

SAROJ SECURITIES

309 KAN CHAMBER, 14/113 CIVIL LINES, KANPUR – 208 001

Member: The National Stock Exchange of India Ltd.

SEBI Regn No: INZ 000224427

Policies for Internal management and control

Policies for Back Office:

- 1.Ensure that the Contract notes are issued and dispatched to client with in 24 hours (next working day) either in physical form or through Email as opted by the client at the time of registration.
- 2.In Derivative segment, Client margin position is reviewed on daily basis and ensure that when the client is having inadequate margin as per rules defined in the risk management policy of Saroj securities, the client is not allowed to take further position and required margin is received from client before further position is taken .
- 3.Ensure that the Daily outstanding balance list should be printed at the end of the day and clients should be informed of their net liability, if any on the same day so that they may fulfill their Obligations in time.
- 4.In case of Shortage of fund and delivery due for PAY IN, it should be informed to client before PAYIN cutoff time, so that pay-in shortages due to any human error could be rectified.
- 5.The risk profiling of the client should be done as per risk profiling policy of the Saroj securities and extra care is taken in case of high risk profile client.
- 6.All the trade conformations should be given to client at the end of the trading day through phone, email, or sms or access through online Back Office.
- 7.If the client is unable to provide mandatory documents as required by Saroj securities as per SEBI or NSE rules /circular, the account of the client shall be temporarily suspended and in case of failure continues for 6 month or more, the account of the client could be closed under intimation to client.
- 8.The account of the client may at any time without any notice to client be closed with immediate effect when the actions of the client are prima fascia illegal/improper or such as to suspicious transaction or manipulate the price of securities or facilitating money laundering or disturbs the normal functioning of the market.

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9. In case of death, lunacy, insolvency of the client, the debit balance in the client account will be settled by selling the securities lying in the client beneficiary account or/and margin account to the extent of debit and the account will be closed.

10. The NSE settlement account and Globe Capital Account (F & O Clearing Member) should be reconciled daily and all the other bank account of the Saroj securities should be reconciled at the end of the month and reconciliation statement should be prepared.

11. As Saroj Securities back office policy works on daily check list, it shall be the duty of Office in charge to ensure the completion of daily back office work and proper and timely submission of margin files and other necessary information to NSEIL/Clients before taking daily backup of DATA.

12. In case of short delivery auction or shortage of delivery in payouts, the client should be informed immediately. Clients should be made aware regarding the fact that in the event of sale of stocks purchased on previous trading day and received short from the exchange, it goes to auction and the client's account is debited on account of auction for which Client would solely be responsible.

13. The pay out is made and pay in received from the clients through a designated bank account declared by the clients. Any PAY IN cheque, if received from any other account other than that registered with Saroj Securities is rejected. The said payment would be accepted only when client produces the proof of account, in such case the additional bank details is uploaded to the back office after verification of documents.

14. We have not taken any Power of attorney in any trading accounts as on date.

15. We have a separate written down policy for PMLA, which has been explained, to all our officials and employees, and it shall be the duty of compliance officer to ensure compliance in this regard.

16. We carry out in person verification of the clients and therefore there are no benami accounts. In due diligence of the clients, we also ask the client for a Genuine reference and we insist on introduction by either of our Client or Staff member. We are in the process of establishing automated alerts for dormant and suspicious transactions in the back office software. We have appointed the principal officer and we make aware our employees and clients about Anti Money Laundering Policy and impart training to them from time to time.

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17 We do not induce any client to trade nor do we give our views about market movements. We also do not provide any market tips. All trades are exclusively incurred at the instances of the clients.

18.As of now we do not solicit walk in clients. Over so many years, we have built relationships with our clients. It is only when a person is introduced by an existing client and/or authorized person or friends & relatives, we accept such person as our client after duly verifying the documents and following the “KYC” norms as stipulated by the SEBI/Stock-Exchanges.

D] Policies for Compliances:

1.Compliance officer shall review the accounts , trading systems and policies ,margin management ,KYC forms , new KYC registrations ,financial details of existing clients as per policies framed by Saroj Securities .It shall be the duty of Compliance Officer to ensure proper Daily ,weekly ,monthly ,quarterly ,half yearly , Annually compliances of NSEIL/NSCCL/SEBI and guide day to day managements, if any deficiency observed in day to day working.

2.The compliance officer would continuously monitor debit balances of the clients and the follow up at the client level. The old debit balances over 15 days are closely monitored. In the event of net debit over 90 days the same is reported to management for appropriate action for recovery there off from the respective client.

3.The Annual Running Account Authorisation should be obtained from every client at the time of registration in case the customer opts for running account .The actual settlement of funds should be done at least once in quarter or a month, depending on the preference of the client. Statement of account should be send to clients on actual settlement of funds by the means consented by the clients .The quarterly statement of accounts for funds and securities should be sent to every client at the end of every quarter.