

Introduction – Jambuwala Commodities Private Limited is full-service broking houses, which are a Trading Member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), Multi Commodity Exchange Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) Bearing SEBI Registration No. INZ000056036 and a Depository Participant with CDSL SEBI Reg. IN – DP – 527 – 2020.

POLICES AND PROCEDURES APPLICABLE TO CLIENTS OF JAMBUWALA COMMODITIES PRIVATE LIMITED

1. REFUSAL OF ORDERS FOR PENNY STOCKS

JAMBUWALA COMMODITIES PRIVATE LIMITED normally offers trading facility to its clients in all the compulsory dematerialized stocks which are listed on the Stock Exchanges. However, JAMBUWALA COMMODITIES PRIVATE LIMITED discourages / restricts trading in penny stocks by the clients as they are susceptible to manipulation and risky for investors and in turn to JAMBUWALA COMMODITIES PRIVATE LIMITED “Penny Stocks” for this purpose shall include:

- a. Stocks appearing in the list of illiquid securities issued by the Exchanges from time to time.
- b. Stocks which are highly illiquid and have a low market capitalization and ‘Z’ Group Securities.
- c. Any securities as may be restricted for trading by Exchanges.
- d. Any other securities as may be restricted for trading by JAMBUWALA COMMODITIES PRIVATE LIMITED based on its internal evaluation.

As part of Risk Management System, JAMBUWALA COMMODITIES PRIVATE LIMITED permits clients to buy / sell in penny stocks only on the basis of 100% upfront margin and on delivery basis. Also, the trading in penny stocks may be permitted only up to quantity/value together as notified by its extant circulars. Further in case of internet Trading clients, JAMBUWALA may at any time at its sole discretion block / restrict the client’s online trading terminal to prevent the client from placing orders in such Penny stocks through the Online Trading Platform of JAMBUWALA COMMODITIES PRIVATE LIMITED

JAMBUWALA COMMODITIES PRIVATE LIMITED shall not be held liable for restricting / prohibiting trade in penny stocks at any time. Further JAMBUWALA COMMODITIES PRIVATE LIMITED shall not be held liable or responsible in any manner whatsoever for any refusal/cancellation of orders for trading in penny Stocks/other securities and the Client shall indemnify JAMBUWALA in respect of any loss caused to JAMBUWALA COMMODITIES PRIVATE LIMITED by virtue of the Client trading in penny stocks.

2. SETTING UP OF CLIENT’S EXPOSURE LIMITS

As part of Risk Management, JAMBUWALA COMMODITIES PRIVATE LIMITED shall set client’s exposure limits depending on the type of securities provided as Margin / available funds in the client’s ledger plus Fixed Deposits / Bank Guarantees provided by the client and the client profile/financial status. Exposure limits are also set based on categories of stocks / position (derivatives) client can trade. Securities that are acceptable as margin and their categorization may be changed by JAMBUWALA COMMODITIES PRIVATE LIMITED from time to time at its sole

discretion. Further client categorization may also be changed based on various factors including trading pattern of clients, profile / residential status / financial status of client. JAMBUWALA COMMODITIES PRIVATE LIMITED from time to time shall apply such haircuts as may be decided by JAMBUWALA COMMODITIES PRIVATE LIMITED on the approved securities against which the Exposure limits are given to the client, JAMBUWALA may from time to time change the applicable hair cut or apply a haircut higher than that specified by the Regulators/Exchanges as part of its Risk Management System.

Subject to the client's exposure limits, client may trade in securities and / or take positions in the futures and option segment. Client shall abide by the exposure limits, if any, set by JAMBUWALA COMMODITIES PRIVATE LIMITED or by the Exchange or Clearing Corporation or SEBI from time to time. Limits/Exposure provided shall vary based on the intraday/ delivery/ carry forward positions made by the client.

The exposure limits set by JAMBUWALA COMMODITIES PRIVATE LIMITED does not by itself create any right for the Client and are liable to be withdrawn at any time without notice and the client shall bear the loss on account of withdrawal of such limits. The client agrees to compensate JAMBUWALA COMMODITIES PRIVATE LIMITED in the event of JAMBUWALA COMMODITIES PRIVATE LIMITED suffering any loss, harm or injury on account of exposure given and/or withdrawn.

In case of the sale of Securities, such sale may at the discretion of JAMBUWALA COMMODITIES PRIVATE LIMITED be provided only to the extent of the availability of securities in the account of the client (DP free Stock, DP lien/hold marked securities, beneficiary and collateral stock). Further the credit received against sale may be used for exposure as may be decided by JAMBUWALA COMMODITIES PRIVATE LIMITED from time to time.

In case of derivatives, clients shall be allowed to trade only upto the applicable clientwise position limits set by the Exchanges/Regulators from time to time. JAMBUWALA COMMODITIES PRIVATE LIMITED may from time-to-time demand additional margin from the client in the form of funds or securities if there is a requirement for the same and the client shall be required to provide the same.

3. BROKERAGE AND CHARGES

Written in KYC form, the client will pay brokerage, taxes, STT, delay payment charges, settlement charges, Bank charges, document handling charges, Account Maintenance Charges and all other statutory taxes and charges as may be applicable from time to time.

If there is any upward revision in Brokerage Slabs the same will be intimated to clients with a prior notice of 15 days.

However the brokerage charges shall never exceed the maximum limits permitted by SEBI/Stock Exchanges/Govt. Authorities from time to time.

4. IMPOSITION OF PENALTY OR DELAYED PAYMENT

The clients are required to settle the pay-in / provide margin within the time limits provided by Exchange / SEBI / JAMBUWALA COMMODITIES PRIVATE LIMITED Risk Management system. In case the client fails to provide the same within the prescribed time, delayed payment charges shall be levied on the client's account on any delayed payments towards trading either in the cash or derivatives segments or on account of any other reason beyond the due date of payment as may be prescribed by JAMBUWALA COMMODITIES PRIVATE LIMITED. Such delayed payment charges shall be directly debited to the account of the client. This is only a penal measure and brings in discipline in the clients to clear the dues in time as JAMBUWALA COMMODITIES PRIVATE LIMITED had to clear its obligation to the Exchange as per the time limits set by the Exchanges. JAMBUWALA COMMODITIES PRIVATE LIMITED reserves the right of imposition of delayed payment charges on the client account and the client shall be liable for payment of such charges @ 1.5% per month or at such rate as may be prescribed by JAMBUWALA COMMODITIES PRIVATE LIMITED from time to time.

5. RIGHT TO SELL CLIENT'S SECURITIES OR CLOSE CLIENT'S POSITIONS, WITHOUT GIVING NOTICE TO THE CLIENT ON ACCOUNT OF NON-PAYMENT OF DUES (LIMITED TO SETTLEMENT / MARGIN OBLIGATIONS)

As a part of its Risk Management System, JAMBUWALA COMMODITIES PRIVATE LIMITED shall have the sole discretion to square off the open position of the Client and / or sell client's securities (including securities maintained as margin with JAMBUWALA COMMODITIES PRIVATE LIMITED and securities lying in client's beneficiary / Demat account) in case the client fails to meet its settlement / margin obligations in time. The specific securities to be sold and the positions to be squared off shall be decided solely by JAMBUWALA COMMODITIES PRIVATE LIMITED. Further, the square off of client's open position or the selling of securities may be executed on such Exchanges and at such price as may be decided by JAMBUWALA COMMODITIES PRIVATE LIMITED. JAMBUWALA COMMODITIES PRIVATE LIMITED shall have no obligation of communicating the same to the client. JAMBUWALA COMMODITIES PRIVATE LIMITED shall not be responsible for any losses incurred by the client due to such squaring off of the open position of the client. JAMBUWALA COMMODITIES PRIVATE LIMITED reserves the right to square off client's open positions or sell client's securities under following circumstances:

- a. where the limits given to the Client have been breached;
- b. where the Client has defaulted on their existing obligation and / or have failed to make payments/deliver securities to JAMBUWALA COMMODITIES PRIVATE LIMITED within the stipulated time period as may be prescribed by JAMBUWALA COMMODITIES PRIVATE LIMITED and / or Exchange.
- c. In addition to above, in case of equity and currency derivatives transactions.
 - i. where the margin or security placed by the Client with JAMBUWALA COMMODITIES PRIVATE LIMITED fails short of the applicable minimum margin as may be required to be maintained by the client.
 - ii. where Mark to Market loss on the open position has reached the stipulated % of the margins placed with JAMBUWALA COMMODITIES PRIVATE LIMITED

- and the Client(s) have not taken any steps either to replenish the margin or reduce the Mark to Market Loss.
- iii. if the open position is neither squared off nor converted to Delivered by Client(s) within the stipulated time.

JAMBUWALA COMMODITIES PRIVATE LIMITED reserves the right to square off the open position of client and / or sell client's securities under the prescribed circumstances; however, JAMBUWALA COMMODITIES PRIVATE LIMITED is not obligated and does not guarantee to square off the open positions and / or sell client's securities. The client shall be solely responsible for the trading decisions taken by the client. It shall be the responsibility of the client to make payment towards outstanding obligations and / or applicable margins to JAMBUWALA COMMODITIES PRIVATE LIMITED in time irrespective of whether JAMBUWALA COMMODITIES PRIVATE LIMITED exercises its right to square off the positions of the client in accordance with the provisions given herein above.

Client shall be solely responsible for any resultant losses incurred to client due to selling of client's securities by JAMBUWALA COMMODITIES PRIVATE LIMITED or squaring off the client's open positions or for not doing so. All losses in this regard shall be borne by the CLIENT and JAMBUWALA COMMODITIES PRIVATE LIMITED shall be fully indemnified and held harmless by the CLIENT in this behalf.

The CLIENT accepts to comply with JAMBUWALA COMMODITIES PRIVATE LIMITED's requirement of payment of margin / settlement obligations of the Client, immediately failing which JAMBUWALA COMMODITIES PRIVATE LIMITED may sell, dispose, transfer of deal in any other manner the securities already placed with it as margin / lying in the beneficiary account of JAMBUWALA COMMODITIES PRIVATE LIMITED or square-off all or some of the outstanding F&O positions of the CLIENT as it deems fit at its sole discretion without further reference to the CLIENT and any resultant or associated losses that may occur due to such square-off / sale shall be borne by the CLIENT and JAMBUWALA COMMODITIES PRIVATE LIMITED shall be fully indemnified and held harmless by the CLIENT in this behalf at all times.

6. SHORTAGES IN OBLIGATIONS ARISING OUT OF INTERNAL NETTING OF TRADES

In case the client defaults on its existing obligation and in the event the trade has been internally netted off by JAMBUWALA COMMODITIES PRIVATE LIMITED, there could be internal shortages. The internal shortage is marked against the client randomly at the sole discretion of JAMBUWALA COMMODITIES PRIVATE LIMITED taking into account the delivery obligations through Exchanges. In case of failure of delivery, the client marked for internal netting of trade the same shall be met through fresh market purchases and the loss on account of the said purchases will be charged to the defaulting client's account. However, defaulting client will not be eligible for any profit on account of this.

JAMBUWALA COMMODITIES PRIVATE LIMITED shall not be responsible for losses to the client on account of such shortages. All losses to the client on this account shall be borne solely by the client and the client shall indemnify JAMBUWALA COMMODITIES PRIVATE LIMITED in this respect.

7. CONDITIONS UNDER WHICH CLIENT MAY NOT BE ALLOWED TO TAKE FURTHER POSITIONS OR BROKER MAY CLOSE EXISTING POSITION OF CLIENT

In case the client defaults on its existing obligation and in the event the trade has been internally netted off by JAMBUWALA COMMODITIES PRIVATE LIMITED, there could be internal shortages. The internal shortage is marked against the client randomly at the sole discretion of JAMBUWALA COMMODITIES PRIVATE LIMITED taking into account the delivery obligations through Exchanges. In case of failure of delivery, the client marked for internal netting of trade the same shall be met through fresh market purchases and the loss on account of the said purchases will be charged to the defaulting client's account. However, defaulting client will not be eligible for any profit on account of this.

JAMBUWALA COMMODITIES PRIVATE LIMITED shall not be responsible for losses to the Client on account of such shortages. All losses to the client on this account shall be borne solely by the client and the Client shall indemnify JAMBUWALA COMMODITIES PRIVATE LIMITED in this respect.

8. TEMPORARILY SUSPENDING OR CLOSING OF CLIENT'S ACCOUNT AT THE CLIENT'S REQUEST

JAMBUWALA COMMODITIES PRIVATE LIMITED may suspend or close the trading account of the client pursuant to SEBI or any other Regulatory directive for such period as may be prescribed by the respective Regulator. JAMBUWALA COMMODITIES PRIVATE LIMITED may further at its sole discretion and with / without information to the CLIENT, prohibit or restrict or block the CLIENT's access to the use of the web site or related services and the CLIENT's ability to trade due to market conditions and other internal policies including policy with respect to prevention of money laundering.

Client can initiate temporary suspension / closure of its account at any time by giving a request to JAMBUWALA COMMODITIES PRIVATE LIMITED in writing 15 days in advance. However, such suspension / closure will be affected subject to clearance of all dues and settlement obligations by the client.

Trades in the account of the client during the period of such temporary suspension shall not be permitted.

Notwithstanding any such suspension / closure, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to such closure / suspension shall continue to subsist and binding on the client.

In case the account has been temporarily suspended at the request of the client, the account shall be reactivated only on submission of a written request for reactivation by the client.

9. DEREGISTRATION OF CLIENT

Deregistration of the client /Termination shall be at the sole discretion of JAMBUWALA COMMODITIES PRIVATE LIMITED may deregister the client if the client breaches the terms and conditions of the member- client agreement or provides any false information or declarations. Further JAMBUWALA COMMODITIES PRIVATE LIMITED may deregister the client if the client is suspected to be involved in any activities in violation of applicable Rules and Regulations.

Further the client may be deregistered due to any Regulatory directive, market conditions and other internal policies of JAMBUWALA COMMODITIES PRIVATE LIMITED including policy with respect to prevention of money laundering. Such deregistration/termination shall not effect the rights and liabilities of the parties in respect of transactions executed before the date of such deregistration/termination.

10. TREATMENT OF INACTIVE ACCOUNTS

In case the Trading and / or demat account of the client is not operated by the client for a continuous period of six months the same will be considered to be 'Inactive Account'. Such Inactive account will be blocked for further transactions by the client. The client will have to submit following documents / confirmation, for re-activation of such blocked account

- a. Client can give the duly signed request in writing at any of the Branch offices of JAMBUWALA COMMODITIES PRIVATE LIMITED

During the blocked period if there are any debit / dues to JAMBUWALA COMMODITIES PRIVATE LIMITED In client's account, JAMBUWALA COMMODITIES PRIVATE LIMITED shall have the authority to liquidate the client's position to the required extent during the block period.

During the block period if any corporate actions or pay-outs are due for return to the client, the same will be affected / returned by JAMBUWALA COMMODITIES PRIVATE LIMITED to the client's account.

The above policies and procedures are subjects to change / update by JAMBUWALA COMMODITIES PRIVATE LIMITED from time to time.

Policy Reviewed and Authorised by

Mr. Kamal Shah
Director