

### Policy on Client Code Modification

(Ref; NSE/INVG/56395 dated April 17, 2023)

- We did not make any code changes in the back office without following the approved procedure by the Exchange for code changes. The code changes are made only for the correcting the mistakes by technical operator if it is learned well within time limit permitted by the Exchange.
- In case we came to know about mistake after exchange prescribed time for modification of trade, we do modify client code in back office and rectify error by shifting trade in error code account.
- As soon as the code changes request is received, it is checked & verified who has committed mistake and brought to the notice to management and after obtaining approval from **Mr. Rajesh Mundra or Mr. Jinesh Dugar** the code changes is quickly carried out. We would constitute genuine errors with regard to client code modifications if -
  - 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.
  - Modification within relatives ('Relative' for this purpose would mean "Relative" as defined under the Companies Act, 2013)
- Rigorous training imparted to every technical operator and if he/se continue to make mistakes warning is to be issued.
- We keep record of code changes and mistakes made by repetitive terminal operator to ensure such mistakes are minimized.
- Code changes module is not used any purpose other than this.
- We disclose the client codes which are classified as 'Error Accounts' to the Exchange at the time of UCC upload.
- The naming convention of the designated error account shall be standardized. The naming convention w.r.t classification of Error Accounts will be as under:
  - The client code of the designated error account should have the nomenclature as "ERROR" or "ERROR%" where % is a number.
  - The name of the designated error account should have the nomenclature as "TM Name - Error Account".
- We periodically review the trades flowing to the 'Error Account'.

#### **Modification to ERROR client code category and Liquidation of trades transferred to ERROR account.**

- As per Exchange circular - NSE/INVG/2011/18716 dated August 26, 2011, shifting of any trade (institutional or non-institutional) to the error account of the trading member shall not be treated as modification of client code 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.

## **NINE STAR BROKING PVT LTD**

Corporate Office : 112, Parvati Shiv Kripa Tower, 1st A-B Road, Sardarpura, Jodhpur - 342003, Rajasthan.

Registered Office : DBS Business Centre, DBS House 10/2 Hungerford Street - KOLKATA - WB 700017 IN

CIN : U74992WB2010PTC152502

Phone +91-291-7160000

+91-291-2449999

Web : [www.9star.in](http://www.9star.in) | Email : [info@9star.in](mailto:info@9star.in)

- NSBPL shall have a timeline of 3 working days (including the day of trade) to square off / liquidate their trades flowing into error account. In case trades / open positions are not liquidated or squared off within the prescribed time limit, a penalty as prescribed in para 1.2 of NSE/INVG/56395 dated April 17, 2023 would be applicable. This timeline is subject to availability of liquidity in the scrip/contract. In case the liquidity is not sufficient, NSBPL should approach the Exchange within one trading day if sufficient liquidity is not available at the Exchange. The square off / liquidation must be done at the earliest. The decision of the Exchange on the question of "Availability of liquidity" will be final and binding.
- In case from the ERROR account, modification is done to some other client code, a penalty at the rate of 2% of traded value will be levied. In case of such repeated instances, in addition to the penalty levied further disciplinary action as deemed fit would be initiated.

NSBPL shall implement necessary internal controls to minimize the instance of modifications into Error account to avoid disciplinary action proceedings from the Exchange.

#### Reasons for client code modification and error trades.

- TM are required to provide the reasons for client code modification and error trades.
- The reason for modification is mapped as following:
  1. Modified to Error
  2. Error due to communication or Punching / Typing Error such that the original client code / name and the modified client code / name are similar to each other
  3. Modification with Relatives (as per Companies Act, 2013)
  4. Allocation to related schemes / sub-accounts

Error listed in Pt. 2 & 3 are classified as genuine errors for the purpose of client code modification

This policy has reviewed and approved in Board Meeting held on 11/10/2024

For NINE STAR BROKING PRIVATE LIMITED

*Rajesh Mundra*

DIRECTOR/AUTH. SIGNATORY

Rajesh Mundra  
Director (DIN: 00190853)

Place- Jodhpur

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