

Internal Procedure Policy

INTERNAL CONTROL, POLICY & PROCEDURES

Introduction

Munoth Financial Services Limited has adopted various policies & procedures for internal control measures & tools for compliance of various Acts, rules & regulations of the Exchanges.

I. Client Registration policy

1. MFSL executes Client registration documents with all new clients before commencing transactions with the client.
2. Client registration documents are **segregated** into mandatory and non-mandatory parts by MFSL and the client are informed clearly that non mandatory documents are voluntary and the client need not execute such documents if he / she does not wish to use any facility..
3. Know your client (KYC) form, Member constituent agreement (MCA) and Risk Disclosure document (RDD), are the mandatory part of the registration documents collected by MFSL. All additional and voluntary clauses are taken in voluntary documents separated from the mandatory part.

In **KYC** MFSL ensures that

1. complete details of Client information / Status, Bank and Depository Account details, Financial details of the constituent, Investment/ Trading experience, References, Financial documents (for Non Individual Constituents) and Signature of client are provided
2. Photograph, Proof of identity and address (copy of Passport/Driving License/Ration Card/Pass book, Electricity Bill etc.),Board Resolution from corporate clients permitting trading in derivative products are attached.
3. The segments in which a client wants to transact are selected and marked by the client clearly

In **MCA** MFSL ensures that

1. In respect of clients registered in other exchange(s), separate exchange-wise agreement is executed
2. agreement is printed on a non-judicial stamp paper of appropriate value and is dated
3. agreement is signed by both the member and the client and is witnessed
4. agreement contains clauses prescribed by SEBI / NSE from time to time
5. in respect of clients introduced by sub-broker, tripartite agreement are executed

In **RDD** MFSL ensures that

1. Client acknowledges the risk disclosure document and is aware that certain basic risks are involved in trading in equity and derivative products.
2. Client are made aware that contracts cannot be rescinded on the ground of lack of awareness or any other ground

In case of **corporate** the following documents are collected additionally with the above documents

- a) Copies of the balance sheet for the last 2 financial years.
- b) Copies of the Memorandum and Articles of Association in case of a company / body incorporate / partnership deed in case of a partnership MFSL
- c) Copy of the Resolution of board of directors' approving participation in equity /derivatives / debt trading and naming authorized persons for dealing in securities.
- d) Photographs of Partners/Whole time directors and of persons authorized to deal in securities.

4. **In person verification** of individual and HUF clients

MFSL ensures 'in-person' verification is carried by their own staff while registering the clients, including clients of their branches and sub brokers, and that this function is not outsourced. Further the date of verification, name and signature of the official who has done in-person verification and the stamp of MFSL are incorporated in the client registration form.

In case of 'In-person' verification of non-residents who does not visit MFSL's office at the time of account opening, MFSL obtain from such clients KYC documents attested by any one of the following entities -

Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides.

MFSL also entertain walk in clients and they follow the strict KYC forms for such clients.

5. **PAN card copy** of client are collected by MFSL and verified with the web site of Income tax Department and the details of the client are uploaded before placing orders for the client.

Accordingly MFSL

- a) Collect copies of PAN cards issued to their existing as well as new clients by the Income Tax Department and maintain the same in their record after verifying with the original.
- b) Cross-check the aforesaid details collected from their clients with the details on the website of the Income Tax Department i.e. <http://incometaxindiaefiling.gov.in/challan/enterpanforchallan.jsp>.
- c) Upload details of PAN so collected to the Exchanges as part of unique client Code.
- d) For verification of PAN with the original PAN card of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, the custodians verify the PAN details of the institutional clients with the original PAN card and provide copy of such verified PAN details to MFSL duly certified.
- e) In case of HUF, Association of Persons (AoP), Partnership MFSL , Unregistered Trust, etc. PAN details of the respective HUF, AoP, Partnership MFSL , Unregistered Trust, are collected, verified with original PAN card copy and cross-checked the details collected, with the details on the website of the Income Tax Department and uploaded the same to the Exchange.
- f) As regards Registered Trust, Corporate Bodies and minors, PAN of the respective entities are collected, verified with original PAN

card copy and cross-checked the details collected, with the details on the website of the Income Tax Department and uploaded the same to the Exchange.

- g) In case where there is difference in the maiden name and current name of the investor (predominantly in the case of married women), MFSL recollect and upload the PAN card proof as submitted by the client. In such cases, MFSL also collects sufficient documentary evidence in support of the identity of the investors.
6. **A unique client code is** allotted by MFSL to each client and file mapping the client codes and the PAN's are maintained.
 1. Unique client codes are allotted to all clients by MFSL and the correct client codes are entered in the system while placing orders on behalf of clients which have been correctly mapped to the back office software .
 2. Mapping of the client codes used at the time of order entry in the trading system with unique codes are maintained by MFSL.
 3. Separate codes will be used by MFSL for buying and selling for investors, if any who are required by applicable regulations not to buy or sell without adequate funds or securities to their credit before execution of transaction and whose transactions are to be settled by delivery only,
7. MFSL provides the copies of all executed documents to the clients
 1. Upon registration of a client, MFSL delivers to the client a copy of the duly completed documents viz. Client registration form (KYC), Member Constituent Agreement/Tripartite agreement, Risk Disclosure document and also a copy of any other document executed by the client.
 2. The trading code and the unique client code allotted to a client and other details are communicated by MFSL to the clients.
8. MFSL periodically update the clients' financial and other details.
9. MFSL does not have a separate marketing division and there are no promotional schemes and there is no freebies offered like free demat accounts.

10. MFSL updates the client financial and other particulars in the back office system and follow the maker checker concept for updating the details both in back office system and filling up data in the client registration documents. The copies of the Income Tax Return filed and the number of year's experience in the capital market fields are taken as the parameter to ascertain the financial capacity of the client.

II) CLOSURE OF CLIENT ACCOUNTS/DORMANT ACCOUNT POLICY

MFSL, on request from the client to close the account, check for debit balances and credit balances of the client account and the balances are settled with the account. Then the account is closed and the same is communicated to the client.

In case of dormant accounts, i.e. accounts not operated for more than six months, MFSL insist on meeting the client before starting operations and fixes the limit after meeting the client.

In case the Trading account of the client is not operated by the client for a continuous period of six months the same will be considered to be "Inactive Account". Such Inactive account will be blocked for further transactions by the client. The client will have to submit following documents / confirmation, for re-activation of such blocked account:

1. Client can give the duly signed request in writing at any of the Branch offices of Munoth Financial Services Limited. OR
2. By placing request for re-activation of account through the Internet Trading portal.

During the blocked period if there is any debit/dues to MFSL in client's account, MFSL shall have the authority to liquidate the client's position to the required extent during the block period.

During the block period if any corporate actions or pay-outs are due for return to the client, the same will be affected / returned by MFSL to the client's account.

III) ORDER RECEIPT AND EXECUTION

MFSL receives the order of the clients through phone and directly from persons visiting the office. The clients order is placed in the terminal and the same is passed on to the exchange after checking the Client-wise and security-wise limits on exposure, open position, etc.

The trade confirmation is given to all clients over phone at the end of the trading day

.IV) SENDING CONTRACT NOTES, DAILY MARGIN STATEMENT, QUARTERLY STATEMENT OF ACCOUNTS TO CLIENTS

1. MFSL ensures that contract notes are issued in the prescribed format within 24 hours of execution of trades on the Exchange. Contract notes are issued to all constituents within 24 hours of execution of contract in the prescribed format, with all relevant details like unique client code, PAN of the client, PAN of the trading Member, dealing office details etc duly filled in, bearing signature of the authorised signatory. MFSL prints the contract note on a pre-printed stationary bearing a running serial number which is initiated at the beginning of each financial year.
2. The contract notes for Bangalore branch are sent through courier on the same day of trade. The courier reaches the Bangalore office the next day morning and the contract notes are delivered to the client on the same day and the acknowledgement for the same is got by getting the signature of the client. It is ensured that all clients receive the contract within 24 hours of the execution of the trade.
3. For contract notes issued with weighted average price for multiple trades resulting from single order, annexure containing details of all the trades are provided.
4. Copies of contract notes and proof of Delivery / Dispatch are maintained.

5. Contract notes for all Institutional trades are routed through STP system and the prescribed identification codes for transactions routed through STP system are used.
6. MFSL has not outsourced this work to any body and the contract notes are not sent to the clients through email.

Daily Margin Statement

MFSL sends information related to margin applicable, utilised and required / balance in respect of each client on a daily basis to the respective clients in both the segments. This information shows break up details in terms of funds, bank guarantee, bank deposits and securities.

The information includes the following details:

- Client code and name, Trade day (T)
- Total margin deposit placed by the client upto day T-1 (with break-up in terms of cash, FDRs, BGs and securities)
- Margin utilised upto the end of day T-1
- Margin deposit placed by the client on day T (with break-up in terms of cash, FDRs, BGs and securities)
- Margin adjustments for day T
- Margin status (balance with the member / due from the client) at the end of day T
- Ledger balance.

Statement of accounts:

1. MFSL sends statement of accounts for funds and securities to all the clients in such periodicity monthly/quarterly as per the consent from the client within 15 days of the expiry of the said period.
2. The statements has an account of all receipts and deliveries / payments during the relevant period .
3. An error reporting clause giving 30 days time is incorporated in the statement of accounts sent to the clients.
4. Annual Statement of Security Transaction Tax is issued showing day-wise scrip-wise STT amount, within one month from the close of the financial year

Proof of dispatch / delivery are maintained for the same.

V) RISK MANAGEMENT

Policy of Margin Requirements, pay in and setting of exposure and turnover of clients:

1. MFSL ensures that initial margin and maintenance margin are collected in the approved mode (funds / bank fixed deposits / bank guarantee / approved securities with appropriate hair cut) from the clients.
2. The risk management system regarding the amount of margin collection and the mode of collection from other clients in Capital Market segment are put in place.
3. The initial margin in F & O segment is collected upfront from the clients in the approved mode.
4. MFSL reports margin actually collected from clients, to NSCCL on a daily basis.

Monitoring of debit balances and recovery of old debts

MFSL monitors the debit balances of the clients on a daily basis. If a client has a debit balance, then MFSL calls the client and ask the client to pay immediately. If the client group account does not have any credit balance, then the securities purchased by the client are transferred to client Payment overdue account maintained by MFSL. Once the payment is received, the shares in the payment overdue account are transferred to the client account.

If the client does not settle the debit balance, then MFSL does not allow any new position and **MFSL does not charge interest for outstanding debts.**

Mechanism of pay-in and payout of funds and securities

MFSL takes the following things in to account in banking and demat account operations

- 1 Separate client bank account and constituent beneficiary account for keeping clients' funds and securities are maintained
- 2 Own and clients' funds / securities are segregated in separate accounts

- 3 Funds / securities of clients are not deposited in own accounts
- 4 No payments towards expenses / levies is made from client bank account
- 5 Receipts from / transfer to third parties, of funds and securities are not effected in client bank account and constituent beneficiary account

The following steps are followed by MFSL for pay-in and pay out of funds and securities:

- 1 All payouts are transferred from settlement A/c. to client a/c, on receipt from exchange.
- 2 After payout of cash and securities for a settlement
 - a) Statement for cheques to be released are generated
 - b) Auto statement for securities to be transferred are generated
- 3 Group a/c. debits are checked and in case of debit balance, funds are not released and securities are transferred to payment due account. In case of no debit, funds are released and securities are transferred to respective beneficiary a/c.
- 4 Client a/c. balance are reconciled every day.
- 5 Brokerage amount from client a/c. are transferred to the expense a/c.
- 6 Exact pay in amount are transferred from client a/c. to settlement a/c. Credit balance of running client account are not used for settlement pay in or for issue of cheques to other client and funds are transferred from expense a/c. in case of shortfall.
- 7 Cheques are prepared
- 8 Funding report is generated
- 9 Margin report MG01 id analysed

For every settlement, the following reports are generated

1. DFRS report -
2. NDSL Payout receipt report
3. NSDL short
4. Delivery allocation
5. Check group debits

6. Release Delivery
7. CDSL payout receipt report
8. Transfer to MFSL NSDL A/c.
9. Delivery allocation
10. Check group debits
11. Release delivery

Every weekend

1. Funds are received from client having debit balance
2. Delivery are released

Dealing with clients' funds and securities

MFSL takes the following things in to consideration while dealing with client's funds and securities

1. Funds/ securities of constituents are used properly.
2. Securities of a constituent are not pledged with Banks / NBFC/ third parties etc. to raise funds
3. Full payment of funds / full delivery of securities is made to all constituents within one working day of receiving the relevant pay out from the Exchange, except in case where clients have given running letter authorization.
4. There is no cash dealing with clients.
5. Pay-in of funds and securities due from clients is received from the respective clients only
6. Payout of funds and securities due to the clients is made to the respective clients only
7. There is no delay in payment/ credit of dividend to clients.
8. Securities of the constituents are always kept in a separate constituent beneficiary demat account.
9. Clients' funds / securities are not used for any purpose other than meeting the respective client's margin / pay in obligations

Funds are received from / paid to clients by way of crossed cheques / demand drafts or by way of direct credit into the bank account through EFT or any other modes allowed by RBI only

Policy of square off positions:

MFSL has a system marked by real-time monitoring of client exposures. Although MFSL has a policy for automated square-offs of client exposures in

case of margin shortfalls, exceptions are made on the basis of client relationship and client's credit history.

MFSL shall have the sole discretion to square off the open position of the client and/or sell clients' securities (including securities maintained as margin with MFSL and securities lying in client's beneficiary /dormant account) in case the client fails to meet its settlement/ margin obligations in time. The specific securities to be sold and the positions to be squared off shall be decided solely by MFSL. Further, the square off of client's open position or the selling of securities may be executed on such exchanges and at such price as may be decided by MFSL. MFSL shall have no obligation of communicating the same to the client. MFSL Shall not be responsible for any losses incurred by the client due to such squaring off of the open position of the client. MFSL reserves the right to square off client's open positions or sell clients' securities under following circumstances:

- a. where the limits given to the client have been breached;
- b. Where the client has defaulted on their existing obligation and/or have failed to make payments/ delivery securities to MFSL within the stipulated time period as may be prescribed by MFSL.
- c. In addition to above, in case of equity and derivatives transactions,
 - i) where the margin or security placed by the client with MFSL falls short of the applicable minimum margin as may be required to be maintained by the client;
 - ii) where the mark to market loss on the open position has reached the stipulated percentage of the margins placed with MFSL and the client(s) have not taken any steps either to replenish the margin or reduce the Mark to Market loss;
 - iii) If the open position is neither squared off nor converted to delivery by client(s) within the stipulated time.

MFSL reserves the right to square off the open position of client and/or sell client's securities under the prescribed circumstances; however MFSL is not obligated and does not guarantee to square off the open positions and/or sell client's securities. The client shall be solely responsible for the trading decisions taken by the client. It shall be the responsibility of the client to make payments towards outstanding obligations and/or applicable margin to MFSL in time irrespective of whether MFSL exercises its right to square off the positions of the client in accordance with the provisions given herein above.

Client shall be solely responsible for any resultant losses incurred to client due to selling of client's securities by MFSL or squaring off the client's open positions, of for not doing so. All losses in this regard shall be borne by the client and MFSL shall be fully indemnified and held harmless by the client in this behalf.

The clients accept to comply with MFSL requirement of payment of Margin/settlement obligations of the client, immediately falling which MFSL may sell, dispose, transfer or deal in any other manner the securities already placed with it as Margin/lying in the beneficiary account of MFSL or square off all or some of the outstanding F & O positions of the client as it deems fit at its sole discretion without further reference to the client and any resultant or associated losses that may occur due to such square-off/ sale shall be borne by the client and MFSL shall be fully indemnified and held harmless by the client in this behalf at all times.

Risk Management Policy and Internal Control Policy

MFSL prior to establishing a relationship with a client assess the risks of doing business with that client and regularly monitor these risks throughout the term of the relationship with the client. In general, MFSL's consideration focuses on the following areas:

- (a) the nature of the client (e.g., institutional or retail) and its corresponding level of experience in securities markets,
- (b) the creditworthiness of the client,
- (c) The authority (including apparent authority) of the client to conduct its proposed trading activities, including the client's legal authority and the capacity of the individuals responsible for the trading.
- (d) Review of client's financial condition and related decisions with respect to clients is conducted periodically.
- (e) Client margin requirements and, where appropriate, position limits are established at levels that are adequate, in the judgment of MFSL, to protect MFSL against reasonably foreseeable risks arising from the client's trading activities.
- (f) Client's significant market exposures are reviewed on a daily basis and, where necessary MFSL calls for additional collateral, modify margin requirements or position limits, or reduce the size of existing positions or take other appropriate actions.

INTERNAL CONTROLS:

MFSL has established policies and procedure to promptly collect the client margin and the procedures include segregation or other separation of client stock from proprietary stock and maintenance of records identifying customer stock.

MFSL conducts regular internal reviews of their client and proprietary accounts, including record-keeping and other account maintenance matters,

to monitor MFSL compliance with applicable laws and regulations. Such reviews are conducted by personnel who are Internal Auditors.

Adequate separations are imposed between

(a) back office personnel responsible for trade reconciliation, margin, position limits, preparation and maintenance of books and records and other similar matters as well as compliance personnel, risk management personnel , and

(b) Personnel responsible for customer relationships or proprietary trading. The authority of appropriate personnel in these areas is clearly established.

Margin policy followed:

Securities for imposition of margins:

The securities from the clients are taken for the imposition of margins and the clients are given exposure based on the stocks given as margin.

Holding of Securities received towards margins

- a) Securities received in the MFSL margin account and held as on the applicable margin date are considered towards margin requirement.
- b) Securities in the pool account of the trading member received as early pay in towards an obligation to deliver shares in the Capital Market Segment are not considered towards margin requirement in other segments.
- c) Any securities either received directly from respective clients depository account or received from settlement pay out of the Exchange are considered only after ensuring that the same is received from / belongs to the respective client.

Cash Margins:

MFSL collects an upfront margin of Rs.5,000 to Rs.10,000/- at the time of opening of an account.

The clients are categorized in two following groups:

- 1) The clients who are associated with the Company for a very long period and who has good track record of payment are given more leverage in terms of exposure.

- 2) Other clients: The other clients who are new to the Company are given five times exposure of the amount available as margin or in the running account of the client.

For the above clients, even the securities which are given by them are used to set exposure limits.

Free Funds in the account of respective client are considered towards funds which is calculated as

(+) Credit balance in client ledger

(-) debit balance in client (family) ledgers is first set off

(+) Value of margin deposits in client account

(+) margin amount if debited in client ledger

(+) Funds received from client or settlement payout of Exchange only after ensuring that the same is received from/belongs to respective client

(+) cheque received from client for clearing/collection and entry is made in respective client ledger account till margin date

(-) cheque is returned unpaid

(+) Excess balance/Value of securities in CM segment (other than government securities and any other form which are not acceptable in the F&O segment) of the Exchange

Other margins:

MFSL collects margins from its respective client in any of the following forms only, after taking into account liquidity aspects.

- Funds
- Bank guarantee issued by any approved bank
- Fixed deposit receipts (FDRs) issued by any approved bank
- Liquid securities in dematerialized form actively traded on the National Exchanges, which are specifically not declared as illiquid securities.
- Units of liquid mutual funds in dematerialized form.
- Government securities and Treasury bills in electronic form
- Any other such collaterals, as may be specified by NSCCL from time to time

Policy on Prohibition of circulation of unauthenticated news

As per code of conduct for Stock Broker in SEBI (Stock Brokers and Sub-brokers) Regulations, 1992 and SEBI circular Cir/ISD/1/2011 dated March 23, 2011, all SEBI registered market intermediaries are required to have proper internal code of conduct to govern the conduct of its Employees. In view of same, Munoth Financial Services Limited . implements code of

conduct for communicating through various modes of communication. Employees are prohibited from:

Circulation of unauthenticated news related to various scrips in blogs/chat forums/e-mail etc.

Encouraging or circulating rumors or unverified information obtained from client, industry, any trade or any other sources without verification.

Forwarding any market related news received either in their official mail/personal mail/blog or in any other manner except after the same has been seen and approved by the Compliance Officer.

If an employee is found violating the above norms, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for actions.

Access to Blogs/Chat forums/Messenger sites etc. has been restricted by Munoth Financial Services Limited and access is not allowed.

VI) LIQUIDATION OF CLIENT POSITION

MFSL liquidate the client's position after taking into consideration the following:

1. The clients are informed that their position would be squared off incase of margin/ pay-in default.
2. In majority of the cases, the clients are called personally to the office and informed about the square -offs, and a reasonable opportunity is given to the client to bring required margin.
3. If the client is unable to bring in the required margin, authorization of clients is taken to square off client position incase of margin/ pay-in default.
4. MFSL gives exceptions to square off on the basis of client relationship and client's credit history.

VII) POLICY OF INTERNAL SHORTAGE

The internal shortage of securities are matched with the respective clients and the auction entry is passed on to the client.

Shortages in obligations arising out of internal netting of trades:

Munoth Financial Services Limited (MFSL) shall have the right to adopt a policy of its choice for internal auctions arising out of internal netting of trades and charge to defaulter seller and compensate the impacted purchaser as per the policy. The current procedure for Internal auction is displayed on the website, which may be amended from time to time with prospective effect after publishing the same on the corporate website.

SHORTAGE IN OBLIGATIONS ARISING OUT OF INTERNAL NETTING OF TRADES

In case the client defaults in his existing obligation and in the event the trade has been internally netted off by MFSL, there could be internal shortages, The internal shortages are marked against the client randomly at the sole discretion of MFSL taking into account the delivery obligations through exchanges, In case of failure of delivery the client marked for internal netting of trade, the same shall be met through fresh market purchases and the loss on account of the said purchases will be charged to the defaulting client's account. However, defaulting client will not be eligible for any profit of account of this.

MFSL shall not be responsible for losses to the client on account of such shortages. All losses to the client on this account shall be borne solely by the client and the client shall indemnify MFSL in this respect.

VIII) TRANSFER OF TRADE

On rare occasions, when there are errors performed by the dealers in punching client orders, MFSL transfers the trade to correct client code after obtaining the written request from the client and the cause for the same is being reviewed and steps are taken to avoid such instances in future.

Client Code Modification means modification / change of the client codes after execution of trades. Stock Exchanges provide a facility to modify any client code after the trade has been executed to rectify any error or wrong data entry done by the dealers at the time of punching orders. However, such Client Code modification is subject to certain guidelines as to the time

limit within which the client code modification is to be carried out, terminal / system on which such modifications can be done etc. The facility is mainly to provide a system for modification of client codes in case genuine errors in punching / placing the orders. It is to be used as an exception and not a routine. To prevent misuse of the facility Stock Exchanges levy penalty / fine for all non-institutional client code modifications.

. Scope of the Policy:

This policy covers all the Client Code Modifications carried out / to be carried out in any of the client accounts, subject to the guidelines issued by the SEBI / Stock Exchanges from time to time, in any segment of any exchange for which MFSL is a member broker.

. "Error Trades" means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Stock Exchanges and this policy.

For the purpose of this Policy, only the following types of trades shall be modified / allowed to be modified: **(NOTE: no consistent pattern in such modifications):**

- i. client code/name and modified client code/name are similar to each other but such modifications are not repetitive.
- ii. Family Code (spouse, dependent parents, dependent children and HUF)

General Conditions:

(i) The facility for Client Code Modification can be used only in case of Error Trade.

(ii) The Client Code Modification shall be carried out only on the designated system and / or as per the process as may be prescribed by SEBI / Stock Exchange.

Procedure for Client Code Modification:

The issue shall be reported to the Compliance officer/ Company Secretary /Director and only with his/her approval, the modification shall be carried after being satisfied that it is genuine, the same is required to be done to protect the interests of the client.

Trades transferred to 'Error Accounts' are reviewed/monitored properly to check the genuineness and to prevent the use of client code modification facility for purposes other than correcting mistakes arising out of client code order entry

This policy would be modified time to time as per circulars of SEBI/Exchanges.

Training program shall be conducted to all the Dealers and they shall be explained how code modifications can be misused and what steps shall be taken to avoid the same. It shall be explained that code modifications shall

not be encouraged to the clients except for cases like 'punching errors'/'typing errors'.

Penalty

The penalty or fine, if any, levied on MSFL for any wrong trade occurred due to any miscommunication from the client / authorized representative of the client shall be borne by the clients

Backup Storage

There shall be a separate or set of storage for each backup day. The backup is taken automatically in a system and which will be copied to another system and which at the end of the day is copied in external hard disk.