CLIENT CODE MODIFICATION/ ERROR ACCOUNT POLICY

Objective: The objective is to frame standard policy for handling the mistakes on part of the Dealers while executing trades and rectification thereupon.

Stock Exchanges provide a facility to modify client code after the trade has been executed to rectify any error or wrong data entry at the time of punching orders. However, such Client Code Modification is subject to certain guidelines issued by SEBI and the Stock Exchanges in this regard.

"Error Trades" means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Stock Exchange(s) and this policy. The Exchange(s) has provided the facility of client code modification only with a view to rectify genuine errors.

The facility is mainly to provide a system for modification of client codes in case of 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 Exchange(s) take appropriate action for all non-institutional client code modifications.

This policy is applicable to all Client Code Modifications carried out / to be carried out in any of the client accounts, subject to guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange of which the company is a Member.

Details about Genuine Error:

The following trades shall be modified / allowed to be modified & shall be treated as genuine error and transferred to **"ERROR ACCOUNT".**

- Error due to communication and / or punching or typing such that the original client code / name and the modified client code / name are similar to each other.
- Modification within relatives ('Relative' for this purpose would mean as defined under Companies Act, 2013).
- Allocation to related schemes / sub-accounts
- Trade entered for wrong client due to any miscommunication from the client /authorized representative of the client.
- Selecting wrong scrip while placing order.
- Placing the order for a wrong quantity.
- Placing buy order instead of sale and vice versa.
- Institutional trades modified to broker error / pro account.

Modification shall not allowed under any circumstances:

- If a wrong trade has been done intentionally.
- If the wrong trade is not reported within the timeline.
- Surveillance / RMS / Compliance department has not recognised mistake.
- Technical glitches
- Partial Client Code modifications
- Any other as may be prescribed by regulator from time to time.

Timeline and Process of Reporting:
As per the relevant circulars and guidelines issued by the exchanges/SEBI from time to time, the broker has to transfer the trades from the client's code to a specifically designated code viz. **"Error Account"**. The same needs to be squared off / liquidated within 3 working days (including the day of the trade).

Client Code Modification requests must be received from the client pertaining to shifting of trade to error account must be received on or before the close of Trading Session of that day.(i.e., 15.30 P.M).

Dealers are instructed to remain careful while executing the Trades. Dealers are required to take adequate precautions while placing the orders. All Staff members are advised to take note of the same and ensure necessary compliance.

Penalty
The penalty or fine, if any, levied for any wrong trade occurred due to any miscommunication from then client / authorized representative of the client may be borne by the client.
Profit & loss arising out of these transactions are either debited/credited to client or borne by the Company depending on the nature of the error.

Surveillance
A record for client code modification cases will be maintained on every financial year basis.

Review of the policy:
The policy will be reviewed, in accordance with the circulars that the regulatory authorities may issue from time to time, and changes will be incorporated in consultation with the Board Members / Compliance officer and concerned Head of Department.