

POLICY DOCUMENTS - ASIT C. MEHTA INVESTMENT INTERMEDIATES LIMITED (ACMIIL)

You have executed various documents with us, which includes:

A. Know Your Client Form (KYC):

1. The Account will be in the name indicated in the KYC Form and the Statement of Accounts, contract cum bill will be issued only in this name.
2. Payments will be made only to the bank account indicated in the KYC Form or as requested by you in any subsequent modification form and full details about the bank account should be mentioned in KYC /modification form as reflected on the cheque.
3. You should indicate any change in the information supplied by you in the KYC Form by submitting the account modification form along with valid proof of such changes.
4. Receipt of shares will be only from the DP account indicated in this form. If the shares are delivered from a different DP account then your shares may be auctioned, unless the shares are received, from you within stipulated time in ACMIIL's pool account by way of off-market transfer.
5. Our delivery will be only to the account stated by you and our CDSL DP account will be treated as default delivery account. If you have more than one account in your name, give details and proofs of all the accounts.
6. You should provide relationship if you are sharing mobile number or email ids with other clients through the 'Common mobile no and email id declaration'. Please note that only immediate family relationship (i.e. Self, spouse, son, daughter, dependent father and dependent mother) relationship is permitted.

B. Rights and Obligations Documents:

You have received, read and understood the rights and obligations pertaining to Stock market and depository operations of the company. These documents contain the rights and obligations of ACMIIL as a Stock broker and a Depository Participant, the Client (Beneficial Owner) and the Sub-broker/Authorised Person:

C. Risk Disclosure Document:

You have received the Risk Disclosure Document which lists the various risks associated with dealing in the stock markets. The Client is advised to read this Risk Disclosure Document carefully and in detail. Specific attention is invited, but not limited to the following:

1. Market Investments are subject to risks such as volatility, lower liquidity, wider spreads etc.

2. News Announcements have an impact on share prices. These may be through formal channels such as the company, exchange or news media or through rumours.

3. Technology risk is a major risk that should be understood since there is lot of reliance on technology. Network congestion could lead to inability of our systems in executing the trades. We will not compensate loss of money or opportunity arising out of such failures. While every attempt is made to keep the systems up and running, at times the situation is beyond our control due to the complexity of the components involved in the network.

4. In case of derivatives trading including currency derivatives trading, you are exposed to the Effect of Leverage or Gearing, Risk of option holders, Risks of option writers, Currency volatility etc

5. The general section includes the rights and obligations of investors towards receipt and payment of shares and money. It is also important to note that in event of any dissatisfaction a formal complaint should be filed with the broker to safeguard your legal interest.

You have received, read and understood the documents relating to Do's and Don'ts for trading on the Exchange (s) which list down the care to be taken by investors before they begin to trade, when their trading account is active and thereafter

D. Running Account Authority Letter:

You are aware that the transaction confirmations, contracts/bills, etc. would be processed Exchange wise, Segment wise. However, for ease of fund movement, you have requested ACMIIL to maintain a single financial account on running account basis in the books of ACMIIL for both exchanges. Kindly note that this running account authority is valid until you revoke the same in writing. Further note that you have authorized us to retain Rs.10,000/- (net amount across segments and across stock exchanges) as permitted by Exchanges while settling your account.

Guidance Note:

You have received, read and understood the documents relating to Do's and Don'ts for trading on the Exchange (s) for Investors which list down the care to be taken by investors before they begin to trade, when their trading account is active and thereafter.

Closure of trading accounts:

Clients shall be entitled to close the trading account through online mode & offline mode. The closure form is available on our website.

Guidelines for Online closure of trading accounts:

The facility for online closure of trading accounts is provided to clients as per the following guidelines;

1. The request for account closure should be made through ACMIIL's app by way of client specific user ID and password (in case of internet clients)
2. The request received through emails, SMS, other messaging apps, etc. shall not be entertained.
3. Client shall be required to e-sign the form (using Aadhaar based online electronic signature service).
4. Once the application for closure of trading account is received, ACMIIL shall intimate to the client on registered email id and / or mobile number (on both, if available) about the receipt of closure request and shall not permit any further requests for execution of trades by the client. A confirmation regarding the application submitted, shall be sought from the client by way of OTP sent on the email id and / or mobile number updated in its source account (to be closed account) at the time of closure of trading account.
5. Trading account can be closed only if the client doesn't have a negative account balance and / or client do not have any open position and there are no pending arbitration matters / orders prohibiting the release of the client funds & securities at the time of account closure request. In case the client has debit balance (after considering balance across Stock Exchanges) or open positions and applies for closure of trading account, ACMIIL shall send a written response to client asking him to clear the debit balance / open positions prior to initiating the process for closure of broking account.
6. On closure request, ACMIIL shall return funds and release all collateral and pledged securities back to the clients and close the trading account within 3 working days, subject to conditions mentioned in paragraph 5 above. Client needs to ensure that there are no securities available in the demat account at the time of account closure request.

Important Policies and Procedures / Guidelines for Dealing:

A. Placing of Order:

Orders should be placed at ACMIIL's local representative's office or on the dedicated call and trade lines of the Call2Invest desk at Head office. Please take the following precautions while placing the order:

1. Orders can be placed only in your name and against the trading account code allotted to you.
2. Do not trade in name of any other person such as ACMIIL's associate or his relatives. ACMIIL will not be responsible for trades that are done in such accounts.
3. Please indicate clearly the scrip name, quantities, rates, expiry month etc. of the transactions that you wish to execute.

4. In event there are multiple names having a few common names then please take extra precaution in giving the full name of the scrip.
5. Check if the scrip is in Trade-to-Trade Segment. In this segment no square off is possible during the day and you have to deliver what you have sold and will have to pay for and receive for your purchases.
6. The stock exchange has put many shares in Z group, because these companies are not complying with their obligations to investors. Exercise extra caution in dealing with Z group shares.
7. Exercise caution while dealing in illiquid scrips. The Exchanges may ask you for justification for dealing in such scrips.
8. ACMIIL follows the VAR based limit as available in the Exchange whereby scrips which are highly volatile and risky requires 100% margin. ACMIIL generally does not refuse orders for penny stocks. However, at times, based on market conditions and volatility in particular scrip as well as in exceptional circumstances, ACMIIL may refuse an order for any stock (including those considered as penny stocks). It is advisable not to deal in penny stock as it contains higher risk.
9. In case of Derivatives (including currency derivatives) trades, please understand the working of the derivatives market, especially frequent changes in margins during the period of open positions. You may have to pay higher margins on same positions if there is increase in volatility in the scrip.
10. Exchange has introduced 'Graded Surveillance Measures' (GSM). You need to take adequate precautions while trading in the securities under GSM, as the settlement shall be done on trade-to-trade basis and no netting off shall be allowed.
11. You should not trade on the basis of unverified information circulated through phone, SMS, email (personal or official), blog or any other mode of communication.

B. Order Confirmation / Contracts:

1. Please obtain oral order confirmation from ACMIIL's local representative's office immediately on placing the order. Written/SMS confirmation is available every day in the evening for all the orders that were placed during the day.
2. ACMIIL Head office arranges to dispatch contracts within 24 hours of the trades. There could be delay in receipt by you due to delivery / courier delays.
3. Wherever you give consent for E-Contract along with your email ID, contract will be directly sent to respective email ID on same day of trading.

4. The contracts contain time stamp of the execution of the order on the trading system. Trade ID generated from the stock exchange system is also printed on the contract.
5. You can check the authenticity of the contract by logging onto BSE or NSE website (i.e., on www.bseindia.com or www.nseindia.com)
6. The contract is a legal document. Please preserve it for Income Tax purpose and for future references (if any).
7. No separate bill will be issued to make payment. The document given to you is contract cum bill.
8. ACMIIL will not be responsible for trades that are not done through it or contracts that do not have the statutory information about the time and identity of the trades.
9. ACMIIL sends you quarterly statements of funds and securities. Please do go through the same carefully.

C. Brokerage Rates:

The brokerage is charged on the intraday / squared-off transaction and delivery transaction, separately. These rates are indicated in the Welcome Letter sent to you along with your login ID and Password for viewing your reports/placing orders through our website.

Statutory charges include stamp duty, as per rates applicable. We pay stamp duty as per the deadline prescribed by authority. Service Tax is deducted as per service tax rules. Transaction charges are the fees charged by stock exchanges. These rates vary as per the instructions of collecting authority.

D. Settlement of Money:

1. All payments should be in the name of Asit C Mehta Investment Intermediates Ltd. and by cross cheque only or should be made in ACMIIL's designated bank account by electronic funds transfer from your designated bank account only. ACMIIL will not be responsible for cheques that are written in any other name or issued from non-designated bank accounts
2. Do not pay cash to ACMIIL's associates or any other person for the contracts entered into by ACMIIL.
3. Cheques should be given only against the contracts executed in your name. ACMIIL will not be responsible for cheques issued in ACMIIL's favour but against dues of some other client / client code.
4. ACMIIL will issue cheques/transfer funds for amounts due to you only in favour of account name and account number indicated in the Registration Kit given by you.

5. We have the facility of directly crediting your bank account through National Electronic Fund Transfer (NEFT) whereby your bank account is credited with the fund in a day's time after we issue a payout. For NEFT transfer your bank account need to be under core banking solution (CBS) network and should have IFSC Code. If your bank account does not have IFSC Code then at par cheque will be issued to you and payable at your location.

6. Several investors want to reinvest funds and due to time taken for transfer of funds to and from they prefer to take the payout cheques on request only. Therefore ACMIIL have assigned systems, which has a request from the investor as a starting point for making payments. If you desire to pay and receive contract wise please inform ACMIIL's local representatives / Website (on line customers) about such request. Payouts will not be done automatically unless the credit balances are in our books for sufficiently period of time. Cheques and drafts issued by ACMIIL will be payable at the location where the client is registered with ACMIIL.

e.g. If a client is mapped with Jagdishpur and he is having his bank in Lucknow, the payment released by ACMIIL will be payable Jagdishpur and not payable Lucknow. If you wish to be paid at Lucknow then it is desirable to have an account with a bank that provides online banking.

7. All requests received by us by 8.30 a.m. are processed for payment by ACMIIL by 2.30 pm on the same day.

8. ACMIIL has an automated program that checks the net receivable for each client and gives necessary instructions to the bank as registered by ACMIIL in the Registration Kit.

9. Do not give instructions to pay in to any account which is not mentioned in the KYC form / Registration Kit. ACMIIL will only honor one instruction at a time. If there are any changes in your bank name/details, please write to ACMIIL about the same with relevant valid proofs. It will take at least 48 hours to make the changes.

10. In event you do not pay for outstanding obligation/debit within a specified time frame then ACMIIL is at liberty to sell off your share to recover the dues.

11. ACMIIL has a system to sell securities on failure to clear the Fund obligation / margin shortage by you. ACMIIL intimates the shortage of margin and Fund obligation by SMS on your registered mobile number and on website www.investmentz.com. We will levy late payment charge 18% p.a., in case the debit balances are not settled by crediting the payment within 2 trading days for cash segment and 1 trading day for derivative segment. This will be irrespective of shares sold in auto square off. ACMIIL also charge flat 1% + Service Tax, on all cheque bounced or wrongly reported to it.

E. Settlement of Shares:

1. We have created a stock ledger that keeps a track of all deliveries given and received from your DP ID. If any stocks are delivered excess by you, the same are credited to your account and returned back to you.
2. Auto Pay In facility is available to you if you give us a power of attorney to deliver shares on your behalf. ACMIIL has an automated program that checks your pay in obligation and picks the shares from your account for delivery to the market. This frees you from the hassle of making & giving delivery slips daily for transfer to our pool account. However, this facility will be available only to the Default DP Account holder and if the Client sells from other DP, he has to give DIS latest by T+1 day.
3. In event you have CDSL account with us and have given ACMIIL Power of Attorney to deliver on your behalf, and then ACMIIL will do the pay in.
4. In case you do not have CDSL account with ACMIIL, then you have to deliver the shares in ACMIIL's pool account only. Do not give delivery in any account other than ACMIIL's pool account.
5. Do not give blank transfer instructions slip to anyone. They could be liable for misuse and ACMIIL will not be responsible for such misuse.
6. ACMIIL will not accept delivery from any account other than the account number indicated by you in the Registration Kit and/or subsequent modification form submitted by you. If you give shares from any other account, then your shares will get auctioned despite giving delivery to ACMIIL since ACMIIL's system rejects such deliveries received from other accounts. If you have more than one DP account in your name then please give all the numbers and proofs of your accounts at the time of doing Registration itself.
7. Shares that are received by ACMIIL from account other than those that are part of ACMIIL's master are returned back to the same DP ID from which they are received by ACMIIL.
8. Deliveries are made twice a day to all the clients based on the status of their financial accounts. If the account is in debit then the last settlement shares are not released.
9. Please read the accounts reports section to get full information on shares delivered and received by you.
10. Shares on Hold: In event you do not pay on time, i.e., clear funds are not available to us before pay in, then we move your stocks to a separate account and accordingly these shares are kept on hold. We also have to move the stocks to a separate account if you sell off the stock in subsequent settlement. No notice for recovery of dues is necessary in the event you do not pay for the same.

11. The benefits of shares on hold are that (i) dividend and bonus is credited to the account of the beneficiary whose shares are on hold, (ii) the dividend is credited every Saturday following the date on which it was due, (iii) ACMIIL does not wait for receipt of the same from the company, (iv) All amounts that are less than Rs. 5,000 are credited to your account on weekly basis. This is a service provided by ACMIIL to the investors. In case of bonus ACMIIL will have to wait for the receipt of shares from the company and then only they are credited.

F. Close Out Procedure:

The stock exchange settles the trades done by the brokers at the net exchange level and not gross client level. Hence it is our responsibility to settle the deliveries between our clients. Shares which are delivered short by the clients and which have to go to the exchange are auctioned by the exchange. But shares that are delivered short internally are settled in the following manner:

1. If a client "A" has failed to deliver to client "B" in settlement "X" then we purchase short delivery from the market on the day following the settlement of "X" trades.
2. These shares are purchased in the name of client "B", the recipient of shares.
3. The price at which the shares are purchased is taken as a base and 4% is added to the same. This price is used for the purpose of closing out the trade in Settlement "X".
4. In case there is upper circuit on the shares to be purchased, then the same will be purchased only after the day the circuit is removed and there is free trading on shares.
5. There are requests received from the investors either to purchase or not to purchase the shares that are received short. It is our duty to deliver and the system adopted by us ensures delivery. Since the entire procedure is system driven it is not possible to adhere to individual requests.
6. It also helps us to keep an audit trail of trades and deliveries.

G. IST Procedure:

This is a facility provided by us to you to adjust your deliveries, which are yet to be received from the market. It is again an automated procedure that adjusts the sales against purchases made during the last two days. Please note that Inter Settlement Transfer (1ST) may not always happen since deliveries may not be received against your purchases. The transaction could be under auction / close out. You would run the risk of auction if you sell before T+3 day of purchase or actual receipt of the delivery. The law requires that you should deliver the shares on T+1 day of your transaction. Currently the charge on IST transaction is Rs. 12/- (inclusive of service tax). These charges are subject to change from time to time.

H. Account Information:

We have provided you a 24 X 7 access to our back office systems to get all the information related to your dealing with us. Please obtain a password from our office to access the systems. The first password is included in the enclosed mail. Please put a new password in order to maintain confidentiality. Our advice is to change the password every 15 days to prevent misuse.

GUIDANCE NOTE - DO'S AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges www.exchange.com and SEBI website www.sebi.gov.in.
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/Exchanges in this regard.

TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards

which bank/ demat account such money or securities deposited and from which bank/ demat account.

12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.

13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:

a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.

b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.

c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in the cash market.

d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.

14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.

15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges give a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.

17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stock broker, particularly in the event of a default or the stock broker's insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.

19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/sub-broker then you may take up the matter with the concerned Stock exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

20. Note that all the stock broker/sub-brokers have been mandated by SEBI to designate an e-mail ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints.

21. The company has a designated investor grievances email id investorgrievance@acm.co.in on which the client or investor can send a complaint. Alternatively, an Investor / client can make a written complaint by sending letter to compliance department. The Compliance Officer shall be the designated officer for handling the Investors Grievances and Client Complaints. The resolution of the Complaint shall be done at the earliest and the same shall be recorded in the register along with the date of resolution.