

GLOBE CAPITAL (IFSC) LIMITED

Internal Control Policy

Background

Background of company - Globe Capital (IFSC) Limited is a having SEBI/ IFSCA Regn No. **INZ000097337** and Exchange Regn. Nos. India (INX)-5014, NSE (IFSC) - 10022 and IIBX- 2001.

PMLA

Compliance w.r.t. Principal Officer and adoption of written policy:-

We have adopted & implemented a written internal control policy to put in place a framework to report cash and suspicious transactions to FIU as per the guidelines of PMLA Rules, 2002 and as prescribed by SEBI/IFSCA and we have appointed Mr. Munish Kumar Mittal as the principal officer of the Company who would act as a central reference point in facilitating onward reporting of suspicious transactions and for playing an active role in the Identification and assessment of potentially suspicious transactions and shall have access to and be able to report to senior management at the next reporting level or the Board of Directors.

Measures taken with regard to Anti money laundering Act –

Time to time we update our policy & system with reference to the circulars issued by concerned regulatory body. System is in place to generate alerts for the Suspicious transactions and shall be intimated to FIU as and when considered by the higher management. We shall categorize the client based in different category in High, Medium and Low categories. Client accounts shall be opened only after obtaining their identity documents and necessary due diligence like in person verification.

Fund

Pay-in /Pay out of funds to clients are received/make from client bank account as per exchange rules. We do not accept any third party payment or cash from clients. In case of Own trading, Pay in /Pay out make from business account from our own funds to settlement account and vice versa.

We have prudent margin based RMS Policy and exposure is given on the basis of margin available with us. Margin can be in form of ledger credit, shares, FDR or other collateral. We do not accept/transfer fund from/to third party.

Exposures:

The exposure to the Trading Members be given as per Exchange norms and as per margin received from the respective Trading Members.

The margins are collected as per Exchange norms from time to time which include Cash, FDRs, Bank Guarantees, Securities, Mutual funds etc.

Trading Terminal

Orders shall be received from client & trades are confirmed by making sample phone calls/sending SMS & contract notes. We keep track of certificate and expiry date.

Contract Notes

Contract note shall be printed centralized and Log book & dispatch proof of contract notes issued to clients shall be maintained. Contract notes shall be serially numbered from the beginning of the year.

Inactive Client Account

Client account will be considered as inactive if the client does not trade for period of 24 months. Calculation will be done at the beginning of every month and those clients who have not traded even a single time will be considered as inactive. The client has to make written request for reactivation of their account. If the Client accounts get deactivated, the funds and securities will be returned to the client.

Closure of client accounts/Dormant account:

On basis of written request received from clients, accounts shall be closed. Further, Dormant accounts shall be activated on the written request of the client.

Out sourcing of Activities:

We normally do not outsource any function which can be reasonably be executable in house. However, there are certain special services which we cannot perform such as lawyers assistance, auditors service, courier services, printing of stationery etc. Such decision of outsourcing is taken by the Director of the company and conveyed to the concerned employees.

We ensure to select such normal outsourcing based on their past track record and cost effectiveness and ensure that no related parties of any employee / directors or their relatives are assigned such services and the at most care is taken to ensure all such service providers ensure the required professional ethics are being carried out in their normal functioning.

Further, This Internal Control policy shall be reviewed as and when required but at least once in a year by the Board of Directors to detect and prevent violations of and to achieve compliance of, the Byelaws, Rules and Regulations of the Exchange/SEBI/IFSCA.