



SAROJ Securities

806, Kan Chamber, 14/113 Civil lines, Kanpur-208001
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Compliance Officer: Sanjay Agrawal, Ph: 0512 - 3058652
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Client Code.....

Client Name.....

Date: March 20, 2010

Client Address.....

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Contact No.....

Sub: SEBI circular on Dealing between Stock Broker and Client

Dear Sir/madam

In order to bring about greater transparency and discipline in dealing between members and clients, SEBI Circular No .MIRSD/SE/Cir-19/2009 dated 03.12.2009, have prescribed various norms /requirements. This circular would involve significant process and document changes w.r.t our existing member client relation .Hence, we request your urgent attention & full co-operation in complying /understanding the requirement in terms of change in documentation/process.

Mandatory /Non mandatory registration documents

Please note that the following documents as prescribed by SEBI vide its Circular dated August 26 ,2004 which have been executed by you with us constitute the mandatory documents as defined in the recent SEBI circular :

- Member Client Agreement (MCA)/Tripartite Agreement in case sub broker is associated,
- Know Your Client (KYC) Form
- Risk Disclosure Document (RDD)

Any other document /authorization /clause apart from the above is voluntary in nature ,has been included for ensuring smooth trading & settlement and you have the option to revoke such documents/authorization/clause by informing us in writing.

Inactive Clients

SEBI has advised to define inactive clients. In line with same exercise, it has been decided to review all registered clients once in a half year ending i.e 30th September and 1st April and treat such clients as 'inactive' who had not done any trade since the client was registered or one year from the date of end of financial year in which last trade was done, whichever is later and accordingly, now all those clients who fall under this category shall be treated as 'inactive' and marked as 'inactive'.

However, if any such 'inactive' client wishes to restart his trading activities, he will be required to submit an application in the enclosed format (Annexure S -1).

Document for polices & procedures

SEBI, vide Point Number 8 of Annexure –A of SEBI Circular No .MIRSD/SE/Cir-19/2009 dated 03.12.2009, has also advised for a mandatory document dealing with polices and procedures. Please find attached herewith the document setting out the various policies and procedure followed by Saroj Securities in relation to your transactions in the securities market and matter ancillary and incidental thereto accordingly; a format for the same is

enclosed (Annexure S -2). You are requested to return it after marking the desired options to be availed by you and signing it.

Running Account Authorisation

As per your request, we are maintaining running account for your transactions executed through us for both funds & securities. The mandate for maintaining running account is to be renewed every year by the Client .Further, a format for running account authorization etc is also enclosed which is to be submitted by all the active clients. (Annexure S -3).

Actual settlement of account on periodic basis

SEBI has mandated the actual settlement of funds and securities at least once in quarter or a month, depending on the preference of the client .At Present quarterly statement of accounts for funds and securities are being issued to you for enabling you to reconcile your accounts. We would like to inform you that you have an option to settle and reconcile your accounts on monthly basis for which we would require your consent .In the absence of a specific written request from your side we would settle and reconcile your accounts on quarterly basis. (Annexure S-3).

Confirmation of details registered with us

We are hereby enclosing your details registered with us including basic details like name, address, bank/demat account details, the segment you have opted for trading. We request you to kindly update us with changes in any of the parameters mentioned therein. We would require a specific written request from your side along with necessary supporting documents (Annexure S-3 & S-4).

Documentary Evidence of Financial Details

You are requested to submit documentary proof of any of the documents in support of your financial status in case you have opted to trade in derivative segment:

1. Copy of Income Tax Return (ITR) Acknowledgement (For Last Financial Year)
2. Copy of Annual Accounts (For Last Financial Year)
3. Copy of Form 16 in case of salary income (For Last Financial Year)
4. Networth Certificate (Latest one or at the end of last financial year)
5. Salary Slip (for one month in current financial year)
6. Bank account Statement (for last 6 months)
7. Copy of Demat account Holding Statement (Not more than 3 months old)
8. Any other relevant documents substantiating ownership of assets.

Client's co-operation in the matter is requested. We request to co-operate in complying with the requirement stated above in order to enable us to serve you better way. Kindly provide records/document/confirmation as sought within 15 days of this letter.

Looking forward to a long term and fruitful relationship and assuring you of our best services.

**In case of any queries, you are welcome to call 0512 – 3058652, 3058653, 3058654 or write at contact@sarojsecurities.com
For SAROJ SECURITIES**

**Sanjay Agrawal
(Managing Partner)**