

POLICIES AND PROCEDURES OF SHREE TISAI CONSULTANT PVT. LTD.

A. Refusal of orders for "Penny Stocks"

Although, the term "Penny Stock" has not been defined by BSE/NSE or any other stock exchange or by SEBI, a "Penny Stock" generally refers to a stock which has following characteristics:

- Has small market capitalization;
- Trades at a price less than its face value;
- Has unsound fundamentals;
- Is illiquid

(A list of illiquid securities is jointly released by BSE/NSE from time to time.)

SHREE TISAI CONSULTANT PVT. LTD. recognizes that it is the client's privilege to choose shares in which he/she would like to trade. However, SHREE TISAI CONSULTANT PVT. LTD. would like to pay special attention to dealing in "Penny Stocks". To this end:

- SHREE TISAI CONSULTANT PVT. LTD. may refuse to execute any client's orders in "Penny Stocks" without assigning any reason for the same.
- Any large order for purchase or sale of a "Penny Stock" should be referred to Head - Dealing before such orders can be put in the market for execution.
- Clients must ensure that trading in "Penny Stock" does not result in creation of artificial volume or false or misleading appearance of trading. Further, clients should ensure that trading in "Penny Stock" does not operate as a device to inflate or depress or cause fluctuations in the price of such stock.
- Clients are expected not to place orders in "Penny Stocks" at prices which are substantially different from the prevailing market prices. Any such order is liable to be rejected at the sole discretion of SHREE TISAI CONSULTANT PVT. LTD.
- Notwithstanding the above, in case of sale of "Penny Stocks", clients should ensure the delivery of shares to SHREE TISAI CONSULTANT PVT. LTD. before the pay-in date.

b. Setting up client's exposure limit

- Exposure limit for each client is determined by the Risk Management Department based on client's networth information, financial capacity, prevailing market conditions and margin deposited by client in the form of funds / securities with SHREE TISAI CONSULTANT PVT. LTD. These limits may be set exchange-wise, segment-wise, and scrip-wise.
- The limits are determined by Risk Management Department based on the above criteria and the payment history of the client in consultation with Sales/Sales traders.
- SHREE TISAI CONSULTANT PVT. LTD. retains the discretion to set and modify, from time to time, any client's exposure limit decided as above.
- Whenever any client has taken or wants to take exposure in any security, SHREE TISAI CONSULTANT PVT. LTD. may call for appropriate margins in the form of early pay-in of shares or funds before or after execution of trades in the Cash segment. In case of any margin shortfall, the clients will be told to reduce the position immediately or they will be requested to deposit extra margin to meet the shortfall. Otherwise, SHREE TISAI CONSULTANT PVT. LTD. may refuse to trade on behalf of such client at its own discretion.

c. Applicable brokerage rate

- Brokerage Rate is mutually decided between the SHREE TISAI CONSULTANT PVT. LTD. and each client based on client's networth, expected trading volume, etc. The maximum brokerage chargeable will not exceed the rates prescribed by SEBI and the exchanges.
- The applicable brokerage rate is mentioned in the Client registration form and any change in the brokerage rate in future will be communicated to the client in writing.

d. Imposition of penalty / delayed payment charges by either party, specifying the rate and the period

- Penalty and other charges levied by Exchanges pertaining to trading of the client shall be recovered from the respective client.
- If there is delay on the part of the client in satisfying his / her margin obligation or settlement obligation then SHREE TISAI CONSULTANT PVT. LTD. shall levy delayed payment charges at the rate of 12% p.a. on such shortfall for the period of delay on such client. SHREE TISAI CONSULTANT PVT. LTD. shall recover such delayed payment charges from the client by debiting the client's account.
- No interest or charges will be paid by SHREE TISAI CONSULTANT PVT. LTD. to any client in respect of retention of

funds or securities towards meeting future settlement obligations and in respect of running account authorizations.

e. Right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues.

- SHREE TISAI CONSULTANT PVT. LTD. has the right to close out/liquidate or square off any open position of the client (limited to the extent of settlement / margin obligation), without giving any prior notice, all or any of the client's positions as well as securities / collaterals placed as margins for non-payment of margin or other amounts due from such client in respect of settlement or any other lawful dues that are recoverable from the client by SHREE TISAI CONSULTANT PVT. LTD. The proceeds of the same shall be adjusted against the client's trade liabilities / obligations. Any loss or financial charges on account of such close-out/liquidation shall be debited to the client's account.

f. Shortages in obligations arising out of internal netting of trades.

- To determine the net obligation of a broker / trading cum clearing member (for securities and funds) in a settlement, clearing house does the netting of trades at the broker level. Due to default by one or more clients in fulfilling their obligations towards the broker, the broker internally might have shortages to fulfill its obligations towards the other client(s). In such situation, SHREE TISAI CONSULTANT PVT. LTD. shall endeavor to collect the securities from the selling client and deliver it to the purchasing client within 48 hours of the settlement date. In case the selling client is not able to deliver the securities within 48 hours, then SHREE TISAI CONSULTANT PVT. LTD. shall attempt to purchase the security from the market and deliver it to the purchasing client. The purchase cost as well as all the incidental charges shall be debited to the account of the defaulting client. If SHREE TISAI CONSULTANT PVT. LTD. is not able to procure the securities from the market, then the transaction will be closed out as per the auction rate prescribed by the Exchange for that scrip and the closing amount will be credited to the purchasing client and debited to the selling client.

g. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of the client.

SHREE TISAI CONSULTANT PVT. LTD. shall have absolute discretion and authority to limit client's volume of business or to close any existing position of a client without giving any prior notice to the client under following conditions:

- Extreme volatility in the market or in particular scrip or in the F&O segment.
- There is shortfall in the margin deposited by client with SHREE TISAI CONSULTANT PVT. LTD.
- If there are insider trading restrictions on the client.
- If there are any unforeseen adverse market conditions or any natural calamity affecting the operations of the market.
- If there are restrictions imposed by the Exchange or the Regulator on the volume of trading outstanding positions of contracts.
- If the client is undertaking any illegal trading practice or the client is suspected to be indulging in money laundering activities.
- If SHREE TISAI CONSULTANT PVT. LTD. has reached its limit in that particular scrip.
- If the client has breached the client-wise limit.
- If the client has taken or intends to take new position in a security which is in the banned period.
- If due to abnormal rise or fall in the market, the markets are closed.

h. Temporarily suspending or closing a client's account based on the client's request.

- Any client desirous of temporarily suspending his or her trading account has to give such request in writing to the management. After management's approval, further dealing in such client's account will be blocked. Whenever trade has to be resumed in any suspended client's account, a request in writing should be made by the client to the management and the management may ask for updated financial information and other details for reactivating such account. After receiving necessary documents, details, etc. and approval from the management, the client account will be reactivated and transaction will be carried out.
- Similarly, any client desirous of closing his / her account permanently is required to inform in writing and the decision in this regard will be taken by the management. After necessary approval from the management, the client code will be deactivated. Only after scrutinizing the compliance requirements and a "no pending queries" confirmation is taken, securities and funds accounts will be settled.

i. Deregistering a Client

SHREE TISAI CONSULTANT PVT. LTD. may, at its absolute discretion, decide to deregister a particular client. The illustrative circumstances under which SHREE TISAI CONSULTANT PVT. LTD. may deregister a client are given below:

- SEBI or any other regulatory body has passed an order against such client, prohibiting or suspending such client from participating in the securities market.
- Such client has been indicted by a regulatory body or any government enforcement agency in case of market manipulation or insider trading or any other case involving violation of any law, rule, regulation, guideline or circular governing securities market.
- Such client is suspected of indulging in illegal or criminal activities including fraud or money laundering.
- Such client's name appears in the UN list of prohibited entities or in the SEBI debarred list.
- Such client's account has been lying dormant for a long time or the client is not traceable.
- Such client has been declared insolvent or any legal proceedings to declare him / her as insolvent have been initiated.
- Such client has been irregular in fulfilling obligations towards margin or settlement dues.
- Such client has a tainted reputation and any business relationship with such clients is likely to tarnish the reputation of SHREE TISAI CONSULTANT PVT. LTD. or may act as detriment to SHREE TISAI CONSULTANT PVT. LTD.

J. Inactive Client Account

Client account will be considered as inactive if the client does not execute a single trade during the period of 12 months from the last trade. In such cases, the client has to make a written request for reactivation of his trading account, with recent proofs and any upgradation in the KYC form.

Return of client assets:

- When a client is declared as inactive all the securities of the client are transferred to the demat account of the client. The funds belonging to the client shall be returned to the client. If for any reason the funds and securities of the client cannot be transferred to the client's bank account or demat account then the same shall be transferred into a separate account of the organization. The funds and securities shall be held in the separate account until the time the organization hears from the client or their representatives.

Any outstanding lawful dues in the client's account will be communicated and collected from the client and the client will be liable to pay such dues immediately on receiving such communication.

I/We have fully understood the above and do hereby sign the same. These policies and procedures may be amended unilaterally by the broker, Return of client's funds & securities aspect, provided the amendment is informed to me / us as per applicable laws, rules & regulations of Exchange/SEBI by any approved mode of communication and also uploading the revised policy on the website of the member. These policies and procedures shall always be read be compulsorily referred to while deciding any dispute or claim between me/us and broker any regulator or arbitrator or court of law.