



POLICIES AND PROCEDURES FOR CLIENT DEALINGS ON ALL EXCHANGES (MANDATORY)

A. Policy of refusal of orders for penny stocks

Sajag Securities Pvt. Ltd. (hereinafter called SSPL 'Member-NSE-BSE')
SSPL has a policy for shares falling under category of Z group; we reserve the right to refuse the order for selling unless we satisfy ourselves that the said category shares are in dematerialized form and have been acquired by client through normal market purchases through recognized stock exchange. SSPL have policy of not buying any shares which are traded under category of 'Z' group. SSPL may exercise option of giving consent subject to verification of bonafideness of such orders by our RMS group and asking certain declaration and indemnities.
For shares traded under 'T', 'TS' & 'BE' segment SSPL have policy of verifying bonafideness of such orders by RMS group and asking certain declaration and indemnities.

B. Policy of setting up client's exposure limit

SSPL have a policy of setting up 5 to 10 times exposure on the margin amount placed as cash deposit (i.e. margin received by cheque and kept as margin deposit). If margin is placed in the form of tradable securities of 'A' group then exposure is set at 2.5 to 5 times. For delivery based clients, SSPL have a policy of setting up exposure after evaluating the relationship. In case of block deal/ bulk deal, SSPL have a policy of verifying bonafideness of such orders by RMS group & obtaining upfront margin and placing it with the exchange prior to execution of order. SSPL have a policy of obtaining certain declarations & indemnities from client before carrying out such block/bulk deals.



C. Policy of applicable brokerage rate

SSPL have a policy of levying brokerage rates within the prescribed limits as per rules of SEBI, after evaluation of relationship with the client and the potential of the business or the financial capabilities for the investment Further SSPL has a policy of levying minimum brokerage of Rs.50/- per contract. However SSPL may waive off such minimum brokerage of Rs.50/- if the total brokerage on trades executed on both the exchange through capital market segment is more than Rs.50/- per day.

D. Policy of imposition of penalty/ delayed payment charges by either party, specifying the rate and the period not resulting in funding by the broker in contravention of the applicable laws.

SSPL have a policy of releasing pay out of funds and securities on the payout day of respective settlement subject to client has fulfilled his securities and funds pay-in obligation on time. In case of delay in pay in of funds by client SSPL at its discretion may levy charges @18% p.a.

E. Policy of the right to sell client's securities or close client's position, without giving notice to the client on account of non payment of client's dues(Limited to the extent of settlement/margin obligation)

SSPL have a policy to withheld pay out of securities if funds pay in obligation is not fulfilled by client on due date. SSPL have a policy to sell shares purchased by client after 5 days of such purchases if funds are not received by SSPL. Till such time shares are held by SSPL at the risk of client. Any loss arising out of such sale is recovered from the client. If there is any credit balance left after recovery of obligation, such amount is paid to the client after deducting delayed payment charges @ 18% p.a.

F. Policy of shortages in obligations arising out of internal netting of trades

SSPL has a policy of levying charges @ 1% of auction or close out rates on market and or internal shortages.

If any client fails to deliver shares before pay-in deadline and deposit the shares in auction settlement of the normal settlement before payout (i.e. T+4 working days) of auction settlement, securities are credited to buyer's account as auction payout.

If seller fails to deposit shares even in auction settlement, the internal shortages are closed as under:

Seller account is debited and buyers account is credited at 5% above the closing price on the auction day or 5 % above valuations price as on T+1 whichever is higher..



G. Policy of conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client

SSPL have a policy of not allowing clients to take the position in the market under following conditions

1. Mark to market loss is more than the margin placed.
2. Gross exposure is more than the limit granted.
3. If debit balance of T-1 or T-2 is not paid by the client.
4. To square up position if the debit balances are not cleared before 3.00 p.m. or sufficient upfront margin is not provided by 3.00 p.m.
5. If cheques pertaining to earlier debits are bounced for any reason.

H. Policy of temporarily suspending or closing a client's account at the client's request

SSPL have a policy of accepting a letter from client for temporarily suspending the account. SSPL have a policy of deactivating the client code from trading system in the case of such clients who do not trade for last 2 financial years. However if such a client wants to get reactivated, then new KYC form with all the relevant documents are obtained again from client before reactivation.

I. Policy of deregistering a client

SSPL have policy of deregistering a client after accepting a letter. Client is deregistered if such client defaults on his/her obligation for more than 3 times. Client account is deregistered after receiving intimation of death from family members or newspaper report or communication by the concerned sub-broker if such client is registered through a sub-broker.

This policy has been adopted by the Sajag Securities Private Limited as on 1st April, 2010 and may have been revised over time. Latest version of the policy is available at our web site www.sajagonline.com

Signature of client

Place

Date

Note: The aforesaid policy is approved in the Board meeting held on 15.01.2019