

Mandatory Policies and Procedures

The following are the policies and procedures formulated by Darashaw & Co. Pvt. Ltd. (Darashaw):

i) Refusal of Orders for Penny/illiquid securities:

Darashaw shall from time to time classify a list of securities which are illiquid / penny based on internal criteria and/or client may refer the list of illiquid securities notified on periodic basis by respective Stock Exchanges. Darashaw reserves the right to refuse execution of any transaction requests of the Client on such illiquid securities or to reduce the open market interests of the Client in such securities from time to time.

ii) Setting up of Exposure limits:

Darashaw would set the exposure / trading limits to the Client based on the margin lying to the credit of the client in the form of funds / securities / FDR / bank guarantee. In setting exposure limits for the Clients following points to be considered:

Client's risk profile, risk appetite, loss bearing capacity, payment history, market volatility, risk management policy of Darashaw and such other factors or conditions which Darashaw may consider relevant for the said purpose from time to time. Darashaw reserves liberty to vary the trading / exposure limits of the Client depending upon its risk assessment from time to time having regard to the changes in any of the factors or market conditions bearing on the risk profile of the Client.

iii) Applicable Brokerage Rate:

Darashaw shall levy brokerage on clientele transactions as per the brokerage slabs mutually agreed with the client in writing in the Client Registration Form subject to the maximum rate prescribed by the Stock Exchanges / SEBI from time to time.

iv) Imposition of Penalty / Delayed payment charges to client:

Imposition of Penalty & Delay payment charges to clients will be decided on case to case basis by the management.

v) Right of Broker to sell off client securities:

In the event of the Client failing to maintain / supply applicable margin money required to sustain the outstanding market positions, Darashaw shall be entitled, at its option and liberty, to liquidate / close out all outstanding market positions or any part thereof such that the outstanding market positions are either zeroed out or reduced to an extent where available margin covers the market positions remaining after such square off. Darashaw may also sell off all or any securities of the Client lying with

DARASHAW & COMPANY PVT. LTD.

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Tel no: +91 67470538/0539 Fax no: +91 67470529

Darashaw as collateral or otherwise, for any amounts due by the Client and adjust the proceeds of such liquidation / close out against the client's liabilities / obligations to Darashaw. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client. Such liquidation/ close out will be done after giving three reminders/ notice to the client. Client shall keep and hold Darashaw indemnified and harmless from any loss arising out of such closing out / squaring off.

vi) Shortages in obligations arising out of Internal Netting of trades:

If the client has short delivered any securities against his/her/its pay-in obligation which resulted in internal shortage i.e. resulting in failure of delivery of securities to another client of Darashaw who purchased the securities, then the system of self- auction for internal position between two clients will take place for BSE membership.

In case of any internal netting in NSE, close out price will be higher of the trade day's closing rate or 5% above the closing price on settlement (Payin Payout) day or such other rate as may be revised by Darashaw from time to time. The close out value which will be arrived after taking into account the close out price as mentioned above, will be charged to seller & then the same will be passed on to the buyer. The same rule of close out shall be applicable if the securities could not be auctioned in the market (self-auction) in BSE membership.

vii) Conditions wherein client may not be allowed to take further position / existing position will be closed:

Darashaw reserves the right to restrict or refuse execution of any orders for transaction in any scrip if transaction in such scrip is not in accordance with its internal policy or penny /illiquid securities and/or the directives and guidelines of the Exchanges / Regulators issued from time to time. Darashaw may impose trade restrictions on any scrip having regard in particular to any one or more of the following factors viz. i) market volatility, ii) price sensitive announcements relating to any scrip, iii) restrictions on trade volume imposed by the Exchange concerned, iv) political instability in the country, v) external aggression or internal rebellion, vi) default by the Client to maintain applicable collateral / margin or to make payment of dues, vii) client exceeded its eligible exposure, viii) account is closed or suspended or such other factors influencing the securities market, viii) Client providing funds/ securities from third party account in case of purchase/sale.

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viii) Temporarily suspending or closing a Client's Account at the client's request:

The Client shall request in writing to Darashaw for suspension of transactions in Client's account and Darashaw may on receipt of such request suspend transactions in the account. The Client shall ensure pay in of funds and securities in respect of all transactions pending to be settled on or before the respective settlement date(s) and shall compulsorily square off all open derivative positions, failing which Darashaw without further reference to the Client shall square off all open derivative positions prior to suspending the account. Account of the Client shall, if suspended, remain so suspended until such time as the Client's request in writing for reactivation of the account is not received by Darashaw.

ix) Deregistering a Client's Account:

Darashaw reserves the right to deregister the client in the event of any breach of the terms of the member client agreement or in the event of violation of any Rules, Bye-Laws, Regulations of SEBI or the Stock Exchange or of the provisions of any law for the time being in force governing dealings in the securities market without prior notice or on the directions of SEBI / the Exchanges. All rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to deregistration of the Client shall continue to subsist and vest in / be binding on the respective parties or his/her/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

Darashaw has formulated a set of Policies and Procedures as given above which are to govern all the trades and other transactions of the Client on the Exchange. The said Policies and Procedures form an integral part of Member Client Agreement. Darashaw reserves the right to vary, alter, modify or revise the said Policies and Procedures in keeping with the applicable Rules, Bye-Laws and Regulations governing the stock market. Darashaw declares that it has brought the contents of the said Policies and Procedures to the notice of the client and the Client declares that he/she/it has read and understood the said Policies and Procedures and agrees and undertakes to be bound by the same or as may be varied, altered, modified or revised by Darashaw from time to time.

Client's Signature: _____

Name of the Client: _____

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