REFERRAL POLICY

1. Background and Objective

The objective of this Policy is to lay down guidelines for engaging Referral Persons / Entities by the Trading Member, in compliance with the provisions, guidelines, and circulars issued by Securities and Exchange Board of India (SEBI) and Stock Exchanges (NSE/BSE) from time to time.

2. Scope and Applicability

This policy applies to all referral arrangements, individual referrers, and corporate entities who introduce prospective clients to the Trading Member for opening trading and demat accounts.

3. Role and Key Restrictions of Referral Persons

A. Permitted Activities:

- The role of the Referral Person shall strictly be limited to introducing / referring prospective clients to the Trading Member.
- Providing basic information regarding the trading services, account opening process, and platforms offered by the Trading Member.

B. Strictly Prohibited Activities (SEBI / Exchange Mandate):

I. No Trading Execution: Referral Persons shall NOT execute trades on behalf of referred clients or accept orders from clients.

II. No Fund / Security Handling: Referral Persons shall NOT handle or accept client funds, cheques, or securities under any circumstances.

III. No Investment Advice / Guaranteed Returns: Referral Persons are strictly barred from providing investment advice, stock tips, portfolio management, or promising guaranteed/assured returns to introduced clients.

IV. No Authorization as AP / Sub-Broker: A Referral Person shall not act as or represent themselves as an Authorized Person (AP), Sub-Broker, or Remisier unless formally registered with the Exchange in that capacity.

4. Referral Remuneration & Sharing of Incentives

I. Compliance with Remuneration Limits: Remuneration or incentive paid to referral persons shall be strictly in compliance with the ceiling limits and norms prescribed by SEBI and Stock Exchanges.

II. Mode of Payment: All referral incentive payments shall be made strictly through formal banking channels (Cheque/NEFT/RTGS) and reflected in the company's books of accounts.No cash payments are permitted.

III. No Hidden Costs to Client: Referral incentives shall be borne entirely by the Trading Member out of its own brokerage revenue and shall not result in any additional markup or higher brokerage charges levied on the referred client.

5. Onboarding and Due Diligence of Referred Clients

I. Direct Onboarding: All referred clients shall go through the standard, direct KYC (Know Your Customer) and In-Person Verification (IPV) process conducted directly by the Trading Member.

II. Client Agreement: Introduced clients shall execute all standard account opening documents and rights/obligations directly with the Trading Member.

6. Record Keeping and Maintenance

Complete details of referral agents/persons, agreement copies (if applicable), payment details, and introduced client mapping records shall be maintained securely for audit trail and compliance inspections.

7. Policy Review

This policy shall be reviewed annually or as and when new circulars/directives regarding referral mechanisms are issued by SEBI or Stock Exchanges.