



MEMBER : NATIONAL STOCK EXCHANGE OF INDIA LTD.

(INB-230794820 - Capital Market) (INF-230794820 - Future & Option)

IMPORTANT POLICIES AND PROCEDURES

A) Refusal of order for penny stocks

Penny stocks shall be defined as shares considered illiquid by the stock exchange and included in the illiquid securities list and intimated to us by circulars. Additionally stocks that are traded in trade-to-trade segment may also be considered penny stocks. Orders placed for such stock may not be placed into the system and liable to be rejected without assigning any reason at the discretion of the management. All orders for such stocks shall be verified and shall be accepted after proper verification.

B) Setting up of client's exposure limits

Currently we use NEAT/NEAT Plus software provided by the exchange for executing clients order. There is no provision in this software for setting up client exposure limits. However the dealers shall be trained to accept orders for clients up to certain limits, which shall be based on their part trading pattern and financial background. All large value/volume orders shall be brought to notice of the managing partners before execution.

The CM(Corporate Manager) shall do the limit settings by analyzing the past trading history, after taking in to account client profile, financial standing, clients objectives, tenure of business relationship and the market risk prevailing from time to time. The exposure limit shall be set based on availability of margins and in accordance within the prevailing limit prescribed by the Exchange/SEBI.

A designated branch Manager shall be responsible for setting up turnover limits at the branch level

The designated officer shall set the limits for the clients who are availing Internet trading facility after obtaining consent from the management.

C) Applicable Brokerage Rate

Brokerage shall be charged at the rate agreed at the time of registration between the client and Broker for direct client, and between client, Sub-broker and Broker in case of client introduced by Sub-broker. The brokerage charged shall always be within in the limits prescribed by SEBI/NSE. Any revision in rates shall be as per mutual agreement. The upward revision in brokerage rates shall not be carried out without prior written consent of the client.

D) Imposition of penalty for delayed payment

Our Additional Voluntary Terms and Conditions Agreement have an enabling clause for imposing penalties for delayed payment. The same is reproduced herein below

Notwithstanding anything contained in these presents, any amounts which are overdue from a CLIENT or a Stock Broker of the Client's family/groups towards trading either in the Cash or Derivative segments or on account of any other reason to the STOCK BROKER or to any of the STOCK BROKER's group or associate companies, may be charges delayed payment charges @ 1.5% per month or part thereof or such other rate as may be determined by the STOCK BROKER. The CLIENT hereby authorizes the STOCK BROKER to directly debit the same to the account of the CLIENT at the end of each month/such other interval as may be decided by the STOCK BROKER. The CLIENT also agrees that any amount overdue from him/her (including the interest on delayed payment) shall be offset against the dues owed by the STOCK BROKER to the CLIENT.

Penalties for shortage of securities shall be levied as per the exchange Rules and Regulations in this regard.

Although this enabling provision is made in the agreement, as per present policy, we are not charging any penal interest. However, having regards to the facts and circumstances and nature of default the management reserves the right to invoke the said provisions. However, any such levy of delayed payment charges shall in no way be construed as part of regular business practice for funding client obligations.

E) Right to sell / close out clients obligation without giving notice

The management policy is such that it does not encourage excessive speculative activities and ensures that client trades only after assessing his risk taking capacity and risk profile.

In the unfortunate circumstances of client defaulting on payment of margin/pay in obligation, the management reserves the right to sell/close out clients' obligation after giving sufficient intimation and the procedure shall be as under.

- > A notice shall be given to the client for completing the obligation. In case, the client does not respond or fulfill his obligation the dealer shall close out / liquidate all outstanding position / securities so as to meet all the outstanding obligation of the client after obtaining written approval from managing partner and the compliance officer.
- > The client shall be communicated in writing detailing the above action.

F) Shortage of obligation arising out of internal netting of trades

Internal shortage shall be dealt with by buying the security in the subsequent settlement on behalf of the client who has failed to deliver the securities after obtaining mutual consent of both buyer and seller. In case the security can not be bought for any reason whatsoever or securities having corporate action pending, the same shall be dealt with as per close out policy laid down by the exchange.

G) Condition of restrictions on fresh position or closing of existing position

The Stock Broker shall have absolute discretion to reduce the volume of business of the Client or restrict dealings by the Client without any prior notice to the Client having regard to,

- a. The volatility in the market;
- b. In view of impending price sensitive announcements;
- c. Any restrictions in relation to volume of trading/outstanding business or margins stipulated by NSE;
- d. Political instability in the country;
- e. Presence of any other price sensitive factors;
- f. Failure by the client to maintain the applicable collateral / margin; and /or delays by the client in meeting its obligations/ dues relating to the business/dealings done.
- g. Any major failure of Vital infrastructure systems and services like Telecommunication, electricity, banking, depositories, transportation etc. And any other situation beyond control of S.G.Securities

H) Closing or temporary Suspension of Clients Account

All the clients registered with us can close or temporarily suspend operation of their account by intimating to us in writing. The client shall ensure that all outstanding dues / obligations are settled before such request can be entertained. Notice period for above purpose shall be 30 days.

I) De-registering of client

- A client shall be de-registered
- Upon receiving a written request.
 - Upon client being declared defaulter
 - Upon client being suspended by SEBI or any other requesting Authority.

-If any dealing or other activities in client account are found to be suspicious and /or without any economic rational and/or likely to fall with in preview of manipulative market practices.

J) Treatment of inactive Account

A client account in which there is no trade transaction during the last two financial year shall be identified as 'Inactive Account'. At the end of every financial year, a process shall be carried out to identify the account in which there is no transaction during the period and such accounts shall be marked as 'Inactive'. In the event of activation of such account in future, the validity of all the relevant KYC data and documents shall be checked and the changes, if any shall be updated before putting such account in an active state. A client shall also be marked "Inactive" if intimation is received in writing from the client. A client may be temporarily marked as inactive for non-compliance or partial compliance of any fresh rules and regulations announced by SEBI/NSE or any other regulator.

K) Miscellaneous operational Policies

- S.G.SECURITIES do not accept or do any transaction in exchange of Cash Money. Therefore, client should not deal/exchange money in cash with any sub-intermediaries and /or any of the employees of S.G.SECURITIES.
- S.G.SECURITIES shall not accept or recognize and give credit of any payment made by clients to S.G.SECURITIES other wise than in 'Crossed Account Payee' cheque. in favour of S.G.SECURITIES or direct credit in the designated banking accounts of S.G.SECURITIES. Payments to client by S.G.SECURITIES shall also be made through 'Crossed Account Payee' cheque in the registered name of client and/or through direct credit to the registered banking account of the client.
- S. G. SECURITIES shall not give/receive any securities otherwise than to/from the registered demat account of client.
- The sub-intermediaries and employee of S.G.Securities are not authorized to managed discretionary account of the client and client should promptly report to broker office/management if unauthorized trades found in their account./s

