



## **ERROR CODE POLICY**

### **Reason/Purpose:**

1. The following would constitute genuine errors with regard to client code modifications:
  - 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, 1956).
2. Shifting of any trade (institutional or non-institutional) to the error account of the trading member shall not be treated as modification of the 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. Trading members would be required to disclose the client codes which are classified as 'Error Accounts' to the exchange at the time of UCC upload.
4. With a view to minimize errors committed by the trading members, the exchange will also periodically review the trades following to the 'Error Account' of the trading members.

### **Work Procedure:**

#### **On Line Modification:**

- Genuine punching errors in the client codes while placing orders shall be allowed to be modified.
- Client code modification facilities shall be disabled from all the dealer terminals.
- Client code modification shall be carried out only from the admin terminals located at H.O. surveillance desk by Compliance Officer under the intimation to any of the directors.
- While carrying out code modification, genuineness of the punching errors shall be verified against corroborative circumstantial evidences like similarities of codes, trades in immediately preceding codes, square off trades without holdings or position or any such other evidences shall have to be taken into account.
- Complete records of daily online trade modifications shall be maintained in soft form.

**Off Line modifications:**

- Genuine punching errors in client code, if detected after the end of post-closing sessions may be allowed to be modified subject to the verification of genuineness as narrated above.
- A register/approved mail are required wherein details shall be maintained for all such modifications. Concerned dealer/sub-broker/AP shall enter the required details.

**Reporting System**

- Client code modification issues should be reported to the Compliance Officer and can be done only after getting approval after knowing it is genuine as per the exchange directives.
- Any client code modification shall be subjected to this policy be carried at Head Office of the company.
- The company review the Error Account file sent by the Exchange periodically. This policy is approved by the Board of Directors and the policy will be reviewed from time to time by the Board as required.

**For Anjaney Stock Broking Ltd.**



**Compliance Officer**