

## POLICIES & PROCEDURE

In order to ensure proper compliance with various Notices/Circulars/ Guidelines issued by SEBI / Exchanges and uniformity the **MANASHVI SECURITIES LTD.** has prescribed the Policies & Procedure as under for guidance of all employees in HO / all Branches which is to be strictly followed by all for dealings with clients.

### [1] Refusal of orders for penny stocks

MSL does not encourage trading in penny stocks or securities falling in T2T or Z group of BSE and NSE. Member reserves its right to refuse orders in such securities from the clients desiring to deal in such shares, stocks, securities. Under exceptional circumstances and considering merits on case to case basis, trading in penny stocks T2T/Z category would be allowed to clients on delivery basis subject to stringent verifications of client holdings, intentions and bonafide reasons given by the intending clients.

There is no formal list of the "Penny Stocks" issued by the Exchanges/SEBI. However there are shares of certain companies which are called/Known as "Penny Stocks" in the Market. These shares may be part of the list of "illiquid stocks" issued by the Exchanges from time to time but not necessarily so in all cases. As dealing in these stocks (in physical form or demat form) is risky. The Company (as a stock broker) may declined to carry out Buy/Sale Order/s of any client for so called "Penny Stock."

### [2] Setting up of Client's Exposure limits

The Company will fix the limit in value for each and every Scrip for which Buy/Sell Order 's of any particular Client will be executed in normal course based on "Income level" for the year confirmed by the Client / Sub broker / Remiser and other considerations. The Company will not disclose the rational/logic of their decision (about fixation of the monetary limit). However if requested by the Client for any specific transaction/s to be carried out as a special case then it may be considered on merit. The company will set up client's exposure limits on the basis of their respective ledger balance collateral provided, security deposit etc across all the exchange for F & O Purpose.

### [3] Applicable Brokerage Rate


At present SEBI permits maximum brokerage @2.5% of contract price . The Company charge brokerage to their Clients at the rate/s below this maximum limit. Each client will be intimated the rate at which brokerage will be charged to him / her / it. This rate will be revised by the Company based on volume of the Client's business / market conditions / other relevant factors. Any change in the rate of brokerage will be intimated to the Client.


### 4) Imposition of Penalty/Delayed Payment Charges to Clients, specifying the rate and the period (This must not result in funding by the broker in contravention of the applicable laws) :

As per regulation the client should pay his pay in obligation of funds on or before one day for the Exchange pay in day. We make the policy of charging penalty /delayed payment charges to discourage client in making late/Delayed payment. Clients will be liable to pay late pay-in/delayed payment charges not exceeding 2% per month for not making payment of their pay-in obligation on time as per the exchange requirement or net ledger debit balance as applicable. The client agrees that MANASHVI SECURITIES LTD. may impose fines/penalties for any orders / trades/ deals/actions of the client which are contrary to this agreement / rules / regulation / 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. Further where MANASHVI SECURITIES LTD. has to pay fine or bear any punishment from any authority in connection with/as a consequence of / in relation to any of the orders/trades/deals/actions of the client, the same shall be borne by the client.

All Clients other than those who have agreed to have a "Running Account" with the Company will have to make payments due to the Company on due dates so in all cases if payment is not made to the Company on due date after considering three working days as Grace period company can sell clients outstanding to clear its debit. The company will make payments to all clients other than those who have agreed to have "Running Account" on due date.

The Company will make payments to all clients other than those who have agreed to have "Running Account" on due date.

 X \_\_\_\_\_  
Sole / First Holder  
Signature

 X \_\_\_\_\_  
Second Holder  
Signature

 X \_\_\_\_\_  
Third Holder  
Signature

**[5] 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.**

MANASHVI SECURITIES LTD., shall be entitled to liquidate client's securities; both unpaid securities as well as collaterals deposited, benefit / credit for the same only on the realization of clear proceeds in MANASHVI SECURITIES LTD. bank account. Where the margin/security is made available by way of securities or any other property, MANASHVI SECURITIES LTD. is empowered to decline its acceptance as. margin/security and/or accept it as such reduced value as MANASHVI SECURITIES LTD. may deem fit by applying haircuts or by valuing it by marking it to market. The stock broker has the sole discretion to decide referred stipulated margin percentage depending upon the market conditions. The above action is at the sole discretion of MANASHVI SECURITIES LTD. and may vary from client to client. It shall not be under any obligations to undertake the exercise compulsorily. MANASHVI SECURITIES LTD. 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.

**[6] Shortages in obligations arising out of internal netting of trades**

In case of BSE, shortages arising out of internal netting of trades are given for self-auction to the exchange through exchange mechanisms.

In case of NSE, shortage arising out of internal netting of trades client shortage are closed out by the company as per guidelines issued from time to time by the exchange.

In case of shortages due to internal netting of trades, if the Company is required to pay any penalty to the exchange/s it will be charged to the client concerned.

Shortage : In case of purchase of securities by the client, at times the stock broker may be unable to deliver the securities to said purchase on the payout day due to non-receipt of the securities from the stock exchange's or in case of non-receipt of the said securities from another client of the stock broker who has sold the securities against the said purchase transaction. In cases of short delivery from the exchange the securities shall be delivered to the purchaser on the deliveries received from the exchange and in cases of short delivery due to non-receipt of the said securities from another client of the stock broker, the securities shall be delivered to the purchaser as per the policy of the exchange.

**[7] Conditions under which a client may not be allowed to take further position or broker may close the existing position of a client.**

It is to be noted that under following circumstances any client will not be allowed to take further position or the Company may close that particular Client's position (i) if the particular Client is a Defaulter of amount due to the Company (ii) Value of the Collateral is not sufficient to meet the Losses incurred by the Client (iii) If according to the Company Market Conditions has turned or likely to turn unfavourable based on the information available or its is the view of the matter taken by the Company. (iv) that particular Client is barred from Trading on the Exchange/s by SEBI / Exchange/s. (v) Political/financial instability in the country or otherwise.

**[8] Temporarily suspending or closing a client's account at the client's request**

It is to be noted that under following circumstances any particular Client's Account may be Suspended / Closed (i) On receipt of Written Instruction from that particular Client (ii) that particular Client is barred from Trading on the Exchange/s by SEBI / Exchange/s (iii) The particular Client who has defaulted in making payment on due date to the Company (iv) on receipt of any adverse information by the Company about the particular Client.

**[9] De-Registering a client.**

It is to be noted that any particular Clients who is/are covered under any of the following category will deregistered at our discretion.

(i) that particular Client/s is/are barred from Trading on the Exchange/s by SEBI / Exchange/s (ii) The particular Client who has defaulted in making payment on due date to the Company (iii) on receipt of any adverse information about the particular Client (iv) The Client NOT trading through the Company continuously for more than 12 months. (v) The death of the client.

**[10] Treatment of Inactive Accounts**

Client having no trades during last financial year (excluding those who have registered during last financial year) will be treated as inactive clients and their status will be marked accordingly in to back office system after settling dues and returning collaterals if any. Re activation of such clients will be done only after due diligence by concerned authorities.

I/We have read, understood the above and state that I will strictly abide by the condition laid in this policy.

 X

\_\_\_\_\_  
Sole / First Holder  
Signature

 X

\_\_\_\_\_  
Second Holder  
Signature

 X

\_\_\_\_\_  
Third Holder  
Signature