

PASSWORD POLICY

VARDHAMAN CAPITAL PVT LTD herewith referred as VCPL, is the SEBI registered Stock Broker & Depository Participant. The under-mentioned password policy is created by the Compliance Officer and approved by the Board of Directors on 13/09/2022

OVERVIEW

Passwords are an important aspect of computer security. They are the front line of protection for user accounts. A poorly chosen password may result in the distortion of VARDHAMAN CAPITAL PVT LTD entire corporate network. As such, all VARDHAMAN CAPITAL PVT LTD employees (including IBT Client, sub-brokers and vendors with access to VARDHAMAN CAPITAL PVT LTD systems) are responsible for taking the appropriate steps, as outlined below, to select and secure their passwords.

PURPOSE

User IDs and passwords are required to access all Networks and workstations, mail servers, mail, trading terminals. All password should be of strong nature. This means that all passwords must conform to restrictions and limitations that are designed to make the password difficult to guess.

SCOPE

The scope of this policy includes all personnel who are responsible for an account (or any form of access that supports or requires a password) on any system that resides at any VARDHAMAN CAPITAL PVT LTD facility, has access to the VARDHAMAN CAPITAL PVT LTD network, or stores any non-public VARDHAMAN CAPITAL PVT LTD information.

POLICY

GENERAL

- All system-level passwords (eg. root, enable, NT admin, application administration accounts, etc.) And user-level passwords (eg., email, web, desktop computer, etc.) must be changed periodically
- User accounts that have system-level privileges granted through group memberships in such case administrator must have a unique password from all other accounts held by that user.
- Passwords must not be inserted into email messages or other forms of electronic communication.
- All user-level and system-level passwords must conform to the guidelines described below.
- All passwords entered should be in encrypted manner.
- System controls to ensure that the password is alpha numeric (preferably with one special character.
- System mandated changing of password when the user logs in for the first time.
- Automatic disablement of the user on entering erroneous password on three consecutive occasions. .
- Flash for strong password is recommended.

GUIDELINES

A. GENERAL PASSWORD CREATION GUIDELINES

Passwords are used for various purposes at VARDHAMAN CAPITAL PVT LTD some of the more common uses include: user level accounts, web accounts, email accounts, screen saver protection, and local router logins.

Poor, weak passwords have the following characteristics:

- The password contains less than eight characters
- The password is a word found in a dictionary (English or foreign)
- The password is a common usage word such as: (name of family, pets, friends, birthday and other personal information) and also computer terms names, commands, sites, hardware, software.
- Word or number patterns like aaabbb, QWERTY, zyxwvuts, 123321, password etc are also used sometimes.
- Any of the above spelled backwards.
- Any of the above preceded or followed by a digit (eg., secret1, 1secret)

Strong passwords have the following characteristics:

- Contain both upper and lower case characters (e.g., a-z, A-Z)
- Have digits and punctuation characters as well as letters e.g., 0-9, !@#\$%^&*()_+|~- =\{}[]: "; '>?, ./)
- Are at least eight alphanumeric characters long?
- Are not a word in any language, slang, dialect, jargon, etc?
- Are not based on personal information, names of family, etc.

B. PASSWORD PROTECTION STANDARDS

- Do not use the same password for VARDHAMAN CAPITAL PVT LTD accounts as for other non VARDHAMAN CAPITAL PVT LTD access (e.g., personal ISP account, option trading, benefits, etc.). Where possible, don't use the same password for various VARDHAMAN CAPITAL PVT LTD access needs. For example, select one password for the Back-office systems and a separate password for IT systems.
- Do not share VARDHAMAN CAPITAL PVT LTD passwords with anyone, including administrative assistants or secretaries. All passwords are to be treated as sensitive, Confidential VARDHAMAN CAPITAL PVT LTD information.

Here is a list of "dont's":

- Don't reveal a password over the phone to ANYONE or email (such as family member)
- Don't talk about a password in front of others
- Don't hint at the format of a password (e.g., "my family name")
- Don't reveal a password on questionnaires or security forms
- Don't reveal a password to co-workers while on vacation, if revealed, please change as soon as you are back from vacation.
- Do not use the "Remember Password" feature of applications (e.g., Eudora, Outlook, Netscape Messenger). Again, do not write passwords down and store them anywhere in your office. Do not store passwords in a file on ANY computer system without encryption.
- If an account or password is suspected to have been compromised, report the incident to VARDHAMAN CAPITAL PVT LTD Admin and change all passwords

ENFORCEMENT

Any employee found to have violated this policy may be subject to disciplinary action, as decided by the management.

APPROVAL AUTHORITY AND REVIEW POLICY:

This policy is approved by the Board of VARDHAMAN CAPITAL PVT LTD.

This policy may be reviewed as and when there are any changes introduced by any statutory authority or as and when it is found necessary to change the policy due to business needs.

POLICY COMMUNICATION:

A copy of this policy shall be made available to all the relevant staff/persons such as: compliance officer / department in-charge /authorized persons.

Further, a copy of this policy has to be displayed on our website.