

Policy for acceptance of clients

As far as possible new clients will be accepted on introduction from our existing clients, sub-brokers, remisiers or authorized persons.

Walk-in clients will be accepted only in rare cases and only after the approval of the Compliance Officer and/or the Designated Director.

The new client will have to come to any of our offices for In-Person Verification. The Client will be registered after he has duly filled up Client Registration Form and other Mandatory documents. and after verifying his original documents such as PAN Card, Passport, Aadhar Card, Bank passbook/statement, Demat statement/Client Master list, etc. Once all the formalities are completed, we shall open his account in our back-office by allotting him a Unique Client Code.

In-person verification of the clients will be done by our employees.

The photocopies of all the Client Registration documents duly signed by authorized signatory in our office will be handed over / couriered to the client along with a Welcome letter in which the client's UCC and investor grievance email id is mentioned and his details will be registered with BSE UCC. PODs for CRDs & letter sent by courier and copies of welcome letters where hand delivered will be maintained at the head office.

All the Client Registration Documents will also be given to the existing clients on demand.

Policy for risk profiling of the clients

The clients who are walk-in clients or not introduced by existing clients will be treated as Medium Risk Clients.

Clients of Special Category as identified under PMLA Policy will be treated as High Risk Clients except for Non Resident Clients and High Networth Clients personally known to the directors of the Company or the existing for Non Resident and High Networth Clients who are dealing with the company for at least five years.

The Clients who open account only for intra-day trading will be treated as Medium Risk or High Risk Clients depending on their expected volume of business and the deposit/Margin placed with the Company.

All other clients will be treated as Low Risk Clients.

The Policy will be reviewed periodically and Clients who are late in making payments towards the pay-in obligation and / or have high volume in intra-day trading or any other reason as decided by the Compliance Officer or the Designated Directors will be put in higher risk category.

Policy for Change of Client Codes / Errors

The Modification of Client Codes will be allowed only in case of following instances:

1. Due to error by the terminal operator
2. Due to error by the client
3. Due to miscommunication between the client and the terminal operator
4. Due to request made by client to change trade from one family account to another

In case of any Changes, proper explanation will be sought from the terminal operator and genuineness of the case will be ascertained by either the Compliance Officer or the Designated Director.

In case the error has taken place due to buying or selling excess or wrong quantity of shares or buying or selling of wrong company, the same will be transferred to ERROR a/c and will subsequently be squared up in the same ERROR a/c code.

The terminal operators have been asked to be extremely careful while punching the orders and minimize the cases of changes in Client Codes. The operators who are found to have changed codes frequently are asked to give proper explanation and reprimanded if necessary.

Policy for Inactive / Dormant accounts

In case of dormant account, client is asked his PAN and address and the same is verified with the ones in our record.

In case the account is dormant for more than two years, in addition to the procedure adopted for dormant account, the client is asked why he has not done any transaction for more than two years and if satisfied with the explanation given, his ledger account is checked and then allowed to execute transaction.

Code of internal procedure and Policy for Prevention of Insider Trading

EMPLOYEES AND INSIDER TRADING POLICY

Date May 24, 2010

This is to confirm and formalize the Company's policy and procedures regarding trading by employees in securities. The responsibilities summarized in this policy arise because the Company is a SEBI Registered intermediary, and it is important that all employees be familiar with and act in a manner consistent with this policy.

The Company does not have Equity Research Department, Institutional Clients, Portfolio Management Service. Also, majority of the clients are small and retail in nature and there are very few HNI clients. As a result there is almost nil chance of getting any Price Sensitive / Material / Non public Information.

Overview of the Insider Trading Prohibition

Under the laws, it is unlawful for a person to buy or sell securities while in possession of material, non public information. It does not matter that the information is not "used" in deciding to make the trade; simply knowing the information when trading can be sufficient to violate the law. In addition, a person can be liable for disclosing this type of information to third parties (often referred to as "tipping") who then trade in the securities, even though the disclosing person does not engage in any securities transaction or profit from the third party's trade.

What is "material" information? There is no statutory definition of what type of information is "material." However, a common guideline is whether there is a substantial likelihood that a reasonable investor would consider the information to be important in deciding whether to purchase or sell a security. By way of example, information that could be "material" includes annual and quarterly financial information; negotiations or agreements regarding significant acquisitions, mergers or dispositions; significant developments in major litigation; a change in dividend policy; developments concerning significant potential liabilities; changes in senior management; or obtaining or losing a major contract or customer. Material information may be either positive or negative, and it may consist of information about a customer, supplier or other company that is confidential and obtained in the course of employment with the Company.

What is "nonpublic" information? In general, information is "nonpublic" until it is publicly disseminated, which can occur by the issuance of a press release, disclosure in a document filed with the SEBI, or through a public webcast.

Company Policy against Insider Trading

It is the Company's policy that no employee may engage in any purchase or sale of the securities while in the possession of material, non public information. An employee also may not trade securities of a customer or supplier of the Company or of any other

company about which the employee possesses material, nonpublic, price sensitive information as a result of employment with the Company. This policy covers an employee's family members as well as others living in the employee's household, and employees are responsible for ensuring that these individuals also comply with the policy. Transactions that an employee may independently consider necessary (for example, to meet an emergency cash need) are not exceptions to this policy. In addition, employees must maintain the confidentiality of non public information and should not disclose that information to others who do not have a legitimate Company-related need for the information or, without disclosing the non public information, recommend that others buy or sell a security. The employee shall not misuse Non Public, Material, Price Sensitive information in any manner whatsoever.

Company Procedures for Securities Transactions

The approval to invest and / or trade on the stock market is given to selected employees as may be decided by the board of directors.

All approved employees and their dependent relatives are required to deal in securities only through R. R. Nabar & Co. Share Brokers Pvt. Ltd. All payments due to the Company from the trading of the approved employees shall be paid on time.

All trades by the employees of the company should be reported to the Director on a periodic basis and announced from time to time.

Compliance and questions

The Company considers it extremely important that all employees conduct themselves in a manner consistent with this insider trading policy. Each employee is responsible for his or her compliance with this policy and the related procedures, and the Company will endeavor to answer any questions employees may have regarding this subject. Employees are requested to direct any questions regarding the Company's insider trading policy or procedures to the Company's Directors.

Any employee who trades in securities or communicates any information in contravention of this Policy will be penalised and appropriate action may be taken against him which may include disciplinary action in the form of suspension of trading, monetary penalty, wage freeze, etc.

KRA POLICY

R. R. Nabar & Co. Share Brokers Pvt. Ltd. has tied up with CDSL Ventures Ltd. (CVL) for completing the KYC procedures mentioned under KRA guidelines

Milan Dhanki, Vaibhav Waghe and Raju Nalawade are the officers who are responsible for KRA formalities.

Immediately after a client has approached the company for opening trading account, one of the above-mentioned officers checks with all the KRAs such as CVL, NDML, DOTEX and CAMSKRA whether the client is registered with them. If the client is not registered, KYC form with all the required documents are taken from him. The KYC form and other documents are sent to CVL within one week of client registration.

If CVL returns the application with any objection the same is notified to the client and the client is asked to take corrective steps within a maximum of one week. If the objection is not cleared by the client within a week, his/her trading is stopped and he/she is not allowed to trade till he/she clears the objection.

Payments made through Pre Funded Instruments

The Company will not accept Pre Funded Instruments from clients unless under exceptional circumstances.

Wherever the Pre Funded Instruments are accepted, following procedure will be adopted:

If the aggregate value of pre-funded instruments is Rs. 50,000/- or more, per day per client, the Company will accept the instruments only if the same are accompanied by the name of the bank account holder and number of the bank account debited for the purpose, duly certified by the issuing bank. The mode of certification may include the following:

- Certificate from the issuing bank on its letterhead or on a plain paper with the seal of the issuing bank.
- Certified copy of the requisition slip (portion which is retained by the bank) to issue the instrument.
- Certified copy of the passbook/bank statement for the account debited to issue the instrument.
- Authentication of the bank account-number debited and name of the account holder by the issuing bank on the reverse of the instrument.

Policy for Prohibition on circulation of unauthenticated news

As per code of conduct for Stock Broker in SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 and SEBI circular Cir/ISD/1/2011 dated March 23, 2011, all SEBI registered market intermediaries are required to have proper internal code of conduct to govern the conduct of its Employees. In view of same, R. R. Nabar & Co. Share Brokers Pvt. Ltd. implements code of conduct for communicating through various modes of communication. Employees/temporary staff/voluntary workers are prohibited from:

1. Circulation of unauthenticated news related to various companies in blogs/chat forums/e-mail etc.
2. Encouraging or circulating rumors or unverified information obtained from client, industry, any trade or any other sources without verification.
3. Forwarding any market related news received either in their official mail/personal mail/blog or in any other manner except after the same has been seen and approved by the Compliance Officer.

If an employee fails to do so, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for actions.

The employees are not allowed to access to blogs/chat forums/messenger sites (called by this or any other nomenclature) etc. However, the employees may be allowed to access these blogs/chat forums/messenger sites under strict supervision of the concerned authorities.

Policy for Setting up Client Exposure Limits

The Company may from time to time set and vary limits on the orders that the clients can place through BOLT (including exposure limits, turnover limits, limits as to number, value and / or kind of securities in respect of which orders can be placed). The limit setting will be based on the Company's risk perception, Clients' track record and other factors considered relevant by the Company including but not limited to limits on account of Exchange / SEBI directions (such as broker level / market level limits in security specific / volume specific exposures, etc.) The Company may at any time, at its own discretion and without prior notice, prohibit or restrict the clients ability to place orders or trade in securities or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute / allow orders.

Trading limit for each terminal is set by a Designated Director of the Company who holds control of the admin terminal and is increased only after consultation with head of branch / sub broker. Trading limit for each client is set by the branch head / sub broker after consultation with one of the directors and informed to the terminal operators.

Policy for Investor Grievance Handling

Procedure adopted to resolve complaints:

The investor complaint received at any of the branches is entered into Investor Grievance Register maintained at the said branch and the same is also communicated to the Head Office and the recorded in the Investor Grievance Register maintained at the Head Office.

If the complaint is not resolved within 7 days of its receipt, the same is communicated to the Designated Director of the Company. The Designated Director then looks into the details and the veracity of the complaint and sees to it that the complaint is resolved immediately.

Specific Action plan framed in respect of long pending complaints:

There is no specific action plan framed in respect of long pending complaints as we try and resolve the complaint at the earliest.

Policy Framework for Voluntary Freezing/Blocking of Online Trading Account Access by Clients

Annexure to Risk Management Policy

In an effort to enhance the ease of business operations and investment activities for investors, and to safeguard investors from suspicious activities, SEBI, through its circular ref.No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/4 dated January 12, 2024, has mandated a framework for stock exchanges. This framework requires Trading Members to provide clients with the facility to voluntarily freeze/block online access to their trading accounts. Consequently, stock exchanges have issued circulars detailing this framework. In line with these directives, the following policy has been formulated for the voluntary freezing/blocking of trading accounts.

Whenever our client notices any suspicious activities in their online trading account and/or suspect that login credential of their trading account are breached/hacked and there is an urgent need to address the situation and block/freeze the access and/or activities in their trading account, the client can choose any of the following mode of communication to intimate/send a request for Voluntary Freezing/Blocking of their online Trading Account.

Option A: Clients can Call on 022 22674212 from their registered Mobile Number. Option B: Clients can send an email to rrnabar@rrnabar.com from their registered email ID.

The intimation should contain the minimum identity details required viz TRADING A/C. CODE / UCC/ PAN / ACCOUNT NAME so that the correct account information is identified within shortest time.

Upon receipt of the email/call the below mentioned validation process is to be followed:

1. Verify the sender's email Id/Mobile Number:

In case the request is received from registered email ID/Mobile Number:

- Call the client on the registered mobile number.
- Confirm the identity of client and reconfirm the request for block/freeze and reasons for such request.
- Send the acknowledgement of receipt of the request/instruction to the sender's email/mobile and Block/Freeze the trading activity in the particular trading code at the earliest and within the time frame that may be specified by the authorities from time to time.
- Cancel all the pending orders in the trading system for that trading code.
- Review and confirm the executed orders and outstanding position of the client for the day and take instructions/orders to square off any positions and execute such square off orders through terminal as per instructions of clients at the earliest and within the time frame as may be specified by the authorities from time to time.
- Send a communication on the registered mobile number and registered e-mail ID of the client, stating that the online access to the trading account has been frozen/blocked and all the pending orders in the client's trading account, if any, have been cancelled along with the process of re- enablement for getting the online access to the trading account.

2. Time frame to freeze/block trading account.

- Any request received will be accepted/rejected within 4 working days depending on verification of the same.

Note: The applicable timeframe shall be as per prevailing guidelines from the authorities updated from time to time.

3. Procedure to Unfreeze/Unblock the Account

Clients wishing to unfreeze/unblock their account must send an email to rrnabar@rrnabar.com or call on 022 22674212 from their registered email ID/ Mobile No. Upon receipt of the email/ call the identity of client and genuineness of request will be verified and then the online account will be unblocked/unfreeze. The unblocking/unfreezing will be communicated to clients through its registered email Id / Mobile Number.

Clarifications

1. Freezing/blocking only restricts online access to the client's trading account. There will be no restrictions on the risk management activities.

2. The request for freezing/blocking does not equate to marking the client's Unique Client Code (UCC) as inactive in the Exchange records.

This policy shall be effective from July 22, 2024.

Policy for Handling of Good till Cancelled (GTC) offered to the Clients

Preamble:

This policy outlines the procedures for handling of Good till Cancelled Orders (hereinafter referred to as GTC) offered by R. R. Nabar & Co. Share Brokers Pvt. Ltd. (hereinafter referred to as RRN) to Clients in accordance with SEBI & BSE Circulars.

Details of GTC:

GTC order is an open pending order which remains active till its specified date, unless it has already been fulfilled or cancelled.

If not executed, Good till specific date orders are automatically cancelled at the end of the trading session of that particular date. It prevents clients from a lot of hassle of entering orders again and again and also keeping such orders open until a certain date repeatedly.

The GTC orders can be specified as per requirement, which means the order will only be fulfilled if it meets the pre-set parameters (like reaching a certain price point) or it will expire on the specified date.

Features of GTD order

- GTC Order Validity is 45 days (including holidays)
- Order is accepted by system subject to availability of client's margin.
- GTC Pending order will be rejected by exchange if price is out of DPR range of exchange
- Such orders will be active till date mentioned while placing the order/ till execution whichever earlier

Disclaimer: Above policy is subject to change from time to time having regard to change in circumstances and shall be reviewed periodically in accordance with regulatory guidelines and management perception. There shall be no restriction on the risk management activities and client shall adhere to the existing risk policy.

Circular References:

BSE Notice No. 20240622-2 dated 22 Jun 2024