

GHANSHYAM SHARES & STOCK BROKERS PVT LTD.

POLICIES AND PROCEDURES FOR CLIENT DEALINGS – ALL EXCHANGES - MANDATORY

(As required by SEBI circular MIRSD/ SE /Cir-19/2009 dated December 3, 2009)

1. Refusal of orders for penny stocks

The member reserves the decision to accept or refuse orders for penny stock depending on the number of trades done by the client on the day.

2. Setting up client's exposure limit

Any client's exposure limit will be set up depending on the margin deposit lying in client's account, net worth and financial soundness of the client.

3. Imposition of penalty/delayed payment charges by either party, specifying the rate and the period not resulting in funding by the broker in contravention of the applicable laws

Client shall make payments on time without fail. When client issues a cheque to the Member, he/she/they shall make sure that there are sufficient funds in the bank account and the cheque should be honoured. If the cheque given by the client is dishonoured for any reason whatsoever then the Cheque return charges shall be borne by the client and vice versa.

4. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues (Limited to the extent of settlement/margin obligation)

If the client fails to make payment even after reminders, the Member reserves the right to hold back shares and/or sell the securities of the client to settle the account. However the right to sell clients securities is limited to the extent of settlement and/or margin obligations.

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

If there are any shortages of securities obligations arising out of internal netting of trades, then the Member reserves the right to purchase such securities in the selling client's account and transfer the shares received in payout to the buying client.

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

The Member reserves the right to disallow a client to take further positions in the following situations:

1. If the client has not made payments before due date even after repeated reminders.
2. If the client has failed to deliver shares for his/her/their sale obligation repeatedly.
3. If the client has not fulfilled any or all KYC norms.

7. Temporarily suspending or closing a client's account

The Member reserves the right to temporarily suspend a client in the following situations:

1. If the information received that the said client is linked to any criminal organizations.
2. If the client is restricted to trade in securities by SEBI, any of exchanges or any other body.
3. If the client has not fulfilled any or all KYC norms.

8. Deregistering a client

The Member reserves the right to deregister a client in the following situations:

1. On death/insolvency/insanity of a client.
2. On request of the client.
3. When a client is linked with any criminal organizations and found guilty of the same.

However all the documents submitted by the client at the time of registration and later will be preserved by the Member.

This policy has been adopted by the trading member as on 01/06/2010 and may have been revised over time.