

INTERNAL CONTROL POLICY

1. Registration of clients:

- Clients introduced are verified in - person. Subsequently, KYC in prescribed form for individual and non individual and completed and duly signed KYC with supporting documents are processed at our Centralize Processing Centre at Mumbai.
- After satisfactory identification, client is registered and activated and provided with a unique client code. Further, Welcome Letters are sent to respective clients informing them their client code, back office log in access details, etc. The unique client code of each client is then mapped on the respective terminal and trading limits are allocated as per the respective credits and deposits available.
- The KYC form along with PAN and Address Proof documents are sent to CDSL Ventures Limited(CVL) within 10 days of registration.
- The Completed and duly signed KYCs are kept for records for Audits and Cross checking purposes.

2. Collection and release of payments:

- Su quent to the trades executed by respective clients, obligation payments are collected by cheques and D.D. from and same is deposited into designated client account of Evermore Stock Brokers (P) Limited.
- Payment are made via account payee cross cheque / bankers chq / CMS / RTGS / NEFT in favor of respective clients as per their request.
- No cash collections and /or payments are undertaken or permitted.

3. Collections and maintenance of margins:

- Initial margin is collected through cash or collaterals and accordingly Margin limit for trading as per defined rules is provided to the client.
- Su quent to the trading activities of the clients, Margin requirement of each client is confirmed and collected from the respective client.
- Credits so received are posted into respective client ledger / margin statement accordingly.
- Real time client wise Risk Management is done in derivative segment, along with control on margin & MTM obligations.

4. Collection and delivery of Securities to the Client:

- Securities so sold in the market are called for Pay-in obligation from each respective client.
- Delivery of securities is done as per respective client authorization i.e. either auto transfer facility and/or as per request to the designated client Beneficiary Account.

5. Monitoring of Branches / sub brokers / DP operation etc.:

- We work in Centralized Risk Management / Accounting / Billing & Contracting / Compliance / DP mechanism / functions. However, business development and allied functions are being monitored via respective branch / sub-broker offices.
- There are pre-set and defined supervisory mechanisms for controlling and monitoring activities of Branches, Sub Brokers.
- Concurrent Audits are being performed for DP activities with CDSL as per the guidelines specified by SEBI and respective Depositories.
- Routine / Periodic Internal Inspections and Audits are conducted on branches / sub-brokers to maintain and control business activities and functions.

6. Operation and compliance requirement:

- Unique client code allocated to the client is uploaded to NSE via ENIT.
- Compliance Dept. ensures that Books, records and registers are kept and maintained per prescribed rules and regulations.
- All activities regarding monitoring and redressal of the grievances of the investors and compliance of rules, regulations, notifications and guidelines etc are controlled and monitored by designated Compliance Officer and is periodically reported to the Board.

7. Payment of dividends:

- Credits so received with respect of the dividends on behalf of the clients for securities so kept with us for collateral are credited / posted into respective client ledger statement, on the routine basis.

8. Continuity planning / alternate plan in case of disasters etc:

- We have set BC and DR policy in place and have multiple Datacenters / Mode of Connectivity for trading access and also for back office / support access.
- Routines / Specific back-up for the records and registers are kept and maintained by designated department and is retrieved at regular intervals for cross-checking its authenticity, etc.