Policy on Trade Errors
(version 2024-25)

Authorization:

A Dealer will have to immediately report any instance of error trade/s or trade modification to his reporting Sales Person / Trader. In case the reporting Sales Person / Trader may not be available, he will have to report the same to any other Sales Person / Trader available on the trading floor.

A Sales Person / Trader is authorized to square-off error trades / positions that may result into losses up to an amount of **Rs. 2.50 lacs** without any further approvals, but simultaneously the error must be reported to the CEO and the Compliance Officer.

Corrective Measures & Reporting:

If a Sales Person / Trader perceive a loss on error trades / positions to be beyond **Rs. 2.50 lacs**, they will make an attempt to communicate the same to the CEO before undertaking corrective measures.

In case the CEO is not accessible or in the event, there is less than or equal to 10 minutes available for trading, then corrective measures will be undertaken by the Sales Person Trader/s without waiting for any further approval from the CEO as aforesaid. Subsequently the Sales Person Trader/s will inform the CEO about the same.

At the end of trading hours, details of error trades / positions will be communicated on email / prescribed format to the Back office Operations Team and/or Compliance Officer by the Sales Person / Trader or the Dealer.

Dealer/s will mark all such communication to his /their respective Reporting Authority and other recipients as mentioned above.

Error Codes set up for trading on trading system:

Currently each dealer has multiple alias codes for error trade account by the virtue of various trading products defined. All of these codes have been set-up on the trading system and are enabled for trading.

Going forward a generic code, which is a concatenation of Error UCC & Dealer Initials (for e.g. **1012PM**) will continue to be available as a Alias Code for Error Trade Account while order entry.

The trading limit for the same will be 500 lacs i.e. 5 cr. which will be a combined limit for CASH and F&O trading.

- For CASH limit will be Exposure based (Gross Value of Buy + Sell at order level).
- For F&O limit will be Margin based (Span Margin at order level).

The other alias codes with product definition (for e.g. **1012PM01**, **1012PM02**, etc.) will be disabled for trading but they will be available for Trade Modification so as to facilitate booking of trades in the relevant alias code.

The Dealer or the Sales Person / Trader will ensure that the error trades are modified from the generic code to the correct alias code where the error trade needs to be booked, prior to the commencement of trades processing in the back-office.

Sales Persons / Traders are requested to take note of the above processes and convey the same to their Dealers. Strict adherence of the aforesaid processes is solicited from all concerned.