

SURESH RATHI SECURITIES PVT. LTD.

ACCOUNT OPENING PROCESS

Account Opening and maintenance. Dispatch of copy of account opening form (along with welcome kit if any)

Clients approach our service centre or head office for opening account with us. They are required to fill the form and affix signature at designated places and are required to annex supporting documents like ID Proof, Address Proof, Bank Proof etc. which are verified against original. Form and documents are verified

Online Account Opening; - In Person Verification Procedure

The Account opened through Online Portal are digitally verified and e sign are taken from the client. Email and Mobile are both OTP base the data also gets verified while the client is on boarded.

AP number is registered in the software in which account is opened through mobile app.

Due precaution is taken while opening the account through EKYC

Before account open in system, we check the following

Check UCC code for given trading preference in both exchange (BSE and NSE)
We check in KRA whether the KYC is registered or not and also check the name Pan Aadhar linked or not

After checking above steps then accounts are entered in the back-office system and check whether the PAN given is debarred or not. If not then proceed further.

Clients are de-duped against AML and Restricted entities database.

The clients whose accounts are found to be acceptable as per client registration policy are then created and records of accounts opened are exported from the back-office system and uploaded to CDAS along with images of signatures.

The response file which we receive from CDAS is imported in our back-office software.

After opening of account, we send copy of KYC along with welcome kit which consists of client master and delivery instruction pre stamped at the address given by the esteemed investor.

After opening of account, we do following process-

Upload in BSe and NSE (UCC)

KYC in KRA upload image and data through XML (KRA policy mentioned as under)

CKYC at Central Registry

KRA Policy

Documents, like ID proof and residence proof, duly self-attested, will be collected and verified by us and affix the Rubber stamp as required.

We verify the proof documents with original documents. We assign names and signature of the introducer at the required places.

We obtain Bank details and DP details in case of Trading account and collect relevant documents as proof.

All the clients are required to visit our office or our employee visit to client's place for in person. The account is opened as per the name printed on the PAN card.

The concerned officer who is carrying out in person verification is put his signature and filled up details in appropriate format in KYC form.

The office in-charge will carry out due diligence i.e. their whereabouts, experience in capital market and shall make the client aware of risk factor in dealing in capital market.

Account is opened after verifying all the required documents and copy of complete KYC is send to the Client's address and we obtained the acknowledgement

After opening the accounts UCC is uploaded to the respective segment of the exchange/s. When UCC is uploaded successfully to the exchange, the clients are mapped on the Trading System.

As per New KRA Regulation, we registered with the CDSL Ventures Ltd (CVL) for KRA registration process of clients. We have started processing to comply KRA Regulations for the KYC Opened after January 2012.

As per KRA policy, we fill the KYC Form of respective category of client and get it signed by the client separately. We collect the copies of PAN Card and Address proof duly self-authenticated by the client.

Procedure for KYC of new as well as old clients

Procedure followed for new clients is as under:

When a client in on-boarded we first ask the client whether he is KYC compliant. If says he is KYC compliant, the following procedure is followed

We ask him for the KYC letter. If client don't have the kyc letter we fetch the documents.

On production of the letter, we compare the address on the form with that written on the broking / demat account opening form.

If the address is same, we don't ask for the documents.

If the address is different, KYC modification form and address proof documents are collected. The said documents are compared with original and stamp certifying this is affixed on the copy of documents as per SEBI guidelines.

If the client informs that he does not have the letter, we inquire whether the address as per KRA is same. If he says that it is changed, KYC modification form and address proof documents are collected. The said documents are compared with original and stamp certifying this is affixed on the copy of documents as per SEBI guidelines. IPV is also done.

In case the client informs us that he is not KYC compliant the following procedure is followed:

We collect the properly filled KYC form and POI and POA documents.

The said documents are compared with original and stamp certifying this is affixed on the copy of documents as per SEBI guidelines.

The IPV stamp is also affixed on the KYC form/Documents are collected by our representative.

The client's account is opened on the strength of the documents at our processing center after checking whether the documents are as per SEBI guidelines.

In case the KRA rejects the KYC because the KYC exists (i.e. the Client was not aware that he is KYC compliant), we download the data from the KRA.

In case the details are different, the same are uploaded on the KRA.

Procedure for existing clients is as under:

We have uploaded the KYC details of all existing clients on to the KRA

Since SEBI has mandated that KYC should be done as and when the client trades, we extract the documents from the warehouse and send it to the KRA only when the client trades or transacts

In case the uploaded record as mentioned in 1 above have failed because the KYC exists in the KRA system, we check the status from the KRA system when the client trades.

Procedure for monitoring KYC updates of all KYC compliant clients

We monitor the EOD downloads of the KRA on daily basis. These details represent the modifications done by other intermediaries for the KYC records downloaded or uploaded by us.

In short the following actions are initiated based the statuses in the KRA system.

Record does not Exist - We take fresh KYC and upload.

MF verified – In this status some fields remain missing; we obtain that information from the client and modify the missing fields. In case any KYC details are different from that submitted by the client to us, the same are updated on the KRA. The IPV is also done.

Old record verified – In this case we fetch the detail and modify data if there are any changes in KRA data as mentioned above.

Old record submitted – In this case we fetch the detail and we update the missing fields and changes (if any) in KRA and upload the images to make the record as fully KYC compliant

In-person verification (IPV) and verification of KYC documents

Suresh Rathi Securities Pvt Ltd as a company does not resort to aggressive advertising and not even advertisements so most part of the clients are either through the Sub Broker and the Branch Network or through the remisers. In most cases the new client would generally be introduced through an existing client and, or through the reference of some known person in the nearby Vicinity.

In Person Verification is done for all the client's and the client's premises are visited for personal verification. The Original proofs also verified. In cases whenever the office employee who has gone for in person verification and the client is found to be suspicious in nature, the same is brought to the notice that senior management and one of them would cross examine that client. In a few cases clients have been denied to open the account on account of lack of transparency and absence of client proof at the mentioned address on the KYC.