

Date: 05.06.2010

All Clients,

Dear Sir,

Sub: Additional Information required for updating KYC.

We wish to inform you that SEBI has issued circulars MIRSD/SE/CIR-19/2009 dated December 03, 2009 and MIRSD/SE/CIR-5/2010 dated March 31, 2010 regarding dealing between a client and a stock broker.

In view of above circulars you are hereby requested to provide us with some other information in enclosed format.

We are also enclosing herewith a mandatory document about "Policies and Procedures "as per above referred SEBI Circulars. Please read and sign this document and send back at earliest along with other enclosed documents. This documents and other "Standard Documents" are also available on our website www.abhik.in.

You are further requested to provide us any documentary evidence for your financial information out of list of documents given below.

- I. Copy of ITR Acknowledgement
- II. Copy of Annual Accounts
- III. Copy of Form 16 in cases of salary Income
- IV. Net Worth Certificate
- V. Salary Slip
- VI. Bank account statement for last 6 months
- VII. Copy of demat account Holding statement
- VIII. Any other relevant documents substantiating ownership of assets
- IX. Self declaration along with relevant supporting.

Please provide these information by June 30, 2010 positively.

Thanking you,

FOR Abhik Finance Pvt. Ltd.

(Authorised Signatory)

Abhik Finance Pvt. Ltd.
Uppal's Plaza M6, 5G 5th Floor,
Jasola District Centre,
New Delhi-110025

Dear Sir,

Sub: Information for updating KYC / Client Registration Form

Reg: Unique Client Code (UCC):

I am giving here below the following information required for updating my KYC/ Client Registration Form

1. TRADING PREFERENCE:-

A) Stock Exchange on which I wish to trade:-

I..... II..... III.....

✓

(Signature of Client)

B) Market Segment on which I wish to trade:-

I..... II..... III.....

2. Detail of any action taken by SEBI/ Stock Exchange or any other financial sector regulator

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3. Settlement of Funds & Securities: - I request you to settle my funds and securities and send statement of funds & securities once in every calendar Quarter/ Month except funds & Securities given towards collaterals/ Margins

Quarterly ☐

Monthly ☐

4. Confirmation of Email ID:- I do hereby confirm that my email ID isAnd I request you to send my Contract Notes, Funds & Securities Statement or any other documents on this email ID.

5. Running A/c authorization: - I am enclosing herewith a running A/c authorization.

6. Policies & Procedures: - I have read the enclosed documents about Policies & Procedures and I am enclosing this duly signed document for your record.

Please inform, if any, more information or documents required in this regard

Thanking You

Yours Faithfully

Signature:

Name:

UCC:

NON MANDATORY DOCUMENT

Abhik Finance Pvt. Ltd.
Uppal's Plaza M6, 5G 5th Floor,
Jasola District Centre,
New Delhi-110025

Dear Sir,

Sub: Running Account Authorisation

I/We are dealing through you as a client in Capital market and/ or future & Option Segment and/ or Currency Segment and in order to facilitate ease of operations and upfront requirement of a margin for trade. I/we authorize you as under:

1. I/We request you to maintain running balance in my account & retain the credit balance in any of my /our account and to use the unused funds towards my/ our margin pay-in/ other future obligation (s) at any segment (s) of any or all the Exchanges (s) Clearing Corporation unless I/we instruct you otherwise.
2. I/We request you to retain securities with you for my /our margin pay-in/ other future obligation (s) at any segment (s) of any or all the Exchanges (s) Clearing Corporation unless I/we instruct you to transfer the same to my/our account.
3. I/We request you to settle my fund and securities account once in every calendar Quarter/ Month or such higher period as allowed by SEBI / Stock Exchange from time to time except funds given towards collaterals / margin in the form of BG/ FDR.

Quarterly ☐

Monthly ☐

4. In case I/we have an outstanding obligation on the settlement date, you may retain the requisite securities/ funds towards such obligations and may also retain the funds excepted to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the Exchanges.
5. I/We agree that stock broker will transfer funds/ securities lying with the member within one working days of my written request and within three working days if the same are lying with Clearing Corporation.
6. I/We will confirm you that I will bring to your notice any dispute arising from the statement of account or settlement so made in writing with in 7 working days from the date of receipt of funds / securities or statement of account or statement related to it, as the case may be at your registered office. After that I/We shall have no right to dispute the transaction, funds and /or securities ever and agree that you shall not be liable for any incidental loss/ damage caused due to retention of funds and /or securities.
7. This authorization is subject to the renewal of at least once year.
8. I/we confirm you that I can revoke the above- mentioned authority by giving 15 working days notice writing to you.

Thanking You
Yours faithfully

(Signature)

Name:

UCC:

MANDATORY DOCUMENT

POLICIES AND PROCEDURES AS PER SEBI CIRCULAR NO.MIRSD/SE/CIR-19/2009 DATED 3DEC, 2009

POLICIES AND PROCEDURES :

1. **Refusal of orders for penny stocks:**
Stock broker is advising to the clients not to deal in penny securities and if client deals either the penny stock, 100% margin will be taken from the client and these shares will not be taken to as Margin deposit. The stock broker shall have authority from time to time limit (quantity/ value) or refuse orders in one or more securities due to various reasons including market liquidity, value of securities(ies) or may require compulsory settlement / advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance / placement of order(s) as well, the order being for securities which are not in the permitted list of the stock broker / exchange(s) / SEBI or does not commensurate with the risk profile of the client as assessed by the broker Decision of Broker will be binding on the client and will be final.
 2. **Setting Up client's Exposure Limits:**
The client agrees to abide by the exposure limits, if any, set by the stock broker or by the Exchange or Clearing Corporation of SEBI from time to time. The client is aware and agrees that the stock broker may need to vary or reduce or impose new limits urgently on the basis of the stock broker's risk perception, risk profile of the client and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/ SEBI directions/ limits (such as broker level/ market lever limits in security specific / volume specific exposures etc.).
The stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. Sometimes client's sauda may go to IOC (Immediate or Cancel) instead of normal bidding if broker terminal is on square off mode.
The Stock Broker at its sole discretion can give extra exposure or intraday limit to the client. such extra exposure will automatically be squared off by trading mechanism without any further reference to the client appx. 15 minutes before the scheduled closing.
 3. **Applicable Brokerage Rate**
 - a. **For Cash Market Segment.**
The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market segment of the Exchange shall be 2.5% of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale / purchase value of a share is Rs. 10/- or less, maximum brokerage of 25 paise per share may be collected.
 - b. **For Option contracts:**
Brokerage for option contracts would not exceed Rs. 100/- per lot single side or such other rates as provided by the exchanges.
 4. **Imposition of penalty/delayed payment charges by either party, specifying the outstanding rate and the period (This must not result in funding by the broker in contravention of the applicable laws)**
Client shall be liable to penalty and other charges on nonpayment of margin money, short spelling of securities or units, failure on payment of auction, cheque bounce, non deliver of shares, increase open position or on any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force as per Rules, Regulations, Guidelines and Circulars issued by SEBI and stock exchange time to time and client will be kept informed about the rate of such penalties & fines. Similarly in case of non receipt of full payment of value of delivery purchased, margin imposed (initial + MTM_ interest will be charged at 21% p.a. calculated on daily basis on shortfall amount till the date of actual realization of money.
All fines/penalties and charges levies upon the Client due to its acts / deeds or transactions will be recovered by the Stock Broker directly from the client's account.
 5. **The right to sell client's securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues (This shall be limited to the extent of settlement/margin obligation)**
 1. If payment/securities towards the Margin or shortfall in Margin is not received instantaneously to enable restoration of sufficient Margin in the Client's account.
 2. In case of benefit of margin will be given only after realization of instrument..
 3. If the client gives orders / trades in the anticipation of the required securities being available subsequently for pay in through anticipated payout from the exchange or through borrowing or any off market delivery(s) and if such anticipated availability does not materialize in actual availability securities / funds for pay in for any reason before the close of market.
 4. The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/ liquidate all open positions/ securities / share at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier, similarly all transactions outstanding under limit by whatsoever name called may be closed out at specified time if not squared off by the client.
 5. In case open position (Le short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities/funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs; in addition to this the client will have to pay penalties and charges levied by exchange in actual losses, if any.
 6. Any reference in these terms to sale or transfer of securities by the Stock Broker shall be deemed to include sale of the securities which form part of the Margin maintained by the Client with the Stock Broker.
 6. **Shortage in obligation arising out of internal netting of trades**
The policy and procedure for settlement of shortage in obligations arising out of internal netting of trades is as under:
 - a. The short delivering client is debited by an amount equivalent 20% above of closing rate of day prior to Pay-in/Payout Day. The securities delivered short are purchased from market on T +3 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies + 5 % extra) is debited to the short delivering seller client along with reversal entry of provisionally amount debited earlier.
 - b. If securities cannot be purchased from market due to any force condition, the short delivering seller is debited at the closing rate on T +3 day of Auction day on Exchange +10%. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/ credits shall be as per Exchange Debits and Credits after deducting exchange penalties.
 - c. In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure / record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction
 7. **Conditions under which a client may not be allowed to take further positions or the broker may close the existing position of client.**
The stock broker may refuse to execute / allow execution of orders due to but not limited to the reason of lack of margin / securities or the order being outside the limits set by stock broker / exchange / SEBI and any other reasons which the stock broker may deem appropriate in the circumstances.
 1. for non-payment or erosion of margin or other amounts, outstanding debts, etc., and adjust the proceeds of such liquidation / close out, if any, against the client's liabilities/ obligations.
 2. Any order which is executed without the required Margin in the Client's account or the brokers exposure is more than 90% and above so no fresh trade will be taken.
 3. The client hereby authorizes the Stock Broker to square up all his positions at the discretion of the Stock Broker, which are not marked for delivery 15 minutes before the closing time of the normal market or if the client's margin evaporated by 90% in any of exchanges, reserves the right to square off positions.
 4. Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason as prescribed or instructed by SEBI.
 5. The stock broker is entitled to disable / freeze the account or trading facility / any other service if, in the opinion of the stock broker, the client has committed a crime, fraud or has acted in contradiction of this directions of a lawful authority whether Indian or foreign or if the stock broker so apprehends.
- Any profit/loss arising out of these transactions shall be at the risk of and borne by the client.
8. **Temporarily suspending or closing a client's account at the client's request**
Client may instruct the member to close out the account or suspend the trading through client's account for the period as specified in the request in written and duly signed by him.
The stock broker can withhold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order/action requiring client suspension.
 9. **Deregistering a client**
A client is at liberty to deregister himself/itself from the member. For that purpose client will be liable first to settle his account in full. In case of any shortfall or any dues or payment remaining after adjusting the margin account, the client will be liable to make payment of the same. And in case of surplus arising out after netting of account, client shall be entitled to receipt of the same.
- The member shall also have power to deregister the client after setting his account at its sole discretion.

