

## POLICIES AND PROCEDURES

### a) **Refusal of orders for penny stocks/illiquid securities or "Z" group stocks**

- Geojit IFSC Limited reserves the right to allow or deny trading in 'illiquid securities' without assigning any reason for the same.
- For this purpose, the instruments, which are appearing in the list of illiquid securities issued by the Exchanges may be considered as 'illiquid securities.'
- Clients are expected not to place orders in illiquid securities at prices which are substantially different from the prevailing market prices. Any such orders is liable to be rejected at the sole discretion of Geojit IFSC Limited.
- Notwithstanding the above, in case of sale of "Penny Stocks", clients should ensure the delivery of shares to Geojit IFSC Limited before the pay-in date. Geojit IFSC Limited will not be liable for any loss arising out of trading in penny/illiquid securities or due to non delivery of shares/illiquid securities for pay-in purpose.

### b) **Trading in Trade to Trade Group of Securities**

As per Exchange, in Trade to Trade group, the buy and sell positions are to be settled on gross delivery basis on each side and netting off is not allowed. Clients can buy the securities to the extent of exposure available with them and sell the securities only to the extent of quantity of securities available in their demat account. As such clients cannot do intra-day transactions in these securities without having sufficient funds / securities with them. In view of the above, clients are requested to find out the securities under Trade to Trade before placing the order with the dealer.

### c) **Setting up of client's exposure limits:**

Geojit IFSC Limited shall allow exposure limits based on clear credit in the account of the client. Geojit IFSC Limited also reserve the right to provide or deny exposure to clients in case client has debit balance or insufficient clear credit balance in his account with Geojit IFSC Limited at the time of placing of order. Geojit IFSC Limited may or may not accept collateral securities like Shares, Fixed Deposits Receipts, Government Securities etc as margin deposit for the purpose of providing exposure against the prevailing market value of securities after deducting the rate prescribed by exchange. Clients willing to avail collateral based exposure may have to complete necessary formalities as may be prescribed by Geojit IFSC Limited from time to time. Geojit IFSC Limited reserves the right to increase/ decrease the brokerage rate, provided the same is informed to client in writing.

### d) **Brokerage rates:**

Normally, for Capital Market Products, the brokerage rate of 0.55% is charged on delivery transactions and 0.12% (both legs of transactions inclusive) is charged for intra-day transactions to client. In Derivatives Segment, the brokerage at the rate of 0.05% is normally charged on both legs of Intraday and/or Carry Forward transactions in Futures Trading and in case of Options Trading, 1% of the premium value or minimum USD 1 per lot whichever is higher. However, the rate of brokerage may differ from client to client as may be decided by the management of Geojit IFSC Limited. Geojit IFSC Limited reserves its rights to increase/decrease the brokerage, provided the same is informed to clients in writing or email. Geojit IFSC Limited may charge minimum brokerage of USD 0.50 (50 Cents) per scripts or per contract note. However, brokerage rate shall not exceed maximum limit of 2.5% on trade price for capital market product and futures contracts and 2.5% of the premium amount or USD 2 per lot for options as prescribed by the regulatory authority. The brokerage charged by Geojit IFSC Limited will be exclusive of charges levied by the Exchanges and other statutory levies as applicable from time to time.

### e) **Imposition of penalty/delayed payment charges by either party, specifying the rate and the period:**

Geojit IFSC Limited reserves right to charge penalty @18% p.a. on the amount outstanding for the period from the date the amount becomes due till the date of realization of amount. Geojit IFSC Limited may also impose penalty, late payment charges or delayed processing charges for delay in making payments to Geojit IFSC Limited. The objective of charging such a penalty/charge is to compel the client to clear the dues in a timely manner. Penalty and other charges if any, levied by Exchanges pertaining to trading of the clients shall be recovered from the respective clients. Note: (Inspection related penalty cannot be levied on clients)

### f) **The right to sell client's securities or close client's positions, without giving notice to the client, on account of non-payment of client's dues (limited to the extent of settlement/margin obligation):**

Without prejudice to Geojit IFSC Limited's other rights (including the right to refer a matter to arbitration), Geojit IFSC Limited shall be entitled, without giving notice to the client, to liquidate/close out all or any of the client's positions for non-payment of margins or settlement obligation or other trade related amounts, outstanding debts etc. and adjust the proceeds of such liquidation/ close out, if any, against the client's liabilities/obligations, selling/disposing of collateral securities. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client. Apart from selling of Shares / securities for debit, Geojit IFSC Limited may impose penalty / delayed payment charges / processing charges / interest as mentioned here-in-above.

### g) **Shortage in obligations arising out of internal netting of trades:**

Failure of the seller to deliver securities shall result in compulsory financial close-out or any such action as may be decided by the relevant authority from time to time. The methodology and the price of financial close-out will be as decided by the relevant authority from time to time.

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

Geojit IFSC Limited reserves the right to disallow a client to take further position or to close out the client's existing open position:

- There is shortfall in the margin deposited by client with Geojit IFSC Limited
- If Geojit IFSC Limited has reached its limit in that particular security.
- 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.
- The client does not pay on or before the Pay in day the dues/margins as may be required by the exchange.
- Extreme volatility in the market or in particular security or in the F&O segment.
- There are any unforeseen adverse market conditions or abnormal rise or fall in the market.
- The client is suspected to be resorting to any illegal trading practices or is suspected to be indulging in money laundering activities.

**i) Temporary suspension or closing of client's account at the client's request:**

Geojit IFSC Limited may, on a specific request in writing received from the client (in this regard,) for temporarily suspend/close of the client's account for trading by sending a written request to the dealing office. For removing this temporary suspension, the client will have to request in writing for removal of suspension.

Geojit IFSC Limited on its own may also suspend the client's account:

- In case of non-payment of dues or margin money or non-fulfillment of compliance requirements.
- If there is not a single active demat account linked to trading account.
- If any other non compliance observed in the account.
- The client may also be required to fulfill other conditions, on a case to case basis.
- If the client is debarred by Exchange / SEBI / IFSCA or any other regulatory / statutory authority.

**j) Deregistering a client:**

On a written request received from the client, Geojit IFSC Limited shall close the account of the client provided of client's securities/ funds are settled.

Geojit IFSC Limited may, at its absolute discretion, decide to deregister a particular client.

The illustrative circumstances under which Geojit IFSC Limited may deregister a client are given below:

- SEBI / IFSCA 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 / IFSCA 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.

**k) Inactive (dormant) Account:**

In case where the client does not operate the trading account for a continuous period of six months, the same will be considered as 'Inactive (dormant) Account' for trading to prevent misuse of client codes and to avoid execution of transaction in such inactive client account due to punching errors. The Client will not be permitted to do any transaction till the account is made 'Active' on client's request. For re-activation of such 'Inactive' account, the client will have to submit request in writing for activation along with duly signed photo copy of Identity Proof i.e. PAN Card / Voter ID Card / Passport. Alternatively, the client can personally visit the office for in-person verification and submit the aforesaid identity proof. The office will maintain the proof for future reference.

**l) Proprietary Trading:**

The Member trades in its own proprietary account in the capital market, equity or derivatives segment.

**m) Margin :**

- The client shall pay applicable initial margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by IFSCA from time to time as applicable to the segment(s) in which the client trades.
- In case client fails to meet margin obligation fully or partially, Geojit IFSC Limited may recover penalties as per exchange guidelines.
- The stock broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House)
- The client understands that the stock broker shall be entitled to liquidate/close out all or any of the client's positions for nonpayment of margins or other trade related amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's trade related liabilities/obligations.
- Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and born by the client.

**n) Provisions for Individuals' resident in India investing under LRS**

- For clients who are resident in India,
- Remittances for margins or margin calls to overseas exchanges are not allowed under the Liberalised Remittance Scheme (LRS). Therefore,
- Margin trading is not permitted and Trading in derivative products is not permitted
- Funds equivalent to the 100% of transaction value which includes trade value, transaction fee, brokerage etc. should be available with the Trading Members before any trade is executed on their behalf
- Any remittances made by the clients for the purpose of intra-day trades in eligible securities on any of the Exchanges would be considered as investment in securities and would be permitted through the LRS route subject to the condition that no intraday positions /trades should be permitted which would exceed the overall LRS limit of USD 250000 per financial year.
- Any profits arising out of the sale transaction cannot be used for further purchases till the profits are credited to clients' account
- No naked short sale will be permitted
- BTST is not permitted
- Any funds lying idle in the account of the trading member for a period up to 15 days from the date of its receipt into the account shall be immediately repatriated to domestic INR account of the client in India after deducting applicable charges of Geojit IFSC Limited and Bank charges if any.
- Client acceptance of policies and procedures mentioned herein above - I / We have understood the policies and procedures. I / We agree to sign the same. I / we am / are aware that the updated policies is available on the website of the company.

Client's Name: \_\_\_\_\_

Sign here \_\_\_\_\_ UCC: \_\_\_\_\_