



## **SURVEILLANCE POLICY**

### **Maitra Commodities Pvt Ltd**

**SEBI Reg No: INZ000074139**

**MCX Trading Member ID- 55060**

**NSE Trading Member ID – 90175**

#### **Objective of this policy**

- To establish a surveillance mechanisms and controls in the operations /trading activity of our clients.
- To put in place appropriate controls for the detection and reporting of suspicious trading activities in accordance with applicable laws/laid down procedures.
- To comply with applicable laws and regulatory guidelines.

## **SURVEILLANCE POLICY**

### **Duties and Responsibilities**

This Surveillance policy is approved by the all Board of Directors of **M/s. Maitra Commodities Pvt Ltd** and A quarterly MIS shall be put up to the Board on the number of alerts pending at the beginning of the quarter, generated during the quarter, disposed off during the quarter and pending at the end of the quarter. Further, reasons for pendency along with appropriate action taken to resolve them shall be discussed. Board shall be apprised of any exception noticed during the disposition of alerts.

Designated directors/ Compliance officer shall be the responsible for all surveillance activities carried out by **M/s. Maitra Commodities Pvt. Ltd.**, maintenance of record and reporting of such activities.

Internal auditor of **M/s. Maitra Commodities Pvt. Ltd.** shall review the surveillance policy, its implementation, effectiveness and the alerts generated during the period of audit. Internal auditor shall record the observation with respect to the same in their report.

### **Transaction Alerts**

Our surveillance desk shall download all the below mentioned alert based on the trading activity of client provided by the exchange.

S. No.	Transaction Alerts	Duration
1	Significantly increase in client activity	Monthly
2	Sudden trading activity in dormant account	Monthly
3	Concentrated Position in the Open Interest	Daily
4	High Turnover Concentration	Daily
5	Clients/Group of Client(s), deal in common Commodity and Stocks	Daily
6	Client(s)/Group of Client(s) dealing in commodity in minimum lot size and in Penny Stocks or in illiquid stocks	Daily
7	Trading Pattern	Daily
8	Client code change monitoring	Daily
9	Wash Sales	Weekly
10	Front Running	Weekly

### **Clients Due Diligence:**

We shall carry out the Due Diligence of client(s) on a continuous basis and shall update all the KYC parameters as prescribed by SEBI and latest information of the client in Unique Client Code (UCC) database of the Exchange.

### **Analysis:**

In order to analyze the trading activity of the Client(s) / Group of Client(s) or commodity/stocks identified based on above alerts, the company will:

1. Require explanation from such identified Client(s) / Group of Client(s) for entering into such transactions.
2. We shall require documentary evidence such as bank statement / demat transaction statement or any other documents. In case of funds, we shall require Bank statements of the Client(s) / Group of Client(s) from which funds pay-in have been met, to be sought. In case of securities, we shall require demat account statements of the Client(s) / Group of Client(s) from which securities pay-in has been met, to be sought.
3. We shall analyze the documentary evidences, including the bank / demat statements; We shall record its observations for such identified transactions or Client(s) / Group of Client(s).

4. In case adverse observations are recorded, we shall report all such instances to the Exchange within **45 days** of the alert generation.
5. In case of extension is required, we shall send a request to exchange for a period of extension.
6. If explanation on the same shall not satisfactory / reply shall not receive within time period as above mentioned then we suspend the client from trading / report the instance to Regulators (if suspicious).

### **Monitoring and Reporting**

All the alerts downloaded will be analyzed by Operations Manager & Compliance Officer keeping in view Client Type, Risk Categorization, Income Range Selected and Past Trading Pattern. In case of any adverse findings, same shall be informed to Exchange with comments within 45 days of receipt of Alert. In case of delay in disposition, written extension to be taken from respective exchange and reason for the same shall be documented.

1. Receipt of Alerts from Exchanges.
2. Time frame for disposition of alerts and if there is any delay in disposition, reason for the same shall be documented.
3. Suspicious / Manipulative activity identification and reporting process
4. Record Maintenance
5. A quarterly MIS shall be put up to the Board on the number of alerts pending at the beginning of the quarter, generated during the quarter, disposed off during the quarter and pending at the end of the quarter. Reasons for pendency shall be discussed and appropriate action will be taken. The Board shall be apprised of any exception noticed during the disposition of alerts.
6. The surveillance process shall be conducted under overall supervision of its Compliance Officer
7. Compliance Officer will be responsible for all surveillance activities carried out by the Company and for the record maintenance and reporting of such activities.

This Surveillance Policy is prepared by M/S Maitra Commodities Private Limited and reviewed by Senior Management Team.

This Surveillance Policy presented before the Board of Directors for approval on the Wednesday, 2<sup>nd</sup> August 2023.

**Board of Directors Approval:**

We have approved this policy which is designed to monitor the day-to-day transactions and report it to authorities, if any alerts generated based on the SEBI PMLA regulations and/or Exchange/Depository regulations.

**Review of Policy**

Policy will be reviewed by the senior management officials and internal auditor on regular basis. The policy will be reviewed on yearly basis and/or earlier whenever there is a need of it due to change in the regulations by SEBI / Exchanges / Depositories.

**Policy Approval Date: 2<sup>nd</sup> Aug 2023**  
**Next Policy Review Date : 1<sup>st</sup> Aug 2024**

Place: Chennai.