

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

UCC - Error Policy - on client code modification

OBJECTIVE:

To frame the guidelines for modification of client codes post trade execution /online trade modification / Client code modification and reporting of such Client Code Modifications to exchange.

1. With reference to the SEBI circular ref no CIR/DNPD/6/2011 dated July 5 , 2011 regarding modification of the Client codes of Non institutional trades , the following client code modifications would be considered as genuine modifications ,provided there is no consistent pattern in such modifications.
 - i. Error due to communication and/or punching or typing such that the original client code /name and modified client code /name are similar to each other but such modifications are not repetitive.
2. Saroj Securities have a UCI code named **“Saroj Securities – error “** to which all the trades resulting due to error as mentioned above shall be transferred and subsequently closed off / liquidated in the open market.
3. In case of trading in wrong client code in Capital Market Segment, ensure that the error is humanly and Client code change is not carried for malpractice, ratify it with the correct client code through NCMS or transfer it to error code of Saroj Securities, as the case may be, get it documented in Client Code Change Register and ensure to ratify it with the correct client code in the back office.
4. In case of trading in wrong client code in F & O/Currency Derivative Segment , ratify it with the correct client code online or transfer it to error code of Saroj Securities ,as the case may be before cut off time of NSEIL and get it documented in Client Code Change Register.
5. The modification to the client codes are done only to rectify the genuine error in entry of client code at the time of placing / modifying the related order.
6. Genuine errors in client codes for purpose of modification are identified strictly in accordance with the objective criteria for the purpose laid down by the exchange.

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7. The reason for modification is ascertained and analyzed, genuineness is established, and its impact on the clients is studied before the modification. If voice recording is in practice, the same is studied.
8. Therefore the issue is reported to the senior level Manager/Director and only with his/her approval, the modification is carried out after being satisfied that it is genuine, the same is done to protect the interests of the client.
9. Client code modification facilities are disabled from all the dealer terminals.
10. Hence the facility to modify the client codes is available only at the Corporate Manager level and is not given to the branches/authorized persons.
11. Complete records of daily online trade modifications are maintained in soft form.
12. Any offline back office client code modification is strictly prohibited.
13. Training program is conducted to all the Dealer and they are explained how code modifications can be misused and what steps should be taken to avoid the same. It is also explained that code modifications should not be recommended to clients except for cases like 'punching errors'/'typing errors'.
14. A register is maintained for recording all the code modifications with details like error code, correct code, scrip name, quantity, client name, the name of the dealer who punched the code, the terminal ID where the order was punched, the explanation of the dealer/Branch Manager, the 'analysis /study' of the authorized Manager and his approval/disapproval for modification.
15. Finally, the decision of the authorized Manager should be reported to the compliance officer for ratification or any other appropriate action.

For Saroj Securities

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