

POLICY ON CLIENT CODE MODIFICATION AND ERROR TRADES

Obsidian Investment Pvt. Ltd. (“OIPL”) shall ensure that the correct Unique Client Code (“UCC”) is entered when placing each order. Post-trade modification of a client code shall not be permitted except to rectify a genuine error and only in accordance with the criteria, procedures and timelines prescribed by SEBI and the applicable Stock Exchange.

A client code may be modified only in the following circumstances:

1. A genuine communication, punching or typing error satisfying the objective criteria prescribed by the applicable Stock Exchange; or
2. A modification between two institutional client codes representing different schemes or sub-accounts of, or managed by, the same institution, where such modification is permitted under the applicable Exchange framework.

Modification between unrelated institutional clients shall not be permitted under this Policy. Client code modification shall never be used to transfer trades, profits or losses between clients, or between a client account and OIPL’s proprietary account.

Every proposed modification must be supported by appropriate evidence and approved by the Head of Dealing/Operations together with the Compliance Officer or a Designated Director. The modification must be completed within the timeline prescribed by the applicable Exchange. OIPL shall maintain a complete audit trail containing the order and trade details, original and modified client codes, reason for modification, supporting evidence and approvals obtained.

Error Account

OIPL shall maintain and disclose to the applicable Stock Exchange a single active designated Error Account using the nomenclature prescribed by that Exchange.

Where a trade arising from a genuine employee or dealer error is transferred to the Error Account, the resulting position shall be liquidated or closed out in the market within three working days, including the trade date, and shall not subsequently be transferred to any client code. If adequate market liquidity is unavailable, OIPL shall approach the applicable Exchange within the prescribed timeline and liquidate the position at the earliest opportunity.

Any profit or loss arising from an error trade shall be accounted for in OIPL’s books and shall not be transferred to a client’s ledger. Reasons for client code modifications and error trades shall be reported to the applicable Exchange as prescribed.



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The Compliance Officer shall periodically review all client code modifications and Error Account transactions. Compliance with this Policy shall also be included within the scope of OIPL's internal audit. The Policy shall be approved and periodically reviewed by OIPL's Board of Directors.