



**Policy Note on Maintaining & Operating Trading Account by Dhani
Stocks Limited Employees & Their Dependent Relatives**

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1 INTRODUCTION

1.1 BACKGROUND INFORMATION

Dhani Stocks Limited provides facility to trade in Equity Market, Currency as well as Commodities Market. Many employees have opened their trading account with Dhani Stocks Limited. To ensure compliance with various Regulations/ Rules, there is a need to evolve guidelines for Dhani Stocks Limited employees to open and operate trading of self and dependant family members.

1.2 PURPOSE

There was a need for a guideline for opening and operating account for Dhani Stocks Limited employees & their dependent relatives taking into account the following factors:

- To meet the Prohibition of Insider Trading guideline of SEBI Regulations and the Code of Conduct of the Company to ensure Regulatory Compliance.
- To restrict the employee from taking undue exposure so that the performance or official duties of the employee are not affected.
- To ensure the disclosure requirements of employee trading under the statutory provisions.

1.3 GUIDELINE OVERVIEW

This policy is applicable to

- All employees of Dhani Stocks Limited
- AP & their employees
- Dependent relatives as declared by the respective employees

GUIDELINE

2.1 Disclosure Requirements

- Employee needs to declare in the prescribed format the Trading account which s/he holds whether with Dhani Stocks Limited and/or other brokers. It is advised to submit copy of PAN card along-with declaration for signature authentication.
- Employee should also disclose in the prescribed format all the trading accounts in Dhani Stocks Limited which belong to his/her dependent relatives.
- The hard copy of the declaration should be sent to Compliance Department.
- A summary of trades done by employees in their account with outside broker should be disclosed to Compliance on monthly basis. However there is no need to send the trade details on Dhani Stocks Limited platform as the same will be taken by compliance from back office at their end.
- Prior intimation is to be given to compliance if any single order placed in CM segment worth of

Rs.10 lacs or more however in F&O segment prior intimation need to be made if single order is worth of Rs.25 lacs or more.

- The declaration by employees in branches about their own accounts & their dependent relatives' accounts should be submitted with Compliance Team

2.2 Opening & Operating Trading account guidelines by Employee & their dependent relatives:

- Employees & their relatives are advised to trade only through ONLINE platform. However, under exigency condition/cases Employees can also place order through Branch or at HO.
- Adequate margin is to be maintained at all times for transactions.
- No dealer shall execute his/her trades or his/her dependent relative's trades through trading terminal allotted to him/her.
- Trading in shares of Dhani Stocks Limited should be undertaken strictly as per Insider Trading Policy for which timely communications are duly issued by the Compliance Officer of the Organization.

2.3 Penalty for Violation

- Non-disclosure of information will be treated as violation on the part of employee & will lead to appropriate penal action.
- Any Employee, who himself or through his/her dependent relatives' account trades in contravention of the defined guidelines will be liable for appropriate penal action which may include wage freeze/ suspension/ withholding of promotions/ termination from employment.