

NARAYAN SECURITIES LIMITED

System and procedure relating client funds/collaterals are not used for any purposes / Margin for Proprietary trading other than meeting the respective client's margin requirements / pay-ins:

The company shall ensure the various provisions of SEBI and stock exchange /Commodity exchange relating to the non utilization of clients funds and pay-off position to the creditors of the company .

Provisions of following circular to be followed : NSE/INSP/14048 , NSE/INSP/34379;
NSE/INSP/35412

Circular no. MRD/DoP/SE/Cir-11/2008 dated April 17, 2008:

"2.1 Brokers should have adequate systems and procedures in place to ensure that client collateral is not used for any purposes other than meeting the respective client's margin requirements / pay-ins."

To comply the above we shall monitor the pay-in /Pay-out figures and appropriate the fund accordingly.

Circular no. CIR/MIRSD/16/2011 dated August 22, 2011:

Rights and Obligations documents for Stock Broker, Sub-brokers and Clients:

"15. The stock broker shall ensure that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange."

In case any money shall be transfer from the Clients accounts the shortage will be immediately set-off.

Clause 12 of SEBI circular no. MIRSD/SE/Cir-19/2009 dated December 03, 2009:

"Unless otherwise specifically agreed to by a Client, the settlement of funds/securities shall be done within 24 hours of the payout."

Narayan Securities Limited

Member : NSE, BSE & MSEI • Depository Participant - CDSL

Head Office: 147, 2nd Floor, East Patel Nagar, Con. Metro Pillar No. 173, New Delhi 110008

"The stock Broker shall transfer the funds/securities lying in the credit of the client within one working day of the request if the same are lying with him and within three working days from the request if the same are lying with the Clearing Member/Clearing Corporation."

This clause may be not applicable if the Clients opt the Maintenance of Running account

Send a complete 'Statement of Accounts' for both funds and commodities in such periodicity not exceeding six months within a month of the expiry of the said period. The Statement shall also state that the client shall report errors, if any, in the Statement within 30 days of receipt thereof to the Member.

Money shall be kept in the Client bank account or with the Clearing Member or Exchange.

Periodically reconciliation shall be done .

In case of demand of funds from the Clients the same shall be done within 24 hour .

The clients having debit balance shall be regularly followed and shall be intimated to the Management beyond T+5 .

System and procedure relating funds of Clients having credit balances are not used for funding of client's having Debit Balance :

Refer NSE Circular No. CIR/P/2016/95; CIR/P/2016/138; CIR/P/2017/64 :

PRINCIPLE 1:- The total available funds i.e. cash and cash equivalents with the stock broker and with the clearing corporation/clearing member should always be equal to or greater than Clients' funds as per ledger balance.

- Reconciliation - Funds of credit balance clients used for settlement obligation of debit balance clients or for own purpose

Daily bank balance of Clients and Settlement Account and Balance available with Clearing Member will verify on daily basis.

PRINCIPLE 2:- The sum of Proprietary funds and securities i.e. lying with the clearing corporation/clearing member should be greater than or equal to Proprietary margin obligations.

- Reconciliation - Funds of clients used for Margin obligation of proprietary trading:

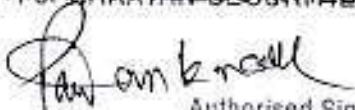
Daily bank balance of Clients and Settlement Account and Balance available with Clearing Member will verify on daily basis and Total Proprietary margin compare with the Balance at the exchange .

Principle 3:- The clients' funds lying with the clearing corporation /clearing member should be less than or equal to sum of credit clients' margin obligations and free collateral deposits available with the clearing corporation/clearing member.

- RECONCILIATION - Funds of credit balance clients used for Margin obligations of debit balance clients and proprietary trading:

Daily bank balance of Clients and Settlement Account and Balance available with Clearing Member will verify on daily and it should be greater than the creditor balance.

For, ~~NARAYAN SECURITIES LIMITED~~



Authorized Signatory

(AUTHORISED SIGNATORY)