CLIENT CODE MODIFICATION / ERROR CODE POLICY

OF

GEPL CAPITAL PRIVATE LIMITED

Version 2022

Registered Office: D-21, Dhanraj Mahal, CSM Marg, Colaba, Mumbai – 400 001. T:022 66182400 | F:022 22043452
E-mail: corporate@geplcapital.com | Investor Grievances:complaints@geplcapital.com | W: www.geplcapital.com CIN NO.: U67120MH1997PTC110941

SEBI Reg. No.: (BSE/NSE-CM/F&O/CD) INZ000168137, Research Analyst: INH000000081|AMFI: ARN – 27210

CLIENT CODE MODIFICATION / ERROR CODE POLICY

SEBI vide its circular dated January 03, 2011 has issued guidelines pertaining to parameters to be put in place by the stock brokers for identification of client code modifications, arising as a result of genuine error or wrong data entry while placing online/offline orders.

Stock Exchanges provide a facility to modify client code after the trade has been executed to rectify any error or wrong data entry at the time of punching orders. However, such Client Code Modification is subject to certain guidelines issued by SEBI and the Stock Exchanges in this regard.

1. The following would constitute genuine errors with regard to client code modifications provided there is no consistent pattern in such modifications:

    a) Error due to communication and/or punching or typing such that the original client code/name and the modified client code/name are similar to each other.

    b) Where original client code/name and the modified client code/name belong to a Family (Family for this purpose means spouse, dependent parents, dependent children & HUF)

2. Shifting of any trade (institutional or non-institutional) to the **ERROR** account shall not be treated as modification of client code under SEBI circular dated July 5, 2011, provided the positions arising out of trades in error account are subsequently liquidated/closed out in the market and not shifted to some other client code.

3. As per notification of NSE, which leads to changes in back office software or front office software,

    a) The same needs to be updated in sync with the appropriate vendor.

    b) Such implementation shall be done on or before the directives provided by the exchange/SEBI before the due dates and incase of such changes takes time then, appropriate system shall be adopted during the interim period till it is done by the vendor.

    c) Any error/VANDHA with respect to such changes shall be transferred in error account and the penalty based on the quantum of the error shall be claimed from insurance or any other mechanism in place for such error.

"Error Trades" means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Stock Exchanges and this policy. The Exchange has provided the facility of client code modification only with a view to rectify genuine errors. The facility is mainly to provide a system for modification of client codes in case of genuine errors in punching / placing the orders. It is to be used as an exception and not a routine. To prevent misuse of the facility Stock Exchanges levy penalty / fine for all non-institutional client code modifications. This policy is applicable to all Client Code Modifications carried out / to be carried out in any of the client accounts, subject to guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange.

ERROR ACCOUNT

- A separate error account (Client Code – ERROR) is earmarked to shift the trades from any institutional or non-institutional account.

- The Error Account will be in the name of "GEPL Capital Pvt. Ltd." as 'PRO/OWN' with the PAN details of GEPL.

- The error trade will not be allowed to be modified post trading day.

- No trades are permitted to transfer from the error account to any other client account.

- Post transfer, the trades in the error account will be either liquidated or closed out in the market.

PENALTY

- Genuine trade modifications are not exempted from the exchange penalty.

- Only trades modified from the institutional or non-institutional client code to 'Error Account' are exempted from the exchange penalty.

- Based on the analysis of scenario leading to trade code modifications, the penalty levied by the exchange would be either deducted from the client or GEPL.

- The profit resulting out of liquidation or close out will be retained in the 'Error Account'. The profit may be shared with the client based on the directions given by the investor grievance cell of the exchange based on the client's plea.

- Based on the analysis of scenario leading to trade code modifications, the loss resulting out of liquidation or close out will be borne by client or GEPL. The brokerage and other transaction charges will be levied from the client in case of error are established on account of the client.

AUTHORIZED PERSON TO MAKE THE MODIFICATIONS

Every code modification request is authorized by the Compliance Head. After assessment about the genuineness of the error he approves or reject the code modification request

THE BOARD AND MANAGEMENT DIRECTIVES

The Board and Management have approved this policy and instruct all the office bearers to follow it strictly.

- To control the punching error, it has been decided that client code mapping will be restricted in trading terminals.
- To maintain Client Code Modification registers with immediate effect for recording the errors.
- To ascertain the occurrence of the error as mentioned in point no.3 above, checks and balances shall be done and the directives by the regulatory bodies shall be followed in case, of any error of exchange/SEBI notification.

For **GEPL CAPITAL PVT. LTD.**

Sd/-

Mr. Vivek I. Gupta

Director