

## **Client Code Modification Policy**

- 1 The modification to the client code is to be done only in exceptional cases and not as a routine one.
- 2 The reason for modification has to be ascertained and analyzed and genuineness is to be established and also its impact on the clients should be Studied before the modification. If voice recording is in practice, the same is being studied.
- 3 Normally as a principle, other than for punching errors, no modification to the client codes is allowed.
- 4 Therefore it is imperative that the issue should be reported to the senior level Manager/ Director and only with his approval, the modification should be carried after being satisfied that it is genuine, the same is required to be done to protect the interests of the client.
- 5 Hence the facility to modify the client codes should be available only at the Corporate Manager level and should not be given to the branches/ franchise/sub-brokers.
- 6 Training program should be conducted to all the Dealers and they should be explained how code modifications can be misused and what steps Should be taken to avoid the same. It also should be explained that code modifications should not be encouraged to the clients except for cases like 'punchingerrors'/'typing errors'.
- 7 A register is to be maintained for recording all the code modifications with details like error code, correct code, scrip name quantity, client name, the name of the dealer who punched the code, the explanation of the dealer/ Branch Manager, the 'analysis / study' of the authorised Manager and his approval/disapproval for modification.
- 8 The company shall levy a penalty for any client code modification not covered in above mentioned cases:–

'a' as % of 'b'	Penalty as % of 'a'
$\leq 5$	1
$> 5$	2

Where 'a' = Value (Turnover) of non-institutional trades where client codes have been modified by the Company in a segment during a month.

'b' = Value (Turnover) of non-institutional trades of the company on the segment during the month.

- 9 The client code which are classified as "Error Accounts" shall be disclosed to the Exchange a the time of uploading the UCC.
- 10 The genuine code shall be modified after the prior approval of the Compliance Officer of the Company. Any trade denied for modification by the Compliance Officer shall not be modified.

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