

Jayant Amerchand Kalidas

POLICIES & PROCEDURES

Jayant Amerchand kalidas is a Trading Member of the Bombay Stock Exchange of India Ltd. As per the requirements of Exchange and SEBI, we have designated the Policies and Procedures for extending trading facilities to its clients and in the respective segments of the Exchange.

As per requirements in reference to the BSE circular no 20121101 – 16 dated 01st November, 2012

The Compliance officer shall review on a period basis.

- Quantity limit for each order.
- Value limit for each order.
- User value limit for each user ID.
- Remisier/ AP wise value limit for each ID.
- Security wise limit for each user ID.

Further Compliance Officer shall ensure that: -

- That the limits are setup after assessing the risks of the corresponding user ID.
- The limits are setup after taking into account the member's capital adequacy requirements.
- All the limits are reviewed regularly and the limits in the system are up to date.
- All the Remisier/ Sub-broker or user have got limits defined and that no user or branch in the system is having unlimited limits on the above stated parameters
- Daily record of these limits is preserved and shall be produced before the Exchange as and when the information is called for.

(a) Policy for Penny Stocks

A stock that trades at a relatively low price and market capitalization. These types of stocks are considered to be highly speculative and high risk because of their lack of liquidity, large bid-risk spread, small capitalization and limited following & disclosure.

Depend on the market condition and RMS Policy of the company, RMS reserves the right to refuse to provide the limit in penny stocks and losses if any on account of such refusal shall be borne by the client only.

(b) Setting up Client Exposure Limits

The stock broker may from time to time impose and vary limits on the orders that the clients can place through the stock brokers trading system (including exposure limits, turnover limits, limits as to number, value and / or kind of securities in respect of which orders can be placed. The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock brokers risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange / SEBI directions / limits (such as broker level / market level limits in security specific / volume specific exposures etc. and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The Client agrees that the stock broker shall not be responsible for such variations, reduction or imposition of client's inability to route any order through the stock brokers trading system on account of such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its own discretion and without prior notice, prohibit or restrict the clients ability to place orders or trade in securities through the stock broker or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow orders. The client agrees that the losses if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

Since we deal in only institutional clients all trades are custodian settled and hence we do not require margin.

(c) Applicable brokerage rate

Exclusive of Stamp Duty, Service tax, Securities transaction Tax, and any other statutory levies Brokerage will be charged within the limits prescribed by SEBI / Exchange. It is hereby further, clarified that brokerage on Option Contract shall be charged on the Premium amount at which the option contract was bought or sold, not on the strike price of the option contract. Subject to revision at our sole discretion and as informed by a circular sent by ordinary post / courier services / email. It would be the

duty of the client to note the said charges regularly and periodically and shall not raise any dispute or claim in respect to said charges at any later stage. Further it is clarified that the above mentioned charges would vary from client to client at the sole discretion of the stock broker and No Client would have any right to compare or claim charges charged from other client by the stock broker.

(d) Temporary Suspending or closing a Clients Account on Clients Request

On request of the client in writing, the client account shall be suspended temporarily and same can be activated on written request of the client only. During the period the client account is suspended, the market transaction in the clients account will be prohibited. However client sales / ledger balance settlement can take place.

On the request of the client in writing, the client account can be closed, provided the client account is settled. If the Client wants to reopen the account in that case, client has to again complete the KYC Requirements.

(e) Deregistering of client

Notwithstanding anything to the contrary, the stock broker shall be entitled to terminate the agreement with the client with immediate effect in any of the following circumstances.

- If the action of the client are *prima facie* illegal / improper or such as to manipulate the price of any securities or disturb the normal / proper functioning of securities or disturb the normal / proper functioning of the market, either alone or in conjunction with others.
- If there is any commencement of any legal process against the client under any law in force.
- On the death, lunacy or other disability of the client.
- If the client is a partnership firm, has any steps taken by the client, and / or its partners for dissolution of the partnership.

- If the client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the stock broker.
- If there is reasonable apprehension that the client is unable to pay his debts or the client has admitted his inability to pay its debts, as they become payable.
- If the client is in breach of any terms, conditions or covenants of the agreement signed with him.
- If the client has made any material misrepresentation of facts, including (without limitation) in relation to the Security.
- If a receiver, administrator or liquidator has been appointed of all or part of the undertaking of the client.
- If the client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution.
- If the client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board of Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking.
- If any covenant or warranty of the client is incorrect or untrue in any material respect.

(f) Dormant or Inactive Client Account

Client account will be considered as inactive or dormant if the client does not trade for a period of Six Months. Calculations 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 shares / clients ledger balance if any will be transferred to the client within a week of identifying the client as inactive. The client may make written request for reactivation of their account along with the additional requirements of KYC (if any).

(g) Trading Systems

Trading in Exchange is in Electronic Mode based on VSAT, leased line, ISDN, Modem and VPN, combination of technologies and computer systems to place and route orders. There is a possibility of communication failure or system problems or slow or delayed

response from system or trading halt or any break down in our back office / front end system or any other problem / glitch whereby not being able to establish access to the trading systems / network which may be beyond our control and may result in delay in processing or not processing of buy / sell orders with in part or in full. The client will be solely responsible and liable for any such fault / problem / glitch if any and there will be no compensation given by the stock broker for such events.

(h) Trading Terminals

Trading Terminals may be provided by the stock broker to such persons and at such places as may be deemed appropriate by the stock broker after complying with the rules and regulations prescribed by the Exchange / Regulator from time to time. Such terminals will be issued only to Certified approved users (after checking the validity of the certificate). Access to the system will be denied in case the validity of the certificate has expired and no intimation of renewal has been made to the stock broker.

(i) Client Acceptance of Policies and Procedures stated here in above.

I/We have fully understood the same and do hereby sign the same and agree not to call to question the validity, enforceability and applicability of any provision / clauses this document under any circumstances whatsoever. These Policies and procedures may be amended/changed unilaterally by the broker, provided the change is informed to me/us through any one or more means or methods. I/we agree never to challenge the same on any grounds including delayed receipt / non receipt or any reason whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute / difference or claim between me/us and the stock broker before any court of law / judicial / arbitrating authority including arbitrator / mediator etc.