



Northeast Broking Services Limited

Northeast Broking Services limited Surveillance Policy

For surveillance at the head office level, the below types of transactions are investigated into.

Sample of transactional Alerts that we investigate:

- Significant increase in client activity
- Sudden trading activity in dormant account
- Clients/Group of Client(s), deal in common scrips
- Client(s)/Group of Client(s) is concentrated in a few illiquid scrips
- Client(s)/Group of Client(s) dealing in scrip in minimum lot size
- Client / Group of Client(s) Concentration in scrip
- Circular Trading
- Pump and Dump
- Wash Sales Cash & Derivatives
- Reversal of Trades Cash & Derivatives
- Front Running
- Concentrated position in the Open Interest / High Turnover concentration derivatives
- Order book spoofing i.e. large orders away from market Cash

These transactional alerts will change from time to time based on market requirements in informal surveillance.

The following activities will be carried out based on above parameters:

We carry out the Due Diligence of our clients on a continuous basis. Further, we ensure that key KYC information is reviewed on a periodic basis as prescribed by SEBI guidelines. We will update the information in UCC and our own databases and the KRA.



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We analyze the trading activity and pattern of trades of the clients based on the above criteria and on different criteria based on market evolution from time to time.

On identification of abnormal activity, we reach out to the client to seek further clarification till we are satisfied. Documentary evidence is taken in cases where it is deemed necessary.

All alerts generated internally and received from exchanges are disposed of in a timely manner i.e within 2 weeks. If for some reason we are unable to get a satisfactory response the same will be documented.

If any suspicious or manipulated activity is identified, then the same will be reported to FIU after approval of the board with the supporting records on frequent intervals.

This policy will be reviewed regularly on an annual basis to ensure their effectiveness and suitably modified if needed based on circulars and notifications issued by SEBI , Exchanges and Depository Participants.

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