

MUKESH BROKERAGE & FINANCIAL (I) LTD

WRITE UP ON INTERNAL CONTROL

- **Registration of Clients**

For registration of Client, the following policy has been adopted:

The company will not allow benami or fictitious accounts where the client is desirous of keeping his/its identity confidential or secret. The company will not allow multiple client accounts with transposition of the names of the clients or in short forms.

All attachment with KYC should be duly verified with originals by the respective sub-brokers or the branch head respectively. Further the main office will insist on PAN nos. with the form & verify the PAN details with the Income Tax Department site for further verification of the clients.

- **Receiving validating & entering the orders of clients in the trading platform**

Our firm operates through sub-brokers and direct clients. Most of the clients are known to the sub-brokers personally, hence receiving orders on phone calls is also not a problem for the dealer. We keep a safe record of the order logs generated by the exchange.

- **Client Code Changes**

It is possible that there are errors while punching the orders due to wrong client code told by the client to sub-brokers/Dealer, while execution of trade. It is our endeavor that any mistake is rectified during the half an hour window provided by exchange after market hours while

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confirming trades to clients. For any mistake that comes to our knowledge after the schedule time, we take letter for changes from the concerned clients.

- **Collection and release of payments to the clients**

The above function is very effectively carried out by the accounts department in conjunction with our sub-brokers, dealers & back office. The payment collection is done by the accounts team from the head office, from the sub-brokers who in turn collect the payments from the clients. Even the payments are made as per the above procedures after receiving inputs from the sub-brokers (who in turn receives the instruction from the clients)

- **Collection and Maintenance of Margins / Collection of delivery of securities to the clients / Monitoring of branches, Sub-brokers, DP Operations etc./ Operations & Compliance Requirements**

Please refer for the above our surveillance policy from: **Company Guidelines For Anti Money Laundering.**

- **Payment of dividend etc.**

Dividend is passed on to the concerned clients within 24 hours of the receipts.

- **Continuity planning / Alternate plan in case of disasters etc.**

Our Firm has taken quite a few steps to ensure continuity in trading & processing of trades. Our firm has converted all its VSAT & leased line according to the new TCP-IP technology. Whenever the VSAT goes down the operation does not get affected, since the lease line on the router gets activated automatically in the new A/3 scenario of TCP-IP.

For the safeguard of power failure, we are having a very good UPS having battery system, which can go on uninterrupted period of five hours.

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As far as data is concerned, we are keeping our all records related to operations and accounts on one main server. Further we transfer that data to external drive everyday after market hours. Data can be retrieved from our main server as well as from external drive which is updated on daily basis.