

POLICY FOR CLIENT CODE MODIFICATION

Background

B D Shroff Securities Private Limited (BDSSPL) is a member of BSE Ltd (SEBI Registration Number INZ000228735).

This policy has been issued in compliance with the requirements of:

1. SEBI Circular ref. CIR/DNPD/6/2011 dated 05-Jul-2011
2. SEBI Circular ref. CIR/MRD/DP/29/2014 dated 21-Oct-2014
3. BSE Notice No. 20110826-4 dated 26-Aug-2011
4. Other circulars issued by BSE and NSE from time to time

To error is human, but to take precaution is wise. The policy laid down by BDSSPL regarding trade modification is as follows:

All trade modification is now done thru the RTRMS portal.

Errors by Clients:

- 1) Client wishes to sell shares but inadvertently says buy or vice versa and the same is known during trading hours itself.
- 2) Wrong Scrip given by client eg: HDFC Bank instead of HDFC
- 3) The client gives a wrong quantity of shares for purchase/sale eg 500 instead of 50
- 4) The client gives the wrong family code.

Rectification of errors that have occurred due to error by client:

As specified above where it is clearly established that the error was due to wrong instructions by the client, the trades may be modified as follows:

- a) Inform the client about the penalties liable in case of trade modification. This will apply if client code is changed.
- b) Square up the trade in the wrong code/wrong scrip and redo the same in the correct code. The impact of rate difference, STT and brokerage would be borne by the client. Minimum brokerage will be charged on modified trades.

Errors by BDSSPL

- 1) Punching error in code such as 7754 instead of 7745 or 4610 instead of 4611.
- 2) Error due to miscommunication between client and dealer.

Rectification of errors that have occurred due to BDSSPL.

- 1) In case of low value transaction the trade may be modified directly before the end of post closing. Outside BOLT's have no access to trade modification. All such Genuine Error code modification shall be carried out through UCC registered 'ERROR' account. Any rate difference including transactions costs shall be settled between the concerned accounts.
- 2) Error on the sale side will have to be compulsorily squared up on the same day to avoid further losses due to Auction difference and Auction commission. Error on the purchase side preferably to be squared up on the same day. Delivery maybe taken in Error A/c. only with prior approval of Cumi Shroff or Cyrus Shroff

Methods to avoid trade modification.

- 1) Dealers have been advised not to be in a hurry and recheck codes with the client.
- 2) Double check in Back office master and verify code before doing trade.
- 3) Update client codes in Bolt for regular clients
- 4) Recheck ISIN no for Scrip not regularly traded.

No trade modification will be done in the back office.

1. The Penalties, if any charged by the Exchange/any regulatory authorities shall be passed on to the concerned client/Authorised Person if the reason of the error is attributable to any negligence on their part else shall be borne by BDSSPL.
2. Wherever applicable, waiver for penalty shall be requested as per SEBI Circular ref. CIR/MRD/DP/29/2014 dated 21-Oct-2014

The above revised policy has been ratified by the Board in their meeting held on 3rd May 2023