



R.L.P. Securities Private Limited.

Corporate Member – NSE, BSE, MCX. DP - CDSL.
SEBI Regn. NO: INZ000166638.DP: IN-DP-224-2016.



Policy for identification of Beneficial Ownership of Clients' Accounts

POLICY:

R.L.P. Securities Private Limited has framed this Policy on identification of Beneficial Ownership of Clients' Account to be in compliance with SEBI Circular on Identification of Beneficial Ownership of Clients' Accounts Reference No. SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/ 2024/78 dated June 06, 2024 and the guidelines specified by the Government of India on uniform approach to be followed towards determination of beneficial ownership.

For Identification of Beneficial Ownership of Clients' Accounts, we undertake continuous on going Client Due Diligence ("CDD") measures to an extent that is sensitive to the risk of ML and TF depending on the type of client, Origin of Client, business relationship, Non face to face Clients, Non Individual Accounts, transactions done by the clients, which may differ from case to case and time to time.

Guidelines:

The CDD measures comprise the following:

- a) As part of our Client Acceptance Policy, we shall obtain sufficient information in order to identify persons who beneficially own or control the Securities, Holdings, Commodities and Bank account. Whenever it is apparent that the Securities, Commodities acquired or maintained through an account are beneficially owned by a party other than the client, that party shall be identified using client identification and verification procedures. The beneficial owner is the natural person or persons who ultimately own, control or influence a client and / or persons on whose behalf a transaction is being conducted. It also incorporates those persons who exercise ultimate effective control over a legal person or arrangement.
- b) We shall verify the client's identity using reliable, independent source documents, data or information available in the public domain or through different ways including that of continuous interaction / Communication with the client, based on the transactions and nature of Business.
- c) Whenever there arises a reasonable ground of suspicion that the transactions of a client are unusual or of unjustified complexity, illegitimate compared to the Income Range, Net worth, Occupation etc.. we shall identify the beneficial ownership and control of the client by examining the Bank statements, Commodity holdings and Demat statements to ascertain and identify the sources of investments and to come to a conclusion that the client is acting on his own.
- d) We shall verifying the identity of the beneficial owner of the client and/or the person on whose behalf a transaction is being conducted, corroborating the information provided in relation to (c).
- e) Client Due Diligence and scrutiny of the transactions and account shall be carried on an ongoing basis throughout the course of the business relationship to ensure that the transactions being conducted are in consistence with their Income, Net worth, source of Funds, Trading pattern as per the risk profile of the client.
- g) We shall be periodically reviewing the documents, data or information of the clients and beneficial owners collected under the CDD process which include PAN Details, Valid Mobile number, valid email ID, valid Address Income details, Bank & Demat account details, Such periodic review will be based on the risk profile of the client, regulatory updates, abnormal trades or any other cause of suspicion. The income review would be at least once annually. The same would also be updated to the Exchanges and Depositories. In case the client doesn't submit the Six KYC attributes, the account would be deactivated / Frozen for Debits till such time the said KYC details are updated and got verified by the KRA.
- h) To identify the genuineness of the client, In person verification of the client will be done by the Staff / Authorised Persons of our company.

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- i) We would depend on the third party CDD, who is a SEBI registered Intermediary only to the extent of identification and verification of the identity of BO.
- j) We have our own independent methods of analyzing the Clients through our Korp software, based on their trading pattern, Frequent Off market Debit Or Credit transactions Frequent Pledge / Unpledge, dealing in illiquid stocks, Futures, options, Commodities, single stock, Placing matching orders, trading beyond their Net worth, Financial ability etc. such CDD will help us on the non reliance of third party CDD.
- k) For Corporate, Trusts, partnership firms, societies (All Non Individual Accounts), KYC of all the Directors / Promoters / Authorised Persons / Partners / trustees etc.. will be obtained to identify the ultimate Beneficiary Ownership.
- l) As part of our ongoing review process, we shall be annually obtaining the Latest Balance Sheet, Accounts Statement, ITR Copies, Share Holders and Directors List to review

FOR CLIENTS OTHER THAN INDIVIDUALS THE BENEFICIAL OWNERSHIP OF CLIENTS' ACCOUNTS SHALL BE IDENTIFIED AS UNDER :

A. For clients other than individuals or trusts:

We shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the following information:

- a. where the client is a company/corporate, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

“Controlling ownership interest” means ownership of or entitlement to more than 10% of shares or capital or profits of the company.

“Control” shall include the right to appoint majority of the directors or to control management or policy decisions including by virtue of their shareholding or management rights /shareholders agreements / voting agreements.

- b. where the client is a partnership firm, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of/entitlement to **more than 10% of capital or profits of the partnership** or who exercises control through other means.

“Control” shall include the right to control the management or policy decision.

- c. where the client is an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to **more than 15% of the property or capital or profits of such association or body of individuals.**
- d. where no natural person is identified under (a) or (b) or (c) above, the beneficial owner is the relevant **natural person holds the position of senior managing official.**

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A. For client which is a Trust:

We shall identify the beneficial owners of the client and take reasonable measures to verify the identity of such persons, through the identity of the settler of the trust, the trustee, the protector, **the beneficiaries with 10% or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.**

B. Exemption in case of listed companies:

Where the client or the owner of the controlling interest is a company listed on a stock exchange, or is a majority-owned subsidiary of such a company, it is not necessary to identify and verify the identity of any shareholder or beneficial owner of such companies.

C. Applicability for foreign investors:

Intermediaries dealing with foreign investors', may be guided by the Master Circular for Foreign Portfolio Investors, DDPs and Eligible Foreign Investors as issued by SEBI (SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 dated May 30, 2024) and amended from time to time.

We shall be conduct the ongoing CDD where inconsistencies are noticed in the information provided by the client. The underlying objective shall be to follow the requirements enshrined in the PMLA, PML Rules, SEBI Act and Regulations, directives and circulars issued there under so that the intermediary is aware of the clients on whose behalf it is dealing.

We shall periodically review and update all the documents, data or information of all the clients and beneficial owners collected, at a period not exceeding One year under the CDD process.

Review:

The Board of Directors shall monitor the compliance of the afore mentioned provision on identification of beneficial ownership and review the same periodically at a period not exceeding One Year or as and when the statute requires.

Approval Authority:

This Policy was placed before the board and was reviewed at its meeting held on **26/06/2025** and was approved by the Board of Directors.