

**A. Penny Stocks**

Clients may note that all the stocks and securities listed on the Stock Exchange are not actively traded. In other words, there are no readily available sellers or buyers in some securities and/or there are not sufficient trades or volumes from which the market price may be arrived at with some reliability. Such stocks are called 'illiquid securities' or 'Penny stocks'. They are comparatively more vulnerable to market manipulation and / price rigging. The spread, i.e., the difference between the offer price and bid price is usually wide and their purchase or sale at a given time may be difficult and in any case uncertain. Exchanges bring out monthly list of such securities based on the volume during the last calendar month.

We do not encourage trading in penny stocks. We may impose higher margin percentage and/or fix small exposure limits in respect of Penny Stocks and not permit the client to concentrate in such stocks. We may impose further restrictions as to Penny Stocks through the RMS policy. Client's instructions for trading in illiquid securities may be rejected without assigning any reason.

- B. The limits will be 4 times exposure of the deposit value (Composite Ledger + Stock Collateral). For FNO segment client's limit is based on the actual margin prescribed by the exchange time to time.
- C. The applicable brokerage rate will not be exceeding 2.5% as per SEBI/Exchange guideline.
- D. The client will be charged interest @19% p.a. on a monthly basis on financial ledger debit balance inclusive of margin if any. Any penalties imposed by the exchanges or any regulatory bodies to Anugrah for any default made by the client, will be debited in the financial ledger of the client respectively. The interest rate is subject to change as per company policy.
- E. We will be having right to sell your securities or close positions in derivatives, without giving prior notice, on account of non-payment of lawful dues & it will be limited to the extent of short of settlement, margin obligation & financial global ledger balance. ( i.e. combined balance ledger balances of all exchanges (BSE, NSE, MCX-SX, etc.) and their segments like Capital Market, Derivatives, Currency Derivatives, etc.
- F. Internal position of buying and selling in the settlement sometimes create shortages due to non delivery of shares by seller and hence turns to shortage for buyer, in such cases Anugrah will buy the short shares from the market on behalf of seller and will give the credit of the same to respective buyer client to settled the trade.
- G. If the client has shortfall balance in the financial ledger after considering margin (initial & exposure) and the value of stock lying in beneficiary after appropriate haircut. The client may not be allowed to take further position or has to close the existing position of a client.

**H. De-registering a Client**

Jaysukhlal may de-register a client in any of the following events

- a. Death of a client who is a natural person;
- b. Liquidation or winding up of a client who is a corporate;
- c. Insolvency or bankruptcy of the client;
- d. The client being debarred from dealing in securities by an order of SEBI, other Regulatory Authority or Court;
- e. The client is convicted of fraud or other offence in relation to securities and the said conviction is not stayed by that authority of court or superior thereto.

De-registering of a client will not absolve him from his obligations for transactions at the time of de-registration.

- I. Only written request from the client is accepted for temporarily suspending, closing, deactivation or activation of the trading account.
- J. The Payment Gateway facility, when provided, shall depend upon the working of the Payment Gateway owned/controlled by the concerned bank/service provider. The Member shall not be responsible for any delay, defect or discontinuity of service of any Payment Gateway.
- K. Once the UCC of client gets de-registered, the clients trading & financial account will be closed permanently & if the same client wants to open the trading account again then the client has to fulfill the new KYC & its related requirements and only then new UCC will be allotted.
- L. We hereby declare that in addition to trading on behalf of client, We are doing Proprietary share trading on our own account.
- M. Procedure followed in case of dormant account (six month) & very old dormant account (2 years old) is  
 RMS dept. 1) sets zero trading limits for the clients who have not traded in last 6 months  
 2) Whenever client wants to trade in its account RMS dept. request client to deposit cheque in our client bank a/c. with co-ordination with whether any shares are available in clients de mat a/c. and only after cheque is cleared the client allowed to trade.  
 3) The accounts dept. verifies that the cheque paid by the client is from the same bank account and if it is not then client is requested to submit new bank details to the KYC dept. accounts dept. or request Demat dept. to verify
- N. Deposit of cash in our designated client bank accounts is prohibited by regulatory authorities; if any such instances are found by us then such client will be penalized as per management policy.