Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

Surveillance Policy

1. Introduction

Aldan Investments Private Limited (hereinafter referred to as AIPL), a body corporate, registered under the provisions of the Companies Act 1956, is a SEBI registered broker of the National Stock Exchange of India Ltd. (NSE), Bombay Stock Exchange Ltd (BSE) and Depository participant of CDSL.

2. Obligation of Trading Member/CDSL – Depository Participants to frame Surveillance Policy:

AIPL is a SEBI registered broking company catering to retail and HNI clients. For effective monitoring, trading member shall frame a surveillance policy keeping in mind different types and combination of services to different types of clients including retail, institutional, HNI through various modes like Call and Trade, Mobile based trading, Internet based trading (through Exchange CTCL platform only), in addition to proprietary trading (excluding Algorithmic trading). The said surveillance policy shall, inter alia, cover the following:

- Generation of suitable surveillance alerts which may be guided by indicative themes (the list is inclusive and not exhaustive) given in Para 2 below as well as for transactional alerts downloaded by the Exchanges. (Transactional alerts downloaded by the Exchange are based on some thresholds or parameters. Trading members will also have its own different thresholds or parameters so as to detect any suspicious trading activity).
- Processing of alerts within 45 days from the date of alerts downloaded by the Exchanges as well as alerts generated at trading member's end.
- Documentation of reasons for any delay in disposition of any of the alerts.
- Suspicious/Manipulative activity identification.
- Framework of appropriate actions that can be taken by the Trading member. In addition to the obligations under Prevention of Money Laundering Act (PMLA), actions may include suspension of the trading activity of the suspect client, or any other action as may be deemed appropriate.
- Record maintenance for the period as stipulated under applicable statutes.

This policy needs to be reviewed on a periodic basis to keep it in line with the market trends.

3. Obligation of Trading Member/ CDSL-Depository Participants to generate additional Surveillance alerts

In addition to the transactional alerts downloaded by Exchanges, Trading member will also generate appropriate surveillance alerts at our end, to enable us to effectively monitor the trading activity of our clients at our end as per the laid down surveillance policy.
The indicative themes on which trading member may formulate alerts are as under. The trading member also needs to analyse patterns and trends with respect to different themes.

a. The indicative themes that will be considered by the Trading Member will be as enumerated below.

- Client/group of clients, as identified by the trading member, accounting for a significant percentage of the total trading activity in a scrip/contract as compared to the market.
- Client/group of clients with new account or clients dealing after a significant time gap, as identified by the trading member, accounting for significant value /percentage of total trading activity in a scrip /contract as compared to the market.
- Client/group of clients dealing frequently in small quantities/minimum market lot in a scrip/contract.

- Disproportionate trading activity vs reported income/Net worth.
- Frequent changes in KYC submitted by clients.
- Based on an announcement by a listed company, identify client/group of clients, having possible direct/indirect connection with a listed company, who have undertaken any suspicious trading activity prior to price sensitive announcement by said listed company.
- Client/group of clients having significant selling concentration, in the scrips, forming part of 'For Information list' or 'Current Watch list'. For more details, kindly refer Exchange notice no. 20200830-1 dated August 30, 2020.
- Consistency in profit/loss at client/group of clients' levels, rationale for such trading activities. In addition, trading members may also refer details given in Exchange notice no. 20190207-46 dated February 07, 2019.
- Significant trading activity in scrips by client who has pledged the shares of same scrip.
- In case of concerns of trading activity of a client/group of clients in a scrip, monitoring whether the orders are being placed by respective clients or their authorized representatives and monitoring client's address as per KYC vis-a-vis the dealing office address.

b. The indicative themes additionally applicable to Trading Members who are Depository Participants. Significant trading activity in scrips where client has pledged shares or has significant holding or has frequent off-market transactions.

c. The indicative themes additionally applicable to Trading Members who have facility of internet-based trading. Surveillance/monitoring of IP addresses of clients (including identification of multiple client codes trading from the same location).

The above guidelines are illustrative and should not be construed as exhaustive. Based on circumstances and based on business model and service offered to the clients and for proprietary trading, the trading members shall exercise independent judgment and formulate own alerts and take appropriate actions thereof.

4. Obligation of Trading Members/CDSL-Depository Participants w.r.t. client due diligence

The following activities required to be carried out by the trading members for client due diligence is being reiterated:

- Trading member is required to carry out the Due Diligence of their client(s) on an on-going basis.
- Trading member shall ensure that, key KYC parameters of the clients are updated on a periodic basis as prescribed by SEBI and latest information of the client is updated in UCC database of the Exchange.

Based on available information, the trading member shall establish groups/association amongst clients, inter-alia, to identify multiple accounts/common account/group of clients

5. Obligation of Trading Members/ CDSL-Depository Participants w.r.t. processing of alerts

- Trading Member shall obtain trading rationale and necessary documentation including bank statements; demat statements for analysing/processing the alerts.
- After analysing the documentary evidence, trading member shall record its observations for such identified transactions of its client/group of clients.
- With respect to the transactional alerts downloaded by the Exchange, trading member shall ensure that all alerts are analysed, and status thereof (Verified & Closed/Verified & Sent to Exchange) including action taken is updated within 45 days, in the e-BOSS System.
- With respect to the alerts generated at the trading members end, trading members shall report instances with adverse observation, along with details of action taken, to the Exchange within 45 days of the alert generation.

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

6. Obligation of Compliance officer, Designated Director and Internal Auditor of the Trading Member/ CDSL-Depository Participants

- The surveillance activities of trading member shall be conducted under overall supervision of its Compliance Officer.
- A quarterly MIS shall be put up to the Designated Director/Partner/Proprietor on the number of alerts pending at the beginning of the quarter, generated during the quarter, processed and acted upon during the quarter and cases pending at the end of the quarter along with reasons for pendency and action plan for closure. Also, the Designated Director/Partner/Proprietor shall be apprised of any exception noticed during the disposition of alerts.
- Designated Director/Partner/Proprietor would be responsible for all surveillance activities carried out by the trading member.
- Internal auditor of trading member shall review the surveillance policy, its implementation, effectiveness and review the alerts generated during the period of audit. Internal auditor shall record the observations with respect to the same in their report.

7. Obligation of Quarterly reporting of status of the alerts generated by the Trading member:

Trading member shall provide duly approved status of the alerts on a quarterly basis, in the following format to the Exchange within 15 days from end of the quarter.

Status of Alerts generated by Trading member:

Name of Alert	No. of alerts under process at the beginning of quarter	No. of new alerts generated in the quarter	No. of alerts verified & closed in the quarter	No. of alerts referred to Exchange (*)	No. of alerts pending / under process at the end of quarter

(*) Details of alerts referred to the Exchange:

Sr No	Date of Alert	Type of Alert	Brief observation and details of action taken	Date referred to Exchange

Details of any major surveillance action taken (other than alerts referred to Exchange), if any, during the quarter:

Sr No	Brief action taken during the quarter

Trading member, not having anything to report, needs to submit 'NIL Report' within 15 days from end of quarter.
The above details shall be uploaded by the trading member on the BSE Electronic Filing System (BEFS) and NSE Member Surveillance Dashboard (MSD) within 15 days from end of the quarter.
The aforementioned quarterly system of reporting shall be effective from the quarter ending September 2021

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

8. Penalty in case of late/non submission of Quarterly Reporting of status

Trading member should note that in case of late/non submission of quarterly reporting of the alerts generated by the trading member as mentioned in Para 7 above, trading member shall be liable for penalty as given below:

Submission of status report beyond stipulated period Penalty to be imposed:

- 1st instance Rs. 10,000 per day till submission of quarterly report
- 2nd instance onwards Rs. 20,000 per day till submission of quarterly report

Trading members may note that aforesaid penalty shall be levied on a monthly basis based on slabs as mentioned above and same shall be debited in the monthly bill.

9. Disciplinary Action for non-fulfilment of Surveillance obligation by Trading Members:

- Trading member may note that during investigation/inspection, if it is observed that the member has not fulfilled their surveillance obligations, then appropriate disciplinary action shall be initiated against the concerned trading member.
- Any non-compliance with respect to surveillance obligations which may inter alia include delay in processing of transactional alerts downloaded by the Exchange and repeated instances of delay in reporting of the status of alerts, may result in further disciplinary action as deemed fit in terms of Rules, Byelaws and Regulations of the Exchange.
- It may further be noted that aforesaid measure does not preclude SEBI/Exchange to take any further action(s), if the facts and circumstances so demand

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

Annexure 1 (For BSE and NSE only)

Transactional alerts downloaded by the Exchange to facilitate effective surveillance at the Member end

Sr No	Transactional alerts	Segment
1	Significant increase in client activity	Cash
2	Sudden trading activity in dormant account	Cash
3	Clients/Group of Client(s) dealing in common scrips	Cash
4	Clients/Group of Client(s) is concentrated in a few illiquid scrips	Cash
5	Clients/Group of Client(s) dealing in scrip in minimum lot size	Cash
6	Clients/Group of Client(s) Concentration in a scrip	Cash
7	Circular Trading	Cash
8	Pump and Dump	Cash
9	Reversal of Trades	Cash
		Derivatives
10	Front running	Cash
11	Concentrated position in the Open Interest/High Turnover concentration	Derivatives
12	Order book spoofing i.e. large orders away from market	Cash

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

Annexure 2 (For CDSL)

Transactional alerts downloaded by the Exchange to facilitate effective surveillance at the Member end

Sr No	Indicative themes
1	Alert for multiple demat accounts opened with same demographic details: Alert for accounts opened with same PAN /mobile number/email id/ bank account no./address considering the existing demat accounts held with the DP.
2	Alert for communication (emails/letter) sent on registered Email id/address of clients are getting bounced
3	Frequent changes in details of demat account such as, address, email id, mobile number, Authorized Signatory, POA holder etc.
4	Frequent Off-Market transfers by a client in a specified period
5	Off-market transfers not commensurate with the income/Net worth of the client.
6	Pledge transactions not commensurate with the income/Net worth of the client.
7	Off-market transfers (High Value) immediately after modification of details in demat account
8	Review of reasons of off-market transfers provided by client for off-market transfers vis-à-vis profile of the client e.g. transfers with reason code Gifts with consideration, frequent transfers with reason code Gifts/Donation to unrelated parties, frequent transfers with reason code off-market sales
9	Alert for newly opened accounts wherein sudden Increase in transactions activities in short span of time and suddenly holding in demat account becomes zero or account becomes dormant after some time
10	Any other alerts and mechanism in order to prevent and detect any type of market manipulation activity carried out by their clients
11	Off-market transfer of securities from one demat account to many demat accounts without any economic rationale.
12	Off-market receipt of securities from multiple demat accounts to one demat account without any economic rationale.
13	Multiple demat accounts opened with noticeably short / incomplete address.
14	Different demat accounts of same persons with different PANs.
15	Demat accounts of a person used by another person for deceptive purposed.

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

16	Multiple off-market transfers (value and volume based) with potentially incorrect off market reason code declared.
17	Shifting of ownership of securities to avoid attachment of securities by government authorities or under IBC / NCLT.
18	Fraudulent / unauthorised transfers in dormant demat accounts.

Obligation of Quarterly reporting of status of the alerts generated by the Depository participants

Status of alerts generated by Depository participants:

Name of alert	No. of alerts pending at the beginning of quarter	No. of new alerts generated in the qua rter	No. of alerts Verified & closed in the qu arter	No. of alerts reported to Depos itory	No. of alerts pending process at the end of q uarter

Details of any major surveillance action taken (other than alerts reported to Depository), if any, during the quarter

Sr No	Brief action taken during the quarter

Aldan Investments Private Limited
701 Heritage Plaza, JP Road
Andheri West, Mumbai 400053
CIN: U67120MH1995PTC084811

Notes forming part of CDSL- Depository Participant's Surveillance Policy

DPs have to analyse and review these alerts based on facts and verification of relevant documents including income/net worth as provided by BO. Further, DPs are required to exercise their independent judgment and take appropriate action in order to detect any abnormal or suspicious transactions

Our DPs surveillance policy shall take into account the cognizance of type of clients, number of demat accounts, number of transactions etc. and which shall, inter alia, cover the following:

- Generation of suitable surveillance alerts which may be guided by indicative themes
- (the list is inclusive and not exhaustive) given in point B below
- Review and disposal of transactional alerts provided by CDSL (Transactional alerts provided by CDSL will be based on some thresholds. DPs may have their own different thresholds or own parameters to generate additional alerts of their own in point I above, so as to detect any suspicious transaction activity).
- Disposal of alerts within 30 days from the date of alerts generated at DP end and alerts provided by CDSL.
- Reporting to CDSL and other authorities as applicable, in case of any abnormal activity
- Documentation of reasons for delay, if any, in disposition of alerts.
- Framework of appropriate actions that can be taken by the Participant as per obligations under Prevention of Money Laundering Act (PMLA)
- Record maintenance for the period as stipulated under applicable statutes
- The surveillance policy of the DPs shall be reviewed once in a year

FOR ALDAN INVESTMENTS PVT. LTD.

DIRECTOR

Date October - 2026