

Samruddhi Stock Brokers Limited

Member: NSE, BSE, MCX SX

Policy for Client code Modification (Applicable for all exchange/segment)

1. Objective & Scope of the Policy

To frame the guidelines for modification to client codes post trade execution and reporting of such Client Code Modifications.

This policy covers all the Client Code Modifications carried out / to be carried out in any of the client accounts controlled by HO, subject to the guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange for which is a member broker.

2. Brief about Client Code Modification:

Client Code Modification means modification / change of the client codes after execution of trades. Stock Exchanges provide a facility to modify any client code after the trade has been executed to rectify any error or wrong data entry done by the dealers at the time of punching orders. However, such Client Code modification is subject to certain guidelines as to the time limit within which the client code modification is to be carried out, terminal / system on which such modifications can be done etc. The facility is mainly to provide a system for modification of client codes in case genuine errors in punching / placing the orders. It is to be used as an exception and not a routine. To prevent misuse of the facility Stock Exchanges levy penalty / fine for all non-institutional client code modifications.

3. "Error Trades" means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Stock Exchanges and this policy.

For the purpose of this Policy, only the following types of trades shall be modified / allowed to be modified:

In case of NSE (NOTE: no consistent pattern in such modifications):

(i) client code/name and modified client code/name are similar to each other but such modifications are not repetitive.

(ii) Family Code (spouse, dependent parents, dependent children and HUF)

In Case of BSE:

(i) Punching error / typing error of client codes due to any genuine error or mistake in order entry, while punching the order, by any of dealer.

(ii) Trade entered for wrong client due to any miscommunication from the client / authorized representative of the client.

(iii) Modification within family members

(iv) Institutional trades modified to broker error/pro account

In Case of MCX-SX

(i) Punching error / typing error of client codes due to any genuine error or mistake in order entry, while punching the order, by any of dealer.

(ii) Trade entered for wrong client due to any miscommunication from the client / authorized representative of the client.

4. General Conditions: (Applicable for all exchange/segment)

On Line Modification

(i) Genuine punching errors in client codes while placing orders shall be allowed to be modified.

(ii) Client code modification facilities shall be disabled from all the dealer terminals.

(iii) Client code modification shall be carried out only from the admin terminals located at H.O. surveillance desk by Mr. Mahesh Morabia under the intimation to the directors.

(iv) While carrying out code modification, genuineness of the punching errors shall be verified against corroborative circumstantial evidences like similarities of codes, trades in immediately preceding codes, square off trades without holdings or position or any such other evidences shall have to be taken into account.

(v) Complete records of daily online trade modifications shall be maintained in soft form.

(vi) The facility for Client Code Modification can be used only in case of Error Trade.

(vii) The Client Code Modification shall be carried out only on the designated system and / or as per the process as may be prescribed by SEBI / Stock Exchange.

(viii) Any Client Code Modification shall, subject to compliance of this policy, be carried out by RMS at HO of all the Error Trades happened in Capital Market Segment of NSE, BSE and MCX-SX.

Off Line back office modification:

(i) Genuine punching errors in client code, if detected after the end of post closing sessions may be allowed to be modified subject to the verification of genuineness as narrated above. If it fits in the above mentioned criteria than code modification after trading

session will be allowed only if it is consented by client in writing. It is allowed only if it is done in non-existent code.

(ii) For F&O segment, as far as possible, the errors would be rectified by reversal trade in next trading session and the rate differences shall be set off by passing a JV entry in the ledgers of affected clients.

(iii) For Cash segment any such errors would be rectified after verifying genuineness.

(iv) Any such back office client code modification shall be carried out by Mr. Manish Naiya, who is in charge of back office processing, or person so authorized by him under permission from any of the directors of the company.

(v) A register containing required details shall be maintained for all such modifications. Concerned dealer/sub-broker shall enter the required details and sign in the register which shall be approved by counter signature of any of the directors.

5. Penalty

The penalty or fine, if any, levied on **Samruddhi** for any wrong trade occurred due to any miscommunication from the client / authorized representative of the client shall be borne by the client.