To identify the access we have granted access to IT systems, applications, databases and networks on a need-to-use basis and based on the principle of least privilege. Implement an access policy which addresses strong password controls for users' access to systems, applications, networks and databases.
- Employees and outsourced staff such as employees of vendors or service providers, who may be given authorized access to the critical systems, networks and other computer resources, should be subject to stringent Supervision, monitoring and access restrictions.

### **Physical Security:**

- Physical access to the critical systems should be restricted to minimum and only to authorized officials. Physical access of outsourced staff/visitors should be properly supervised by ensuring at the minimum that outsourced staff/visitors are accompanied at all times by authorized employees. Access should be revoked immediately if the same is no longer required.
- Office premises should be physically secured and monitored by security guards.

### **Network Security Management:**

- As a Stock Broker / Depository Participant we have established baseline standards to facilitate Consistent application of security configurations to operating systems, databases, Network devices and enterprise mobile devices

within their IT environment. The LAN and wireless networks should be secured within the premises.

- Adequate controls must be deployed to address virus / malware / ransom ware attacks.

#### **Data security:**

- Strong encryption methods to be used for identifying and encrypting the critical data. The confidentiality of information is not compromised during the process of exchanging and transferring information with external parties. The information security policy should also cover use of devices such as mobile phones, faxes, photocopiers, scanners, etc.

#### **Hardening of Hardware and Software:**

- Should deploy hardened hardware / software, including replacing default passwords with strong passwords and disabling or removing services identified as unnecessary for the functioning of the system. Open ports on networks and systems which are not in use should be blocked.

#### **Application Security in Customer Facing Applications:**

- Application security for Customer facing applications offered over the Internet such as IBTs, portals containing sensitive or private information and Back office applications are paramount as they carry significant attack surfaces by virtue of being available publicly over the Internet for mass use. Measures to be taken for applications.

#### **Patch management:**

- Patch management procedures should include the identification, categorization and prioritization of patches and updates. An implementation timeframe for each category of patches should be established to apply them in a timely manner. Testing to be performed on security patches and updates, where possible, before deployment into the production environment so as to ensure that the application of patches do not impact other systems.

### **Disposal of data, systems and storage devices:**

- Identify a Policy for disposal of storage media and systems. The critical data / Information on such devices and systems should be removed by using methods such as crypto shredding / degauss / Physical destruction as applicable.

### **Vulnerability Assessment and Penetration Testing (VAPT):**

- Regularly conduct vulnerability assessment to detect security vulnerabilities in their IT environments exposed to the internet.
- Systems which are publicly available over the internet should also carry out penetration tests, at-least once a year, in order to conduct an in-depth evaluation of the security posture of the system through simulations of actual attacks on its systems and networks that are exposed to the internet. Additionally perform vulnerability scanning and conduct penetration testing prior to the commissioning of a new system that is accessible over the internet.

### **Monitoring and Detection:**

- Establish appropriate security monitoring systems and processes to facilitate continuous monitoring of security events/ alerts and timely detection of unauthorised or malicious activities, unauthorised changes, unauthorised access and unauthorised copying or transmission of data / information held in contractual or fiduciary capacity, by internal and external parties. The security logs of systems, applications and network devices exposed to the internet should also be monitored for anomalies.
- Ensure high resilience, high availability and timely detection of attacks on systems and networks exposed to the internet, implement suitable mechanisms to monitor capacity utilization of its critical systems and networks that are exposed to the internet, for example, controls such as firewalls to monitor bandwidth usage.

### **Response and Recovery:**

- Alerts generated from monitoring and detection systems should be suitably investigated in order to determine activities that are to be performed to prevent expansion of such incident of Cyber-attack or breach, mitigate its effect and eradicate the incident.
- The response and should have plans for the timely restoration of systems affected by incidents of cyber-attacks or breaches, for instance, offering alternate services or systems to Customers. Stock Brokers / Depository Participants should have the same Recovery Time Objective (RTO) and Recovery Point Objective (RPO) as specified by SEBI for Market Infrastructure Institutions vide SEBI circular CIR/MRD/DMS/17/20 dated June 22, 2012 as amended from time to time.

### **Sharing of Information:**

- Quarterly reports containing information on cyber-attacks and threats measures taken to mitigate vulnerabilities, threats and attacks including information on bugs / vulnerabilities / threats that may be useful for other Stock Brokers / Depository Participants.

### **Training and Education**

- Entities should conduct periodic training programs to enhance knowledge of IT / Cyber Security Policy and standards among the employees incorporating up-to-date Cyber Security threat alerts. Where possible, this should be extended to outsourced staff, vendors etc.
- The training programs should be reviewed and updated to ensure that the contents of the program remain current and relevant.

### **Systems managed by vendors, MIIs**

- As a Stock Brokers / Depository Participants we have instructed the vendors to adhere to the applicable guidelines in the Cyber Security and Cyber Resilience policy and obtain the necessary self-certifications from them to ensure compliance with the policy guidelines.

## **Periodic Audit**

- The Depository Participants and Type I Stock Brokers shall arrange to have their Systems audited on an annual basis by a CERT-IN empanelled auditor or an independent CISA/CISM qualified auditor to check compliance with the above areas and shall submit the report to Stock Exchanges / Depositories along with the comments of the Board / Partners / Proprietor of Stock Broker/ Depository Participant within three months of the end of the financial year.

**For Achievers Commercial Pvt Ltd**

**Sd/-**

**Pankaj Kumar Das**  
**Compliance Officer**