

JK Securities Private Limited

Version 2.11 (2024)
Client Code Modification Policy

CLIENT CODE MODIFICATION POLICY

1. The modification to the client code is to be done only in exceptional cases and not as a routine one.
2. The reason for modification has to be ascertained and analysed and genuineness is to be established and also its impact on the clients should be studied before the modification. If voice recording is in practice, the same should be studied.
3. Normally as a principle, other than for punching errors, no modification to the client codes be allowed.
4. Therefore it is imperative that the issue should be reported to the senior level and only with their approval, the modification should be carried after being satisfied that it is genuine, the same is required to be done to protect the interests of the client.
5. Hence the facility to modify the client codes should be available only at the Corporate Manager level and should not be given to the branches/franchise/sub-brokers.
6. Training program should be conducted to all the Dealers and they should be explained how code modifications can be misused and what steps should be taken to avoid the same. It should also be explained that code modifications should not be encouraged to the clients except for cases like 'punching errors'/'typing errors'. In spite of error continue warning be issued to concerned staff member.
7. A register is to be maintained for recording all the code modifications with details like error code, correct code, scrip name quantity, client name, the name of the dealer who punched the code, the explanation of the dealer/Branch Manager, the 'analysis /study' of the authorised Manager and his approval/disapproval for modification. Analysis of the detail to be done at the end of every month and necessary action be taken in order to minimize mistake.
8. Finally the decision of the authorised Manager should be ratified later by the Compliance Officer
9. Disclose the client codes which are classified as 'Error Accounts' to the Exchange at the time of UCC upload . review the trades flowing to the 'Error Account
10. The wrong code trades can be transferred to the ERROR code and further transferred to the correct code thereby squaring up the transaction in ERROR code. By doing so, we can avoid penalty, provided the ERROR code is squared up on the same day. The difference would be borne by the wrongdoer.
11. The facility of providing the reasons based on objective criteria have been provided in the ENIT portal to be available on T+1 basis. We are supposed to select any of the given reason code i.e. 0,1,2
12. However, even though we can change code
Penalty of 1% or 2% of trade value depending on quantum of changes for the day will be levied
13. Detail of code modification done during quarter along with required documents -to the satisfaction of exchange - be sent to exchange to claim waiver of penalty as per circular no. NSE/INVG/31729 dated February 12, 2016 issued by NSE

The following details are required from the trading members to process the review requests:

1. Trade Log of modified trades in excel format
2. Letter from both the clients confirming placement/non placement of order
3. Write up on CLD modification approved process at the trading member end.
4. Any other documentary evidence which the trading member may feel relevant
5. Details in provided format

For, JK SECURITIES PRIVATE LIMITED



PRANAV KIRANBHAI PATEL
MANAGING DIRECTOR

