

The Board of Directors of Rajgul Securities Pvt. Ltd. (Rajgul) have adopted the following Internal Policies & Procedures in terms of SEBI Circular: MIRSD/SE/Cir-19/2009 dated 03.12.2009 forming integral part of the Member Constituent agreement in their meeting held on 29/03/2010. at the registered office of the Company.

I Refusal of Orders for Penny Stocks:

Generally, Rajgul alerts clients to desist from trading in any penny stocks in view of the associated risk element while dealing in such stocks. Further, the client is also required to adhere to Exchange/ Members' guidelines and due diligence while trading in such stocks. Also SEBI / Exchange from time to time issues directives necessitating additional due diligence for dealing in such stock(s).

We at our sole discretion, may impose certain restrictions and/ or conditions (on case to case basis), subject to rules, regulations, byelaws, circulars, directives and guidelines of SEBI and Exchanges as well as considering the prevalent market and other circumstances and risk policies at a related point in time. These restrictions/ conditions include but are not limited to the following -

1. restrict wholly or partly for trading in certain security/ies or category of security/ies contracts viz
 - i. illiquid stocks / stocks having low liquidity,
 - ii. illiquid options /far month options / long dated options,
 - iii. writing of options,
 - iv. securities listed in Z,T, TS, S,B group or 6 Lakh series available for institutional category on BSE and/or securities listed in BE, IL, BT or EQ series on NSE,
 - v. any other securities/ contracts which as per the perception of Rajgul are volatile or subject to market manipulation or has concentration risk at client level or at the company level,
2. Accept or partially accept an order for buy and/or sell. Such acceptance may require execution in a controlled environment (for e.g. from centralised desk instead of from designated dealing area or online platform),
3. Cancel orders in above securities contracts received from clients before execution or after partial execution without assigning any reasons thereof
4. Require the client to provide appropriate declarations before/ after accepting such orders.

Rajgul shall –

- Not be responsible for non-execution / delay in execution of such orders and consequential opportunity loss or financial loss to the client,
- Have the discretion to place such restrictions, notwithstanding the fact that the client has adequate credit balance or margin available in his account and/or the client had previously purchased or sold such securities / contracts through Rajgul itself,
- Have the right to revise the list of such securities / contracts on a periodic basis.

Client can obtain the information about the updated list of securities from the Relationship Manager / Dealing Branch office / Sub Broker.

II Setting up Client's Exposure Limits:

Rajgul may from time to time impose and vary limits on the orders that the client can place through the trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees

that the Rajgul may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's 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 Rajgul may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the Rajgul shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the Rajgul's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the Rajgul may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place notice, prohibit or restrict the client's ability to place orders to trade in securities through the Rajgul, 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 execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker/ exchange/ SEBI and any other reasons which the stock broker may deem appropriate in the circumstances. 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.

The Rajgul is required only to communicate/advise the parameters for the calculation of the margin / security requirements as rate(s) / percentage(s) of the dealings, through any one or more means or methods such as post / speed post / courier / registered post / registered A.D / facsimile / telegram / cable / e-mail / voice mails / telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of Rajgul; by publishing / displaying it on the website of the Rajgul/ making it available as a download from the website of Rajgul; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc.; or any other suitable or applicable mode or manner. The client agrees that the postal department / the courier company / newspaper company and the e-mail / voice mail service provider and such other service providers shall be the agent of the client and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail / voice mail service provider, etc. by the Rajgul and the client agrees never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever and once parameters for margin / security requirements are so communicated, the client shall monitor his / her / its position (dealings / trades and valuation of security) on his / her / its own and provide the required / deficit margin / security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the Rajgul to the client and / or whether or not such communication is received by the client.

The client is not entitled to trade without adequate margin / security and that it shall be his / her / its responsibility to ascertain beforehand the margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the Rajgul in

such form and manner as may be required by Rajgul. If the client's order is executed despite a shortfall in the available margin, the client, shall whether or not the Rajgul intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he / she / it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) & / or any claim / loss / damage arising out of the non availability / shortage of margin / security required by the stock broker & / or exchange & / or SEBI.

The Rajgul is entitled to vary the form (the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of shares) & / or quantum & / or percentage of the margin & / or security required to be deposited / made available, form time to time.

The margin / security deposited by the client with Rajgul are not eligible for any interest.

Rajgul is entitled to include / appropriate any / all pay out of funds & / or security towards margin / security without requiring specific authorizations for each pay out.

Rajgul is entitled to transfer funds & / or securities from his account for one exchange & / or one segment of the exchange to his / her / its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary by the Rajgul. The client also agrees and authorises the Rajgul to treat / adjust his / her / its margin / security lying in one exchange & / or one segment of the exchange / towards the margin / security / pay in requirements of another exchange & / or another segment of the exchange.

Rajgul is entitled to disable / freeze the account & / or trading facility / any other service facility, if, in the opinion of Rajgul, the client has committed a crime / fraud or has acted in contradiction of this agreement or / is likely to evade / violate any laws, rules, regulation, directions of a lawful authority whether Indian or foreign or if the stock broker so apprehends.

III Applicable Brokerage Rate:

Rajgul follows the policy of charging brokerage not more than the maximum permissible brokerage as per the rules and regulation of the exchange/ SEBI. Total Brokerage including other charges and excluding statutory levies will not exceed the 2.5% limit.

Rajgul is entitled to charge brokerage within the limits imposed by exchange which at present is as under:

(a) For Cash Market Segment: The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market segment of the Exchange shall be 2.5% of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale / purchase value of a share in Rs. 10/- or less, a maximum brokerage of 25 paise per share may be collected.

(b) For Option Contracts: Brokerage for option contracts shall be charged on the premium amount at which the option contract was bought or sold and not on the strike price of the option contract. It is hereby further clarified that brokerage on options contracts shall not exceed 2.5% of the premium amount or Rs 100/- (per lot) whichever is higher.

Rajgul may charge a brokerage for all trades facilitated on BSE, NSE or any other recognised exchange of which Rajgul is a Member. Brokerage rate may vary from client to client, as per the terms agreed with the client at the time of registration or by way of any subsequent written agreement between the

client and Rajgul.

The slab rates of brokerage fixed by Rajgul may be function of the quality and cost of services provided to the client and the volume and revenue expected from a relationship. It shall be reviewed by Rajgul from time to time and may be changed in such manner as Rajgul may deem fit provided that the same would not contradict the regulatory provisions.

The brokerage shall however be exclusive of the following:

- Service Tax and Education Cess,
- SEBI/ Exchange/ Clearing member charges
- Stamp duty
- Statutory charges payable to Exchange/ SEBI/ Govt. Authorities etc.,
- DP Annual maintenance charges
- DP transaction charges / Pledge / Unpledge / Demat / Remat charges
- DP Inter settlement charges
- Account Opening charges
- Bank charges towards the cheques received unpaid
- Charges towards customized/ specialized service

IV Imposition of Penalty/Delayed Payment Charges by either party, specifying the rate and the period (This must not result in funding by the broker in contravention of the applicable laws)

Delayed payment charges / margin shortage charges:

As per the Exposure Limit section outlined earlier in the document, client shall maintain adequate margin / settle the obligation / top-up the margin by scheduled date. In case client fails to settle the dues in time, Rajgul shall reserve the right to-

- levy delayed payment charges, not exceeding 2% per month, or such other rate as may be determined by the Rajgul from time to time, on account of delays/failure by the client in meeting the pay-in / margin obligations / mark-to-market obligation on the scheduled date till the date of payment in Cash and/or F&O segment,
- levy a charge for disproportionate cash versus collaterals ratio prescribed by the Exchanges for deposit of margins in F&O,
- not consider any credit balance in other family or group account of the client while computing delayed payment charges on the debit balance in the running account of a client.
- impose fines/penalties for an orders/trades/deals/actions of the client which are contrary to this agreement/ rules/ regulations/bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit

The above levy is only a penal measure in case of a client default in meeting settlement and margin obligation and should not be construed as funding arrangement by the client; and the client cannot demand continuation of service on a permanent basis citing levy of delayed payment charges.

Penalties levied by Exchanges:

Exchanges / Clearing Corporation/ SEBI levy penalties on the member broker for irregularities observed by them during course of its dealing with Members. Rajgul shall recover such imposed penalties / levies, by the Exchange / regulators, from the client which arises on account of dealing by such client. The illustrative list of reasons to levy penalty include but are not limited to –

- auction resulting from short deliveries,
- non adherence to client-wise exposure limits in Cash and

F&O segment,

- client-wise shortfall in F&O margin,
- any other reasons which may be specified by the Exchange / Clearing Corporation SEBI from time to time Interest Free Deposits:

Rajgul provides exposure against the upfront margin received in the form of cash / collateral from the client and the client also has the prerogative to demand withdrawal of cash or collaterals at his discretion, subject to surplus margin in place. Rajgul shall not pay any interest or other benefit to the client for maintaining cash balances or depositing collateral margins with Rajgul except for the corporate benefit received on such collateral securities, if any.

V. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of nonpayment of client's dues (This shall be limited to the extent of settlement/margin obligation)

As per the Exposure Limit section outlined earlier in the document, client shall maintain adequate margin / settle the obligation / top-up the required margin by scheduled date. The client agrees and confirms that in case of any delay (beyond permissible time limit as per SEBI or Exchange's rules, regulations, byelaws, circulars and other applicable laws/ provisions) in making the payment, Rajgul shall have the right to sell client's security(ies)/ positions/ contracts, both unpaid securities as well as collaterals deposited towards margins or securities previously purchased by the client or close out client's open positions / contracts or offset credit balance in other segment / exchange against client's obligation / debit balances / liabilities, without giving any notice to the client, as per prevalent risk policy from time to time, in circumstances including but not limited to the following -

- where intra-day position, if any, not liquidated before prescribed time or placing of fresh intra-day order after a cut-off time fixed by Rajgul,
- where client is not having adequate margins, as per conditions specified in Exposure Limit section or on account of removal of a security from approved list of collateral and client's failure to top-up further margins,
- where client delays fails to meet the pay in obligation mark to market MTM dues clearance of debit balances dues by scheduled date or realisation proceeds of the cheque s deposited by the client to meet obligation is not received
- cheque bouncing / not honoring sale obligation by delivering shares in time or due to any reason delays or fails in clearing outstanding dues to Rajgul,
- volume in excess of permissible internal limit cap in illiquid / penny stocks / long dated options / far month options or excessive speculative trading,
- scrip is moved in BANlist (due to breach of exchange limit defined for market wide position limit / trading member wide position limit / client wide limit in F&O segment, etc.),
- irregularities in dealing and other surveillance / anti money laundering (AML) related observations,
- client categorized as ineligible due to non-traceable, disputes, possible default by client and any other circumstances leading to raising non-confidence in client,
- disputed delivery/ trading position,
- any direction from SEBI/ Exchange or such other regulatory/ statutory authorities,
- under such other circumstances as Rajgul might think just and proper on case to case basis.
- In event of death or insolvency of the client

Such liquidation may be in full or partial to the extent of shortfall / debit and securities / position / contracts selection would be at the discretion of Rajgul. While selling the securities/ closing the clients positions / contracts, Rajgul may take into account the positions closed by the client or collections received from the client till a cut-off time. Securities previously purchased would be used for liquidation where the sale proceeds of unpaid securities are inadequate to cover the pay-in obligations and/or where the unpaid securities appear to be comparatively illiquid and cannot be sold at reasonable rates to the extent required.

In event of death or insolvency of the client, Rajgul may close out all outstanding positions of the client, adjusting the loss incurred on such closures with the margin deposited by the client and claim further shortfalls, if any, against the estate of the client. The successors or heirs of the client shall be entitled to any surpluses which may result there from. The above action is at the sole discretion of Rajgul and may vary from client to client. It shall not be under any obligations to undertake the exercise compulsorily. Rajgul shall therefore not be under any obligation to compensate or provide reasons of any omission or delay on its part to sell client's securities or close open positions of the client.

Rajgul shall have the right to sell client's securities or close out client's open positions / contracts but it shall not be under any obligation to undertake this exercise compulsorily and therefore shall not be under any obligation to compensate/ or provide reasons for any delay or omission on its part to sell client's securities or close open positions / contracts of the client and client shall be solely responsible for the loss incurred on such liquidation.

VI. Shortages in obligations arising out of internal netting of trades

Policy for settling shortage in obligation arising out of internal netting of trades is as under:

- The securities delivered short are purchased from the market on T+2 day and the purchase consideration (including all statutory taxes & levies) along with a penalty is debited to the short delivering seller client. In case the shares are not available for purchase for any reason then the shortage will be closed out as per the prevailing rules of the respective exchanges.

Rajgul shall not be responsible for losses to the Client on account of such square off. All losses to the client on this account shall be borne solely by the client and the Client shall indemnify Rajgul in this respect.

VII CONDITIONS UNDER WHICH CLIENT IS NOT ALLOWED TO TAKE FURTHER POSITIONS OR BROKER MAY CLOSE EXISTING POSITIONS

Rajgul Securities limited shall have the right to refuse to execute trades/allow the client to take further positions in the following circumstances:

1. Technical Failure
2. securities breaching the limits specified by the Exchanges/ regulators from time to time
3. securities submitted in physical form for settlement
4. regulatory restrictions/directives
5. Client unable to meet his pay-in obligation as per exchange requirement irrespective of the value of collaterals available.
6. Long pending debit balance in the client's account
7. Margin shortfall not compensated by the client
8. Dishonor of Cheque
9. Client dealing in "illiquid" stock as declared by Rajgul
10. Transactions which may appear to be suspicious in

nature

11. on the happening of an event, Rajgul has a risk perception that further trading in the contracts/ securities may not be in the interest of the clients and /or the market. Rajgul shall also have a right to close existing positions of the clients in the above mentioned circumstances.

Rajgul shall not be responsible for any loss incurred and the client shall indemnify Rajgul in this regard.

VIII TEMPORARILY SUSPENDING OR CLOSING OF CLIENT'S ACCOUNT AT THE CLIENT'S REQUEST

The client is required to submit written request for closure of account or for temporary suspension of account clearly stating period of suspension, to the nearest branch office, sub-broker office or central processing cell at the registered office of the Member. Upon receipt of request and after satisfying itself with respect to all information/ documentation and settlement of client dues, the Member shall act upon the request within reasonable time but not later than 30 days from the date of request.

The account shall be reactivated only on submission of a written request for reactivation by the client

Rajgul may at any time, at its sole discretion and without prior notice to the CLIENT, prohibit or restrict or block the CLIENT's access to the use of the web site or related services and the CLIENT's ability to trade due to regulatory requirements, prevention of money laundering, market conditions and other internal policies.

IX Suspension of trading account and Deregistering the client

Suspension of trading account

Rajgul may carry a periodic review of the client accounts and may, at its discretion, suspend the client's accounts from trading in the following circumstances:

- where the client's status is dormant or inactive during last 12 months from the date of last transaction
- where the client has not cleared the naked or uncovered debits in prescribed time,
- default by the client in honouring its settlement / margin obligation including cheque bouncing / auction of shares,
- irregular trading pattern from surveillance /AML perspective,
- where Rajgul is unable to transfer the shares to the default demat account provided by the client till the client submits the revised demat account details along with proof
- where the client is categorized as ineligible due to being non-traceable, pending disputes complaints possible default by client and any other circumstances leading to raising non confidence in client including return of undelivered couriers citing reason of no such person / addressee left /refusal to accept mails / POD s signed by the third persons etc. or Digital Contract Notes (DCN) failed (Bounced email) on more than 3 instances until client submits and registers new email id or non-delivery of the statement of account sent on periodic basis or non-updation of financial and other details viz email id mobile no land line details or it is found to be belonging to a

third person,

- 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 the market, either alone or in conjunction with others.
- where the account is under investigation by any regulatory body including receipt of notice from statutory, government or local authorities including income tax, service tax, a judicial or a quasi judicial authority, or client is arrested by way of court order, police action or any other legal action,
- where a client is reported to or known to have deceased
- where client fails to provide executed or renewed mandatory documentary requirements as prescribed by Exchanges/ Regulators from time to time and /or refusal to do the periodic submissions as required by Exchanges/Regulators,
- under such other circumstances as the Rajgul might think just and proper on case to case basis.

Deregistering a client

Rajgul may at its discretion de-register the client's account in circumstances including but not limited to the following -

- action taken by Exchanges / Regulators or being part of list of debarred entities published by SEBI,
- where the client indulge in any irregular activities not limited to synchronized trading, price manipulation, etc. resulting in violation of rules, regulations of the exchange and any other such activity
- based on information found in sites of CIBIL, Watch out investors, World check or client having suspicious back ground, link with suspicious organization etc.,
- irregular trading pattern from surveillance /AML perspective,
- where the client is categorized as ineligible due to being non-traceable, disputes, possible default by client and any other circumstances leading to raising non-confidence in client including return of undelivered couriers citing reason of no such person / addressee left /refusal to accept mails / POD s signed by the third persons etc. or Digital Contract Notes (DCN) failed (Bounced email) on more than 3 instances until client submits and registers new email id or non-delivery of the statement of account sent on periodic basis or non-updation of financial and other details viz email id mobile no land line details or it is found to be belonging to a third person
- right to deregister after serving a 30 days written notice without assigning any reason thereof.

In such case, Rajgul shall have the right to close out the existing positions / contracts, sell the collaterals to recover its dues, if any, before de-registering the client's account.

X Policy for Inactive Client account:

Client account will be considered as inactive if the client does not trade for period of one year.

Calculation 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 Client has to make written request for reactivation of their account.