SAROJ SECURITIES

309 KAN CHAMBER ,14/113 CIVIL LINES , KANPUR – 208 001

Member :The National Stock Exchange of India Ltd .

SEBI Regn No :INZ 000224427

Policy on square off/liquidation of securities without consent of clients

The policy and procedure to be followed , should the need arise for square off / liquidation of securities without consent of clients .

In case, a client purchases shares in CM segment and fails to make payment for the same before pay-in date , we ,after perusing the matter with the concerned client and after informing him about the default ,we would carry out sale of securities of our clients to the extent of debit balance in Clients account .

In derivative segment, if the client fails to make payment for mark to market obligation / margin liability before pay-in date of the same , we may ,after perusing the matter with the concerned client and after informing him about the default ,square-off or liquidate some /all of the open position of our clients and carry out the sale of securities to the extent of debit balance in Clients account .

However, in exceptional cases, like in case of those clients with whom company think it has long term bonding with them and they will make the payment in due course of time . In such circumstances, member may co-operate with such clients provided the debit balance is backed by sufficient collaterals to avoid any loss to firm .

If the member need to square up the position of client without his consent , proper audit trail is to be maintained that the client has been given sufficient and reasonable opportunity to square off the dues . **The contract note issued for such transaction should show such transaction with a remark (*).**

However till today, we have not had an occasion to square-off or liquidate the position of our clients without the respective client’s consent .

Updated on 01.04.2021