

# CLIENT REGISTRATION KIT

■ INDIVIDUAL

■ HUF

■ FIRM

■ OTHERS



## ASHLAR SECURITIES PVT. LTD.

Member : NSE, BSE, MCX • DP : NSDL

Form No.

File No.

Client Code

Name

Date

KRA Ref. No.

Demat A/c No.

CKYC No.

Branch

AP



# ASHLAR SECURITIES PVT. LTD.

EXCHANGE	SEGMENT	MEMBER ID	SEBI REGN. NO.
NSE	CM, F&O, CURRENCY, COMMODITY	13718	INZ000203739
BSE	CM, F&O, CURRENCY	3302	INZ000203739
MCX	COMMODITY	56815	INZ000203739

**NSDL DP ID: IN303921 • SEBI REGN. No. IN-DP-236-2016**

**Regd. Office :** A-38, Sector-67, Noida-201301 (U.P.),  
Phone : 0120-6633200

**Corp. Office :** 1D, A-1, Sector-10, Noida-201301 (U.P.)  
E-mail : care@ashlarindia.com

### **Compliance Officer's Details (Equity)**

Name : Ms. Priya Rathi  
Phone No. : 0120-6633229  
E-mail ID : compliance@ashlarindia.com

### **COO Details**

Name : Mr. Deepak Khandelwal  
Phone No. : 0120-6633204  
E-mail ID : deepak@ashlarindia.com

*Clearing Member :*

### **GLOBE DERIVATIVES AND SECURITIES LIMITED**

NSE (CM, F&O, CDS), BSE (CM, F&O, CDS), & MCX

SEBI Regn. No.: INZ000312637

609, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110001 Tel.: 011-30412345

For any grievance/dispute please contact ASHLAR SECURITIES PVT. LTD. at the above address or email care@ashlarindia.com / investorcell@ashlarindia.com and Phone No. +91-120-6633200. In case not satisfied with the response, please contact the concerned exchange(s) at

### **Exchange Name**

National Stock Exchange of India Ltd. (NSE)

Bombay Stock Exchange Ltd. (BSE)

Multi Commodity Exchange of India Ltd. (MCX)

National Commodity & Derivatives Exchange Ltd. (NCDEX)

National Depository Services (India) Ltd. (NSDL)

### **E-mail ID**

ignse@nse.co.in

is@bseindia.com

grievance@mcxindia.com

askus@ncdex.com

relations@nsdl.co.in

### **Phone No.**

022-26589190, 18002660058

022-22728097

022-67318888

022-66406084

1800222990

Filing of complaints on SCORES : (<https://scores.sebi.gov.in/>)

Mandatory Details for filing complaints : (Name, PAN, Address, Mobile Number, Email ID)

For effective communication & Speedy redressal of the grievances.

## ACKNOWLEDGEMENT TO ASHLAR SECURITIES PVT. LTD. FROM CLIENT

To,

**Ashlar Securities Pvt. Ltd.**

Date: \_\_\_\_\_

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

I/We intends to open a Trading account with M/s. Ashlar Securiteis Pvt. Ltd. who is Member of NSE, BSE, MCX, NCDEX and NSDL, undertakes as follows:

1. I/We have been duly made aware by Member that client has a preference to receive the below referred documents either in electronic form or in physical form:
  - A. Right and Obligations of Stock Brokers, Sub-Brokers and Clients
  - B. Internet and Wireless technology based trading facility provided by Stock Brokers to Client
  - C. Risk and Disclosure document for Capital Market, Derivative Segments & Commodity Market
  - D. Guidance note-Do's and Don't for trading on the Exchange(s) for Investors
  - E. Policies & Procedures
  - F. Rights and Obligations of Beneficial Owner and Depository Participant as prescribed by SEBI & Depositories
  - G. Other disclosure/ documents as agreed by me/us specifically in voluntary segment.
2. I/We am/are further made aware by my/our Member that for receiving the above said documents in Electronic or Physical Form, I/We have to accord my/our consent.
3. Therefore, in reference to the above, I/We hereby voluntarily accord my/our consent to receive the aforesaid documents in:-  
 Electronic Form                       Physical Form
4. If I/We opted for the same in Electronic mode, then Member can send said aforesaid documents at my registered email id.
5. I/We have been further made aware by my/our Member that the aforesaid documents has also been available at the Member's website i.e. www.ashlarindia.in
6. I/We am/are made aware that the non receipt of bounced mail notification by the Member shall amount to delivery of the aforesaid documents at my registered email id.
7. I/We hereby accord my/our consent to an arbitration agreement by virtue of which I/We shall refer all my/our claims, differences or disputes between us which might have arise out of my/our trading, deposits, margin money, etc. in relation to my/our dealings in contracts and transactions which have been made subject to the Bye-Laws, Rules and Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and contracts have entered into, to the arbitration in accordance with the provisions of these Byelaws, Rules and Regulations of the Exchanges.

 1

Client Signature

Client Name: \_\_\_\_\_

(Tear Here)

## RECEIPT OF PHYSICAL KIT

To,

**Ashlar Securities Pvt. Ltd.**

Date: \_\_\_\_\_

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-38, Sector-10, Noida-201301 (U.P.)

I/We hereby confirm that I/We have received a copy of following documents:

- A. Right and Obligations of Stock Brokers, Sub-Brokers and Clients
- B. Internet and Wireless technology based trading facility provided by Stock Brokers to Clients
- C. Risk and Disclosure document for Capital Market, Derivative Segments & Commodity Market
- D. Guidance note-Do's and Don't for trading on the Exchange(s) for Investors
- E. Policies & Procedures
- F. Rights and Obligations of Beneficial Owner and Depository Participant as prescribed by SEBI & Depositories
- G. Other disclosure/ documents as agreed by me/us specifically in voluntary segment.

 2

Client Signature

Client Name: \_\_\_\_\_

## INDEX OF DOCUMENTS

## MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI &amp; EXCHANGES

S.No.	Name of the Document	Brief Significance of the Document	Page No.
1.	Account Opening Form	A. KYC Form - Document captures the basic information about the constituent and an instruction / check list.	1-4
		B. Document captures the additional information about the constituent relevant to trading account and an instruction / check list / Nomination.	7-9
2.	Rights and Obligations	Document stating the Rights & Obligations of stock broker/ commodity broker/trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	Given to the Client with Welcome Kit
3.	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities/commodities market.	
4.	Guidance Note	Documents detailing do's and don'ts for trading on exchange, for the education of the investors.	
5.	Rights and Obligations of BO and Depository Participant	Rights and Obligations of BO and Depository Participant as prescribed by SEBI & Depositories.	
6.	Policies and Procedures	Document describing significant policies and procedure of the stock broker.	10-13
7.	Policies and Procedures	Document describing significant policies and procedure of the commodity broker.	14-18
8.	Tariff Sheet	Document detailing the rate / amount of brokerage and other charges levied on the client for trading on the stock/commodity exchange(s)	14
9.	Disclosure Information for Pro-Trading	Disclosure Information for Proprietary Trading/Business (Pro-Trading)	14
10.	Most Important Term Condition (MITC)	Disclosure Information for Proprietary Trading/Business (Pro-Trading)	29

## VOLUNTARY DOCUMENTS AS PROVIDED BY THE STOCK BROKER

S.No.	Name of the Document	Brief Significance of the Document	Page No.
1.	Declaration Letter	Self Declaration for Participants in Commodity Derivatives Market	17
2.	Electronic Contract Note Declaration	Consent for receiving ECN & E-Documents	18
3.	Letter of Authorization	Letter where in Client Authorized Stock Broker to maintain running account and to accept verbal orders etc.	19-20
4.	NSE-MFSS Facility	Mutual Fund Facility	21
5.	Authorisation for Value Added Services	Communication through SMS & email	22
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8.	Request for Trading in Commodity Forward Contracts/ Commodity Derivatives of NCDEX/MCX	Request for Trading in Commodity Forward Contracts/ Commodity Derivatives of NCDEX/MCX	25
9.	Declaration of Family Members	Declaration of Family Members in case of same mobile number and email id used in multiple accounts.	25
10.	Declaration, Indemnity cum Undertaking for Name Discrepancy in PAN Card, Bank Proof & Address Proof	Letter to be given in case there is any mismatching in documents provided by the client.	26
11.	Banker's Verification	Letter where in Client Authorises Stock Broker to maintain running account.	27
12.	Adjustment in Different Exchanges / Accounts	Letter for transfer/set-off of balances lying in one exchange with other exchange	27
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14.	Declaration by Sales Person/AP	Declaration by Sales Person/AP	30
15.	Demat Account Opening Form	Document detailing the rate / amount of brokerage and other charges levied on the client for trading on the stock exchange(s)	32-41
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## INSTRUCTIONS / CHECK LIST FOR FILLING KYC FORM

**A. IMPORTANT POINTS:**

1. Self attested copy of PAN card is mandatory for all clients.
2. Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
3. If any proof of identity or address is in a foreign language, then translation into English is required.
4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
5. If correspondence & permanent address are different, then proofs for both have to be submitted.
6. Sole proprietor must make the application in his individual name & capacity.
7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FEMA guidelines), copy of passport/PIO Card/OCI Card and overseas address proof is mandatory.
8. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
9. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted.
10. For opening an account with Depository Participant or Mutual Fund, for a minor, photocopy of the School Leaving Certificate/Mark Sheet issued by Higher Secondary Board/Passport of Minor/Birth Certificate must be provided.
11. Politically Exposed Persons (PEP) are defined as individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior Government/judicial/ military officers, senior executives of state owned corporations, important political party officials, etc.

**B. Proof of Identity (POI) :-** List of documents admissible as Proof of Identity:

1. PAN card with photograph. This is mandatory requirement for all applicants except those who are specifically exempt from obtaining PAN (listed in Section D)
2. Unique Identification Number (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license.
3. Identity card/ document with applicant's Photo, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and Credit cards/Debit cards issued by Banks.

**C. Proof of Address (POA) :-** List of documents admissible as Proof of Address: (\*Documents having an expiry date should be valid on the date of submission.)

1. Passport/ Voters Identity Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.

2. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
3. Bank Account Statement/Passbook - Not more than 3 months old.
4. Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts.
5. Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/Gazetted Officer/Notary public/Elected representatives to the Legislative Assembly/ Parliament/Documents issued by any Govt. or Statutory Authority.
6. Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members.
7. For FII/sub account Power of Attorney given by FII/sub account to the Custodians (which are duly notarized and/or apostilled or consularised) that gives the registered address should be taken.
8. The proof of address in the name of the spouse shall be acceptable, subject to the submission of proof of relationship alongwith the same.

**D. Exemptions/clarifications to PAN**

(\*Sufficient documentary evidence in support of such claims to be collected.)

1. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
  2. Investors residing in the state of Sikkim.
  3. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
  4. SIP of Mutual Funds upto Rs 50, 000/- p.a.
  5. In case 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, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.
- E. List of people authorized to attest the documents:**
1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).
  2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

## INSTRUCTIONS / CHECK LIST (for filling additional information related to trading account)

1. Additional documents in case of trading in derivatives segments - illustrative list :

• Copy of ITR Acknowledgement	• Net Worth Certificate	• Any other relevant documents substantiating ownership of assets.
• Copy of Annual Accounts	• Copy of Demat account holding statement.	• Self declaration with relevant supporting documents.
• In case of salary income - Salary Slip, Copy of Form 16	• Bank account statement for last 6 months	

2. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code or/and IFSC Code of the bank should be submitted.
3. Demat master or recent holding statement issued by DP bearing name of the client.
4. For individuals:
  - a. Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stock broker/sub-broker's office.
  - b. In case of non-resident clients, employees at the stock broker's local office, overseas can do 'in-person' verification. Further, considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.
5. For non-individuals:
  - a. Form need to be initialized by all the authorized signatories.
  - b. Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in securities on behalf of company/firm/others and their specimen signatures.



**CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual**

**Important Instructions:**

- A) Fields marked with "\*\*" are mandatory fields.
- B) Tick (✓) wherever applicable.
- C) Please fill the form in English and in BLOCK letters.
- D) Please fill the date in DD-MM-YYYY format.
- E) For particular section update, please tick (✓) in the box section number and strike off the sections not required to be updated.
- F) Please read section wise detailed guidelines / instructions at the end.
- G) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
- H) List of two character ISO 3166 country codes is available at the end.
- I) KYC number of applicant is mandatory for update application.
- J) The 'OTP based E-KYC' check box is to be checked to accounts opened using OTP based E-KYC in non-face to face mode.



**For office use only** (To be filled by financial institution)

Application Type\*  New  Update

KYC Number  (Mandatory for KYC update request)

Account Type\*  Normal  Minor  Aadhaar OTP based E-KYC (in non-face to face mode)

**1. PERSONAL DETAILS** (Please refer instruction A at the end)

	Prefix	First Name	Middle Name	Last Name
<input type="checkbox"/> Name* (Same as ID proof)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Maiden Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Father / Spouse Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Mother Name	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth*	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Gender*	<input type="checkbox"/> M- Male <input type="checkbox"/> F- Female <input type="checkbox"/> T-Transgender			
Marital Status*	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried <input type="checkbox"/> Others			
PAN*	<input type="text"/>	<input type="checkbox"/> Form 60 furnished		
Citizenship*	<input type="checkbox"/> IN- Indian <input type="checkbox"/> Others (ISO 3166 Country Code <input type="text"/> <input type="text"/> )			
Residential Status*	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident Indian <input type="checkbox"/> Foreign National <input type="checkbox"/> Person of Indian Origin			
Occupation Type*	<input type="checkbox"/> S-Service ( <input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Sector ) <input type="checkbox"/> O-Others ( <input type="checkbox"/> Professional <input type="checkbox"/> Self Employed <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student ) <input type="checkbox"/> B-Business <input type="checkbox"/> Agriculturist <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student <input type="checkbox"/> X- Not Categorised <input type="checkbox"/> Forex Dealer <input type="checkbox"/> Others (Pl. Specify) _____			
Politically Exposed Person (PEP)	<input type="checkbox"/> Related to Politically Exposed Person (RPEP) <input type="checkbox"/>			
Annual Income	<input type="checkbox"/> Below Rs. 1 Lac <input type="checkbox"/> Rs. 1 Lac to 5 Lac <input type="checkbox"/> Rs. 5 Lac to 10 Lac <input type="checkbox"/> Rs. 10 Lac to 25 Lac <input type="checkbox"/> Rs. 25 Lac to 1 Crore			
Net Worth Amount Rs.....	Net Worth as on (Date)..... (Net worth should not be older than 1 year)			

**2. PROOF OF IDENTITY AND ADDRESS\*** (Please refer instruction B at the end)

I. Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- A- Passport Number
- B- Voter ID Card
- C- Driving Licence
- D- NREGA Job Card
- E- National Population Register Letter
- F- Proof of possession of Aadhaar

II.  E- KYC Authentication

III.  Offline verification of Aadhaar

PHOTO\*

Sign across the Photograph

Signature / Thumb Impression

**Address**

Line 1\*

Line 2

Line 3

District\*  Pin / Post Code\*  State/U.T Code\*  ISO 3166 Country Code\*

**3. CURRENT ADDRESS DETAILS** (Please refer instruction B at the end)

Same as above mentioned address (in such cases address details as below need not to be provided)

I. Certified copy of OVD or equivalent e-document of OVD or OVD obtained through digital KYC process needs to be submitted (anyone of the following OVDs)

- A- Passport Number
- B- Voter ID Card
- C- Driving Licence
- D- NREGA Job Card
- E- National Population Register Letter
- F- Proof of possession of Aadhaar

- II.  E- KYC Authentication
- III.  Offline verification of Aadhaar
- IV.  Deemed Proof of Address - Document type Code

**Address**

Line 1\*

Line 2

Line 3

District\*  Pin / Post Code\*  State/U.T Code\*  ISO 3166 Country Code\*

**4. CONTACT DETAILS** (All communications will be sent to Mobile number / Email-ID provided) (Please refer instruction C at the end)

Tel. (Off) - Tel. (Res) - Mobile -

Email ID

**5. REMARKS (If any)**

**6. TICK IF APPLICABLE**  RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUTSIDE INDIA (Please refer instruction B at the end)

ADDITIONAL DETAILS REQUIRED\* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence\*

Tax Identification Number or equivalent (If issued by jurisdiction)\*

Place / City of Birth\*  ISO 3166 Country Code of Birth\*

I have read and understood the information requirements and the Terms & Conditions mentioned in this Form (read along with FATCA & CRS instructions) and hereby confirm that the information provided by me on this Form is true, correct and complete. I hereby agree and confirm to inform Ashlar Securities Pvt. Ltd. for any modification to this information promptly.

I further agree to abide by the provisions of the scheme related documents inter alia provisions of FATCA & CRS on Automatic Exchange of Information (AEOI).

**7. APPLICANT DECLARATION**

- I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.
- I hereby declare that the aforesaid mobile number or E-mail ID belongs to  Me or  My Family (Spouse, dependent children and dependent parents)
- I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above Registered number/email address.
- I am/We are also aware that for Aadhaar OVD based KYC, my KYC request shall be validated against Aadhaar details. I/We hereby consent to sharing my/our masked Aadhaar card with readable QR code or my Aadhar XML/Digilocker XML file, along with passcode and as applicable, with KRA and other Intermediates with KRA and other Intermediaries with whom I have a business relationship for KYC purposes only.

 3 [Signature / Thumb Impression]

Signature / Thumb Impression of Applicant

Date : -- Place :

**8. ATTESTATION / FOR OFFICE USE ONLY**

- Documents Received**  Certified Copies  E-KYC data received from UIDAI  Data received from Offline Verification  Digital KYC Process
- Equivalent e-document  Video Based KYC  IPV Done

**KYC / IN-PERSON VERIFICATION CARRIED OUT BY**

Date  Place

Emp. Name

Emp. Code

Emp. Designation

Emp. Branch

[Employee Signature]

**INSTITUTION DETAILS**

Name **ASHLAR SECURITIES PVT. LTD.**

Code

[Signature of Authorised Signatory]

[Institution Stamp]

**A Clarification / Guidelines on filling 'Personal Details' section**

- 1 Name: The name should be match the name as mentioned in the Proof of identity submitted failing which the application is liable to be rejected.
- 2 One the following is mandatory : Mother's name, Spouse's name, Father's name.

**B Clarification / Guidelines on filling 'Current Address Details' section**

- 1 In case of deemed PoA such as utility bill, the document need not be uploaded on CKYCR
- 2 PoA to be submitted only if the submitted Pol does not have current address or address as per Pol is invalid or not in force.
- 3 State / U.T. Code and Pin / Post Code will not be mandatory for Overseas address.
- 4 In Section 2, one of I, II, and III is to be selected. In case of online E-KYC authentication, II is to be selected.
- 5 In Section 3, one of I, II, III, and IV is to be selected. In case of online E-KYC authentication, II is to be selected.
- 6 List of documents for 'Deemed Proof of Address'

Document Code	Description
---------------	-------------

- |    |  |
|----|--|
| 01 | Utility bill which is not more than two months old of any service provider (electricity, telephone, post-paid mobile phone, piped gas, water bill).  |
| 02 | Property or Municipal Tax receipt.   |
| 03 | Pension or family pension payment orders (PPOs) issued to retired employees by Government Departments or Public Sector Undertakings, if they contain the address.  |
| 04 | Letter of allotment of accommodation from employer issued by State or Central Government departments, statutory or regulatory bodies, public sector undertakings, scheduled commercial banks, financial institutions and listed companies. Similarly, leave and license agreements with such employers allotting official accommodation. |

- 7 Regular Entity (RE) shall be redact (first 8 digits) of the Aadhaar number from Aadhaar related data and documents such as proof of possession of Aadhaar, while uploading on CKYCR.
- 8 "Equivalent e-document" means an electronic equivalent of a document, issued by the issuing authority of such document with its valid digital signature including documents issued to the digital locker account of the client as per rule 9 of the Information Technology (Preservation and Retention of Information by Intermediaries Providing Digital Locker Facilities) Rule, 2016.
- 9 'Digital KYC process' has to be carried out as stipulated in the PML Rules, 2005.
- 10 REs may use the Self Declaration check box where Aadhaar authentication has been carried out successfully for a client and client wants to provide a current address, different from the address as per the identity information available in the Central Identities Data Repository.

**C Clarification / Guidelines on filling 'Contact Details' section**

- 1 Please mention two-digit country code and 10 digit mobile number (e.g. for Indian mobile number mention 91-9999999999)
- 2 Do not add '0' in the beginning of Mobile number.

**D Clarification / Guidelines on filling 'Related Person Details' section**

- 1 Provide KYC number of related person, if available.

**E Clarification on Minor**

- 1 Guardian details are optional for minors above 10 years of age of opening of bank account only.
- 2 However, in case guardian details are available for minor above 10 years of age, the same (or CKYCR number of guardian) is to be uploaded.



## List of two - digit state / U.T codes as per Indian Motor Vehicle Act, 1988

State / U. T.	Code	State / U. T.	Code	State / U. T.	Code
Andaman & Nicobar	AN	Himachal Pradesh	HP	Pondicherry	PY
Andhra Pradesh	AP	Jammu & Kashmir	JK	Punjab	PB
Arunachal Pradesh	AR	Jharkhand	JH	Rajasthan	RJ
Assam	AS	Karnataka	KA	Sikkim	SK
Bihar	BR	Kerala	KL	Tamil Nadu	TN
Chandigarh	CH	Lakshadweep	LD	Telangana	TS
Chattisgarh	CG	Madhya Pradesh	MP	Tripura	TR
Dadra and Nagar Haveli	DN	Maharashtra	MH	Uttar Pradesh	UP
Daman & Diu	DD	Manipur	MN	Uttarakhand	UA
Delhi	DL	Meghalaya	ML	West Bengal	WB
Goa	GA	Mizoram	MZ	Other	XX
Gujarat	GJ	Nagaland	NL		
Haryana	HR	Orissa	OR		

## List of ISO 3166 two - digit Country Code

Country	Country Code	Country	Country Code	Country	Country Code	Country	Country Code
Afghanistan	AF	Dominican Republic	DO	Libya	LY	Saint Pierre and Miquelon	PM
Aland Islands	AX	Ecuador	EC	Liechtenstein	LI	Saint Vincent and the Grenadines	VC
Albania	AL	Egypt	EG	Lithuania	LT	Samoa	WS
Algeria	DZ	El Salvador	SV	Luxembourg	LU	San Marino	SM
American Samoa	AS	Equatorial Guinea	GQ	Macao	MO	Sao Tome and Principe	ST
Andorra	AD	Eritrea	ER	Macedonia, the former Yugoslav Republic of	MK	Saudi Arabia	SA
Angola	AO	Estonia	EE	Madagascar	MG	Senegal	SN
Anguilla	AI	Ethiopia	ET	Malawi	MW	Serbia	RS
Antarctica	AQ	Falkland Islands (Malvinas)	FK	Malaysia	MY	Seychelles	SC
Antigua and Barbuda	AG	Faroe Islands	FO	Maldives	MV	Sierra Leone	SL
Argentina	AR	Fiji	FJ	Mali	ML	Singapore	SG
Armenia	AM	Finland	FI	Malta	MT	Sint Maarten (Dutch part)	SX
Aruba	AW	France	FR	Marshall Islands	MH	Slovakia	SK
Australia	AU	French Guiana	GF	Martinique	MQ	Slovenia	SI
Austria	AT	French Polynesia	PF	Mauritania	MR	Solomon Islands	SB
Azerbaijan	AZ	French Southern Territories	TF	Mauritius	MU	Somalia	SO
Bahamas	BS	Gabon	GA	Mayotte	YT	South Africa	ZA
Bahrain	BH	Gambia	GM	Mexico	MX	South Georgia and the South Sandwich Islands	GS
Bangladesh	BD	Georgia	GE	Micronesia, Federated States of	FM	South Sudan	SS
Barbados	BB	Germany	DE	Moldova, Republic of	MD	Spain	ES
Belarus	BY	Ghana	GH	Monaco	MC	Sri Lanka	LK
Belgium	BE	Gibraltar	GI	Mongolia	MN	Sudan	SD
Belize	BZ	Greece	GR	Montenegro	ME	Suriname	SR
Benin	BJ	Greenland	GL	Montserrat	MS	Svalbard and Jan Mayen	SJ
Bermuda	BM	Grenada	GD	Morocco	MA	Swaziland	SZ
Bhutan	BT	Guadeloupe	GP	Mozambique	MZ	Sweden	SE
Bolivia, Plurinational State of	BO	Guam	GU	Myanmar	MM	Switzerland	CH
Bonaire, Sint Eustatius and Saba	BQ	Guatemala	GT	Namibia	NA	Syrian Arab Republic	SY
Bosnia and Herzegovina	BA	Guernsey	GG	Nauru	NR	Taiwan, Province of China	TW
Botswana	BW	Guinea	GN	Nepal	NP	Tajikistan	TJ
Bouvet Island	BV	Guinea-Bissau	GW	Netherlands	NL	Tanzania, United Republic of	TZ
Brazil	BR	Guyana	GY	New Caledonia	NC	Thailand	TH
British Indian Ocean Territory	IO	Haiti	HT	New Zealand	NZ	Timor-Leste	TL
Brunei Darussalam	BN	Heard Island and McDonald Islands	HM	Nicaragua	NI	Togo	TG
Bulgaria	BG	Holy See (Vatican City State)	VA	Niger	NE	Tokelau	TK
Burkina Faso	BF	Honduras	HN	Nigeria	NG	Tonga	TO
Burundi	BI	Hong Kong	HK	Niue	NU	Trinidad and Tobago	TT
Cabo Verde	CV	Hungary	HU	Norfolk Island	NF	Tunisia	TN
Cambodia	KH	Iceland	IS	Northern Mariana Islands	MP	Turkey	TR
Cameroon	CM	India	IN	Norway	NO	Turkmenistan	TM
Canada	CA	Indonesia	ID	Oman	OM	Turks and Caicos Islands	TC
Cayman Islands	KY	Iran, Islamic Republic of	IR	Pakistan	PK	Tuvalu	TV
Central African Republic	CF	Iraq	IQ	Palau	PW	Uganda	UG
Chad	TD	Ireland	IE	Palestine, State of	PS	Ukraine	UA
China	CN	Isle of Man	IM	Panama	PA	United Arab Emirates	AE
Christmas Island	CX	Israel	IL	Papua New Guinea	PG	United Kingdom	GB
Cocos (Keeling) Islands	CC	Italy	IT	Paraguay	PY	United States	US
Colombia	CO	Jamaica	JM	Peru	PE	United States Minor Outlying Islands	UM
Comoros	KM	Japan	JP	Philippines	PH	Uruguay	UY
Congo	CG	Jersey	JE	Pitcairn	PN	Uzbekistan	UZ
Congo, the Democratic Republic of	CD	Jordan	JO	Poland	PL	Vanuatu	VU
Cook Islands	CK	Kazakhstan	KZ	Portugal	PT	Venezuela, Bolivarian Republic of	VE
Costa Rica	CR	Kenya	KE	Puerto Rico	PR	Viet Nam	VN
Cote d'Ivoire	CI	Kiribati	KI	Qatar	QA	Virgin Islands, British	VG
Croatia	HR	Korea, Democratic People's Republic	KP	Reunion	RE	Virgin Islands, U.S.	VI
Curaçao	CU	Korea, Republic of	KR	Romania	RO	Wallis and Futuna	WF
Curacao	CW	Kuwait	KW	Russian Federation	RU	Western Sahara	EH
Cyprus	CY	Kyrgyzstan	KG	Rwanda	RW	Yemen	YE
Czech Republic	CZ	Lao People's Democratic Republic	LA	Saint Barthelemy	BL	Zambia	ZM
Denmark	DK	Latvia	LV	Saint Helena, Ascension and Tristan da Cunha	SH	Zimbabwe	ZW
Djibouti	DJ	Lebanon	LB	Saint Kitts and Nevis	KN		
Dominica	DM	Lesotho	LS	Saint Lucia	LC		
		Liberia	LR	Saint Martin (French part)	MF		

## TRADING ACCOUNT RELATED DETAILS

### TYPE OF TRADING A/C

ONLINE       OFFLINE       BOTH

### BANK ACCOUNT DETAILS

(Through which transactions will generally be routed)

#### Primary Bank Details (for DP and Trading) :

Bank Name : \_\_\_\_\_

Account No. : \_\_\_\_\_ Branch : \_\_\_\_\_

Address : \_\_\_\_\_

\_\_\_\_\_ Pin Code : \_\_\_\_\_

MICR Code of Branch : \_\_\_\_\_ IFS Code : \_\_\_\_\_

Account Type :  Savings  Current  NRE/NRO  OTHERS : \_\_\_\_\_ (Please Specify)

Pay-Out Option :  Cheque  Fund Transfer  Bank Draft  CMS  NEFT  RTGS  As Per Group

#### Secondary Bank Details (for Trading, if any) :

Bank Name : \_\_\_\_\_

Account No. : \_\_\_\_\_ Branch : \_\_\_\_\_

Address : \_\_\_\_\_

\_\_\_\_\_ Pin Code : \_\_\_\_\_

MICR Code of Branch : \_\_\_\_\_ IFS Code : \_\_\_\_\_

Account Type :  Savings  Current  NRE/NRO  OTHERS : \_\_\_\_\_ (Please Specify)

Pay-Out Option :  Cheque  Fund Transfer  Bank Draft  CMS  NEFT  RTGS  As Per Group

### DEPOSITORY ACCOUNT DETAILS

(Through which transactions will generally be routed.)

Depository Name :  CDSL  NSDL


Name of Depository Participant : \_\_\_\_\_

Beneficiary Name : \_\_\_\_\_

DP ID : \_\_\_\_\_ Beneficiary ID (BOID) : \_\_\_\_\_

### TRADING PREFERENCE

Please sign in the relevant boxes where you wish to trade. Please strike off the segment not chosen by the client.

Exchange	NSE, BSE, MCX & MSEI				
All Segments	Cash/ Mutual Fund	F&O	Currency	Debt	Commodity Derivatives
 4					

If you do not wish to trade in any of segments, please mention here \_\_\_\_\_

# If, in future, the client wants to trade on any new segment/new exchange, separate authorization/letter should be taken from the client by the stock broker.

**SALES TAX REGISTRATION DETAILS (AS APPLICABLE, STATEWISE)**

Local Sales Tax State Regn. No.	<input type="text"/>	Validity Date	<input type="text"/>
Name of the State	<input type="text"/>		
Central Sales Tax Registration No.	<input type="text"/>	Validity Date	<input type="text"/>
Other Sales Tax State Regn. No.	<input type="text"/>	Validity Date	<input type="text"/>
Name of the State	<input type="text"/>		

**GST REGISTRATION DETAILS (AS APPLICABLE, STATEWISE)**

Local GST Registration No.	<input type="text"/>	Validity Date	<input type="text"/>
Name of the State	<input type="text"/>		
Other GST Registration No.	<input type="text"/>	Validity Date	<input type="text"/>
Name of the State	<input type="text"/>		

**DEALING THROUGH AUTHORISED PERSON AND OTHER STOCK BROKERS**

**If client is dealing through the AP, provide the following details :**

Name of the AP	<input type="text"/>
AP SEBI Registration No.	<input type="text"/>
AP's Address	<input type="text"/>
AP's Phone/Fax No.	<input type="text"/>
AP's Website	<input type="text"/>

**Whether dealing with any other stock broker / AP (In case dealing with multiple stock brokers / APs, please provide details of all)**

Name of the stock broker	<input type="text"/>
Name of AP (If any)	<input type="text"/>
Client Code (UCC)	<input type="text"/>
Exchange	<input type="text"/>

Details of disputes / dues pending from / to such stock broker / AP

(Please Specify)

**PAST ACTIONS**

**Details of any action / proceedings initiated / pending / taken by SEBI / Stock Exchange / any other authority against the applicant / constituent or its partners / promoters / whole time directors / authorised persons in charge of dealing in securities during last 3 years.**

(Please Specify)

**ADDITIONAL DETAILS**

**SMS and E-mail alerts to investors by stock exchange:**  Yes  No

Type of Facility  SMS Alert  E-mail Alert  Both

**Whether you wish to receive :**  Physical Contract Note  Electronic Contract Note (ECN)

E-mail (If Applicable) :

**Whether you wish to avail of the facility of internet trading / wireless technology :**  Yes  No

**Trading Experience / Number of Years of Investment**

No Prior Investment Experience  \_\_\_\_ Years in Equities  \_\_\_\_ Years in Derivatives  \_\_\_\_ Years in other Investment related fields

**In case of Non-Individual, Name, Designation, PAN, UID, Signature, Residential Address and Photographs of persons authorised to deal in securities of behalf of the company / Firm/ others.**

Please provide the details in **Annexure A** as per format attached

**Any other information :** \_\_\_\_\_

**Annual Income :**  Nil  < 5 Lac  Rs. 5 - 25 Lac  Rs. 25 - 50 Lac  Rs. 50 - 1 Crore  Above 1 Crore

**Net Worth :** Amount Rs..... as on (date) ...../...../.....  
(Net worth should not be older than 1 year) (Compulsory for Non-Individuals)

**Educational Details :**  High School  Graduate  Post-Graduate  Doctorate  Professional Degree  
 Under High School  Illiterate  Other \_\_\_\_\_ (Please Specify)

**Occupation** :  Private Sector  Public Sector  Business  Government Service  Professional  
(please tick any one and give brief details)  Agriculturist  Retired  Housewife  Student  Others \_\_\_\_\_ Pl.Specify

**Nature of Business** :  Manufacturing  Services  Consultancy  Others \_\_\_\_\_ Pl.Specify

**Please tick, if applicable:**  Politically Exposed Person (PEP)  Related to a Politically Exposed Person (PEP)

**DETAIL OF INTRODUCER (OPTIONAL)**

Introduced by :  Existing Client  Sub-Broker  Remisier  Authorised Person  Others \_\_\_\_\_ (Please Specify)

Name of Introducer : \_\_\_\_\_

Sub-Broker Registration No. \_\_\_\_\_ UCC : \_\_\_\_\_ Employee Code : \_\_\_\_\_

PAN NO. : \_\_\_\_\_

Address : \_\_\_\_\_

City : \_\_\_\_\_

Pin : \_\_\_\_\_ State : \_\_\_\_\_ Country : \_\_\_\_\_

Phone : \_\_\_\_\_

Signature of the Introducer : \_\_\_\_\_

**DECLARATION**

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/We undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/We may be held liable for it.
2. I/We confirm having read/been explained and understood the contents of the document on policy and procedures of the stock broker and the tariff sheet.
3. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s) and 'Risk Disclosure Document'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for Information on stock broker's designated website, if any.

Name of Applicant : \_\_\_\_\_

Signature :  5  
Signature of Applicant / authorised Signatory(s) with rubber stamp of

Date : |D| |D| |M| |M| |Y| |Y| |Y| |Y|

Place : \_\_\_\_\_

**1. Refusal of orders for penny/illiquid stock**

The stock broker may from time to time limit (quantity/value)/refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies), the order being for securities which are not in the permitted list of the stock broker/exchange(s) /SEBI. Provided further that stock broker may require compulsory settlement/advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance/placement of order(s) as well. The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone. The stock broker may require reconfirmation of orders, which are larger than that specified by the stock broker's risk management, and is also aware that the stock broker has the discretion to reject the execution of such orders based on its risk perception.

**2. Setting up client's exposure limits and conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.**

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock broker's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/ SEBI directions/limits ( such as broker level/ market level limits in security specific/volume specific exposures etc.) , and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities through the stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute/allow execution of orders due to but not limited to the reason of lack of margin/securities or the order being outside the limits set by stock broker/exchange/ SEBI and any other reasons which the stock broker may deem appropriate in the circumstances. The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone.

The stock broker is required only to communicate/ advise the parameters for the calculation of the margin/security requirements as rate(s)/percentage(s) of the dealings, through anyone or more means or methods such as post speed

post/courier/registered post/registered A.D/facsimile/ telegram/cable/e-mail/ voice mails/telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees/agents of the stock broker; by publishing/displaying it on the website of the stock broker/making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch/office through which the client trades or if the circumstances, so require, by radio broadcast/television broadcast/newspapers advertisements etc; or any other suitable or applicable mode or manner. The client agrees that the postal department/the courier company /newspaper company and the e-mail/voice mail service provider and such other service providers shall be the agent of the client and the delivery shall be complete when communication is given to the postal department/the courier company/the e-mail/voice mail service provider, etc. by the stock broker and the client agrees never to challenge the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever and once parameters for margin/security requirements are so communicated, the client shall monitor his/her/its position (dealings/trades and valuation of security) on his/her/its own and provide the required/deficit margin/security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the stock broker to the client and /or whether or not such communication is received by the client.

The client is not entitled to trade without adequate margin/security and that it shall be his/her/its responsibility to ascertain beforehand the margin /security requirements for his/ her /its orders/trades/ deals and to ensure that the required margin/security is made available to the stock broker in such form and manner as may be required by the stock broker. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the stock broker intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he /she/it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) &/or any claim /loss/ damage arising out of the non availability /shortage of margin /security required by the stock broker &/or exchange &/or SEBI.

The stock broker is entitled to vary the form (i.e., the replacement of the margin/security in one form with the margin/security in any other form, say, in the form of money instead of shares) &/or quantum &/or percentage of the margin &/or security required to be deposited/made available, from time to time.

The margin/security deposited by the client with the stock broker are not eligible for any interest.



The stock broker is entitled to include/appropriate any/all payout of funds &/or securities towards margin/security without requiring specific authorizations for each payout.

The stock broker is entitled to transfer funds &/ or securities from his account for one exchange &/or one segment of the exchange to his/her/its account for another exchange &/or another segment of the same exchange whenever applicable and found necessary by the stock broker.

The client also agrees and authorises the stock broker to treat/adjust his/ her/its margin/security lying in one exchange &/or one segment of the exchange/towards the margin/security/pay in requirements of another exchange &/or another segment of the exchange.

The stock broker is entitled to disable/freeze the account &/or trading facility/any other service. facility, if, in the opinion of the stock broker, the client has committed a crime/fraud or has acted in contradiction of this agreement or/is likely to evade/violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the stock broker so apprehends.

### 3. Applicable brokerage rate

The stock broker is entitled to charge brokerage within the limits imposed by exchange which at present is as under:

- a. For Cash Market Segment: The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market segment of the Exchange shall be 2.5 % of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale/purchase value of a share is Rs.10/ - or less, a maximum brokerage of 25 paise per share may be collected.
- b. For Option contracts: Brokerage for option contracts shall be charged on the premium amount at which the option contract was bought or sold and not on the strike price of the option contract. It is hereby clarified that brokerage charged on options contracts shall not exceed 2.5% of the premium amount or Rs 100/- (per lot) whichever is higher.

### 4. Imposition of penalty/delayed payment charges

The client agrees that any amounts which are overdue from the client towards trading or on account of any other reason to the stock broker will be charged with delayed payment charges at such rates not exceeding 2% p.m. as may be determined by the stock broker. The client agrees that the stock broker may impose fines/penalties for any orders/trades/deals/actions of the client which are contrary to this agreement/rules/regulations/bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the stock broker has to pay any fine or bear any punishment from any authority in connection with/as a consequence of/in relation to any of the orders/trades/deals/actions of the client, the same shall be borne by the client. The client agrees to pay to the stock broker brokerage,

commission, fees, all taxes, duties, levies imposed by any authority including but not limited to the stock exchanges (including any amount due on account of reassessment/backlogs etc.), transaction expenses, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account/transactions/ services that the client avails from the stock broker.

### 5. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account of non-payment of client's dues

The stock broker maintains centralized banking and securities handling processes and related banking and depository accounts at designated place. The client shall ensure timely availability of funds/securities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds and securities. The stock broker shall not be responsible for any claim/loss/damage arising out of non availability/short availability of funds/securities by the client in the designated account(s) of the stock broker for meeting the pay in obligation of either funds or securities. If the client gives orders/trades in the anticipation of the required securities being available subsequently for pay in through anticipated payout from the exchange or through borrowings or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of securities/funds for pay in for any reason whatsoever including but not limited to any delays/shortages at the exchange or stock broker level/non release of margin by the stock broker etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions/square off/closing outs etc., shall be solely to the account of the client and the client agrees not to hold the stock broker responsible for the same in any form or manner whatsoever.

In case the payment of the margin/security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instrument etc. at the absolute discretion of the stock broker.

Where the margin /security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin/security &/or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion.

The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the

client agrees to bear all the losses based on actual executed prices. In case open position (Le. short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities/funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs; in addition to this the client will have to pay penalties and charges levied by exchange in actual and losses, if any. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

The stock broker is entitled to prescribe the date and time by which the margin/security is to be made available and the stock broker may refuse to accept any payments in any form after such deadline for margin/security expires.

Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin/fund/security or to meet the funds/margins/ securities pay in obligations for the orders/trades/deals of the client within the prescribed time and form, the stock broker shall have the right without any further notice or communication to the client to take any one or more of the following steps:

- i. To withhold any payout of funds/securities.
- ii. To withhold/disable the trading/dealing facility to the client.
- iii. To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the stock broker may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery/receipt.
- iv. To liquidate/square off partially or fully the position of sale &/or purchase in anyone or more securities/contracts in such manner and at such rate which the stock broker may decide in its absolute discretion.
- v. To take any other steps which in the given circumstances, the stock broker may deem fit.

The client agrees that the loss(s) if any, on account of anyone or more steps as enumerated herein above being taken by the stock broker, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the stock broker.

## **6. Shortages in obligations arising out of internal netting of trades**

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation/ clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/ its obligations first.

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

- a. The securities delivered short are purchased from market on T+3 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client.

- b. If securities cannot be purchased from market due to any reason whatsoever on T+3 day they can be covered from the market on any subsequent trading days. In case any reason whatsoever (any error or omission) any delay in covering of securities leads to higher losses, stock broker will not be liable for the same. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.
- c. In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure/record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day
- d. The Short delivering client is debited by an amount equivalent to higher of 10% above the official closing price on the auction day OR the highest traded price from first trading day of the settlement till the auction day and the amount shall be credited to the short purchasing client.

## **7. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.**

We have margin based RMS System. Client may take exposure upto the amount of margin available with us. Client may not be allowed to take position in case of non-availability/ shortage of margin as per our RMS policy of the company. The existing position of the client is also liable to square off/ close out without giving notice due to shortage of margin/non making of payment for their pay-in obligation/outstanding debts.

## **8. De-registering a client**

Notwithstanding anything to the contrary stated in the agreement, the stock broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- i. If the action of the Client are prima facie illegal/ improper or such as to manipulate the price of any securities or disturb the normal/ proper functioning of the market, either alone or in conjunction with others.
- ii. If there is any commencement of a legal process against the Client under any law in force;
- iii. On the death/lunacy or other disability of the Client;
- iv. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- v. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;

**Client Acceptance of Policies and Procedures stated hereinabove:**

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended/changed unilaterally by the broker, provided the change is informed to me/us with through anyone or more means or methods such as post/speed post/courier/registered post/registered AD/facsimile/telegram/cable/e-mail/voice mails/telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees/agents of the stock broker; by publishing/displaying it on the website of the stock broker/making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch/office through which the client trades or if the circumstances, so require, by radio broadcast/ television broadcast/newspapers advertisements etc; or any other suitable or applicable mode or manner. I/we agree that the postal department/the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department/the courier company/the e-mail/voice mail service provider, etc. by the stock broker and I/we agree never to challenge the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/ difference or claim between me/ us and stock broker before any court of law/judicial/adjudicating authority including arbitrator/ mediator etc.

- vi. If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- vii. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- viii. If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- ix. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- x. If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the Stock broker;
- xi. If the Client is in breach of any term, condition or covenant of this Agreement;
- xii. If any covenant or warranty of the Client is incorrect or untrue in any material respect; However notwithstanding any termination of the agreement, all transactions made under/pursuant to this agreement shall be subject to all the terms and conditions of this agreement and parties to this agreement submit to exclusive jurisdiction of courts of law at the place of execution of this agreement by Stock Broker.

**9. Policy regarding treatment of inactive accounts:**

When Trade is not done in an account for more than 12 months, Stock Broker reserves the right to temporary suspend the operations. The Management may allow operations in such account after making such verification as it deems fit. The balance of securities/funds will be transferred to client after due verification.

**For and On Behalf of Constituent**

 6 \_\_\_\_\_  
Client Signature

Name : \_\_\_\_\_

## POLICIES AND PROCEDURES FOR COMMODITY MARKET

### 1. Refusal of orders for Commodity Derivatives :

The client is aware and agrees that the Commodity broker may refuse or restrict a client in placing the order in certain commodities depending on various conditions like volume / value / part of illiquid commodities although a client may have credit balance or sufficient margin in the trading account. However, Commodity broker under exceptional circumstances may execute client's order. The Commodity broker has the discretion to reject execution of such orders based on its risk perception.

### 2. Setting Up client's Exposure Limit :

The client is aware and agrees that the Commodity broker may set the Exposure limits on the basis of available base capital which may comprise of Ledger and collaterals (after suitable margin haircut). The limits may be allowed on a multiplier basis to the available capital or actual VAR margin basis or a specified margin depending on the Market conditions. Client agrees that said limit parameters is a dynamic process that is allowed at the discretion of the Commodity broker based on the market conditions and their risk perception about the market. However on exceptional situations broker may use its own discretion in providing the limits and may change for a client or for all depending on market condition.

### 3. Applicable Brokerage Rate:-

a) The Commodity broker is eligible to charge brokerage with respect to transactions effected by it in various segment as mentioned herein below -

Delivery based- The maximum brokerage rate for the time being shall be 2 % (plus expenses) in case of transactions resulting into delivery.

Non-delivery based - The maximum brokerage rate for the time being shall be 1 % in case of non-delivery transactions.

b) The Commodity broker may charge different Brokerage for Deliverable and Intraday transactions.

c) Brokerage shall be charged on the premium amount at which the options contract was bought or sold and not on the strike price of the option contract. Maximum permissible brokerage rate is 2.50% of premium amount or Rs. 250/- per lot, whichever is higher.

d) The client is aware that any request for change in the brokerage rate has to send in writing to the Branch who in turn will forward the request to Head Office of the Commodity broker. Acceptance / rejection of such request is at the discretion of Commodity broker.

e) Other Levies, charges, service tax etc. will be charged on Brokerage as per the Rules prescribed by the Government / Regulatory Agencies. All the above charges and levies debited to clients would be mentioned in the Contract Note send to client.

### 4. Imposition of Interest on Outstanding debit and margins :

The client is required to pay all amounts due to the Commodity broker on its due date. The amount due to broker shall include all type of Margin and Pay-in obligation or on account of any other reason.

In case the client does not pay the amount due on time, the Commodity broker shall charge delayed payment charges up to the rate of 2% per month on the daily outstanding value or at such rates as may be determined from time to time by the Commodity broker. In case of Commodity market, interest will be charged from the time it become due till the time obligation is cleared by the client. The objective of charging such a charge is to force a client to clear their dues on a timely basis.

The client agrees that the Commodity broker may impose fines/penalties for any orders / trades of the client which are contrary to this agreement / rules / regulations of the Exchange.

Further, under the instances where the Commodity broker has been penalized from any Authority on account of / as a consequence of orders /trades of the client, the same shall be borne by the client.

### 5. The right to sell client's commodity derivative position or close client's positions, without giving notice to the client, on account of non-payment of client's dues :

The Client shall provide timely funds/Securities /commodities for the purchase/sale of commodities to the Broker for meeting his obligation to the Exchange. In case of client falling short of providing fund/commodities the Commodity broker has the right to close the positions. The Commodity Broker has the right to sell client's securities or close clients position with or without giving prior notice to client on account of non-payment of dues to the extent of Ledger debit and/or to the extent of Margin obligation. The broker can liquidate the securities bought or collaterals given or any other Commodities given in any other form for clearing the clients obligation.

### 6. Shortages in Obligation Arising out Of Internal Netting of Trades :

The internal close out policy for handling internal shortages in Commodities is in line with the exchange policy for handling shortages at exchange level. Apart from this the seller will be additionally debited by 0.50% penalty. Thus, the buyer will get the credit of the shortage based on the calculation given by exchanges and the Seller will be debited by the same amount + 0.50% penalty.

### 7. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client :

In case overall position in derivatives contracts has reached the Regulators prescribed Exchange limit / Market Wide Open Interest limit, then client may not be allowed to take further position, till such time Regulator prescribed limits comes down to create a new position.



Further, the Commodity broker may close the existing position of a client to the extent of Debit balances to release the Margin from the Exchange. In case if the Commodity broker has sufficient Margin cover on behalf of its client, it may still decide based on the market conditions and risk perception not to allow further position or may close the existing position of a client.

#### **8. Temporary Suspension/Closure of Accounts :**

The client may request the Commodity broker for temporary suspension/closure of his trading account by sending a written request to Branch. This request will be in turn sent by Branch to Head Office for further processing where after verification of the client details, the trading account of the client will be suspended.

The client would be required to clear all his dues / settlement of obligations before his account is temporarily suspended. The client may also be required to fulfill other conditions, on a case to case basis.

The Commodity broker can withhold the payouts of client and suspend/close his trading account due to any internal / regulatory action. Upon Suspension/closure of trading account an intimation will be sent to the client within 15 days of suspension.

#### **9. Deregistering a client :**

In addition to what the client has agreed in the agreement, the Commodity broker may terminate a client with immediate effect, but not limited to the following reasons - If the client is debarred by SEBI or any other regulatory authority

As a part of surveillance measure, if a client appears to be indulging in manipulative practices.

Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt. If the client violates any of the terms of the agreement.

#### **10. Treatment of Inactive Clients :**

ASPL identifies such client codes / trading accounts that are in-operative for a minimum period of preceding 12 months.

Accordingly, such trading accounts are made inactive in the Trading System and an Email/letter/SMS or by way of any other mode the client is informed about the status of his trading account maintained with us. Further, if the client has any dues/ obligation to ASPL, then any Commodities/securities bought or collaterals given or any other securities/commodities. Given by the client in any other form for clearing his obligation; will be adjusted and the balance would be returned to the client.

For re-activation of such trading account, the client shall be required to make a request to reopen the account and submit all necessary information with regard to updation of his / their KYC requirement. ASPL upon verifying at its end may activate client's trading code in the Trading System and an email/letter/SMS or by way of any other mode the client is informed about the status of his trading account. Upon re-activation the stock broker may execute the order on behalf of its client. Also, after reactivation, transactions on the basis of certain parameters are confirmed over telephone with clients, if such transactions are executed after a gap of such period of 6 months.

11. Client acceptance of Policies and procedures mentioned here in above - I /we have fully understood and agree to sign the same. Above policies and procedures may be amended / changed unilaterally by the stock broker provided the same is intimated via email / writing or reflected in the client's login.

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Client Signature



**TARIFF SHEET (BROKERAGE CHARGES)****CASH SEGMENT**

Brokerage Slab	Slab in %	Minimum per Share
Delivery Based		
Square off		

**F & O SEGMENT**

Brokerage Slab	Slab in %	Minimum per Lot
Futures		
Options		



**CURRENCY DERIVATIVES SEGMENT**

Brokerage Slab	Slab in %	Minimum Brokerage per Lot
Futures		
Options		

**COMMODITY SEGMENT**

BROKERAGE		FIXED%	MINIMUM
Commodity Market	Intraday		
	Delivery		
		FIXED%	PER LOT
	Option		

**Note:**

- Transaction charges, STT, Stamp Duty, GST, Clearing Member charges and all legal levies as may be applicable from time to time shall be charged separately in addition to the brokerage.
- If any cost (Courier, DP charges etc.) is incurred on the behalf of client, same shall be charged from the client account on actual basis. DP Charges Rs. 10/- per scrip (Exclusive of GST).
- In case of overdue debit balance in client's account, member reserves the right to debit delay payment charge upto 2% p.m. to the client account.
- In case Diet ID has been provided to the client a ID Charge @ \_\_\_\_\_ % of turnover or Rs \_\_\_\_\_ /- per month per segment shall be charged extra.  8
- Charges/ service standards are subject to revision at sole discretion of Ashlar Securities Pvt. Ltd.,
- Charges quoted above are for the services listed. Any service not quoted above will be charged separately.
- Call and Trade Charges to be applicable for Online clients at Rs. 20/- per trade. (Exclusive of GST).
- Additional Statement of Holding/Transaction/P&L/Net Position shall be charged @ Rs. 2/- per Page + Postage.
- Non periodic statement & other communications shall be charged @ Rs. 20/- per mail.
- Any Modification in client profile will be charged @ Rs. 20/- per modification.  9

Client Signature

**DISCLOSURE REGARDING PROPRIETARY TRADING****SUBJECT : DISCLOSURE REGARDING PROPRIETARY TRADING**

Date : \_\_\_\_\_

As required under Circular No. SEBI / MRD / SE / Cir-42 / 2003 dated 19.11.2003 issued by the Securities and Exchange Board of India; I/We hereby disclose that in addition to client-based business, I/We am/are also doing proprietary trading.

I/we acknowledge the above information.

**For Ashlar Securities Pvt. Ltd.** 10

Client Signature

**Authorised Signatory****PMLA DECLARATION**

I/We \_\_\_\_\_ having the trading code no. \_\_\_\_\_ with Ashlar Securities Pvt. Ltd. confirm and declare that I/We have read and understood the contents and the provisions of the PMLA Act, 2002 and it was also explained by Ashlar Securities Pvt. Ltd. official. I/We further declare that I/we shall adhere to the rules and regulations and requirements mentioned in the PMLA Act, 2002.

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Client Signature

DECLARATION LETTER

To,

**Ashlar Securities Pvt. Ltd.**

Date : \_\_\_\_\_

Regd. Office : A-38, Sector-67, Noida-201301(U.P.)  
Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

**Subject : Self Declaration for Participants in Commodity Derivatives Market**

I ..... a client with member **M/s. Ashlar Securities Pvt. Ltd. of NSE, BSE & MCX** Exchange hereby give my declaration for my category as asked by SEBI vide its circular SEBI/HO/CDMRD/DNPMP/CIR/P/2019/08 dated January 4, 2019

- Farmers/FPOs
- Value chain participants (VCPs)
- Proprietary traders
- Domestic financial institutional investors
- Foreign participants
- Others

Client Name : .....

Unique Client Code : .....

PAN : .....

Address : .....

.....

 12 \_\_\_\_\_  
Client Signature

**ELECTRONIC CONTRACT NOTE (ECN) DECLARATION (for NSE, BSE & MCX)**

To,

**Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Date \_\_\_\_\_

Dear Sir,

I/We \_\_\_\_\_ a client with member **M/S. ASHLAR SECURITIES PVT. LTD.** of \_\_\_\_\_ Exchange undertakes as follows:

- I/We am/are aware that the member has to provide physical contract note in respect of all the trades placed by me/us unless I/We myself want the same in the electronic form.
- I/We am/are aware that the member has to provide electronic contract note for my/our convenience on my/our request only.
- Though the member is required to deliver physical contract note, I/We find that it is inconvenient for me/us to receive physical contract notes. Therefore , I/We am/are voluntarily requesting for delivery of electronic contract note pertaining to all the trades carried out/ ordered by me/us.
- I/We have access to a computer and am/are a regular internet user, having sufficient knowledge of handling the email operation.
- My/our email id is\* \_\_\_\_\_  
This has been created by me/us and not by someone else.
- I/We am/are aware that this declaration form should be in English or in any other Indian language known to me/us.
- I/We am/are aware that non-receipt of bounced mail notification by the member shall amount to delivery of the contract note at the above e-mail ID.
- I/We am/are aware that this authorisation can be revoked any time by giving a notice in writing.

**The above declaration and the guidelines on ECN given in the Annexure have been read and understood by me/us. I/We am/are aware of the risk involved in dispensing with the physical contract note, and do hereby take full responsibility for the same.**


\*(The email id must be written in own handwriting of the client)

Client Name: \_\_\_\_\_

Unique Client Code : \_\_\_\_\_

PAN: \_\_\_\_\_

Address : \_\_\_\_\_

 13 \_\_\_\_\_

Client Signature

Date : \_\_\_\_\_ Place: \_\_\_\_\_

Verification of the client signature done by,

Name of the designated officer of the Member \_\_\_\_\_

Signature \_\_\_\_\_

## LETTER OF AUTHORISATION

To,  
**Ashlar Securities Private Limited**  
 Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)  
 Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Dated : .....

**Sub : Letter of Authority - NSE/BSE/MCX (All Segment)**

I/We am/are dealing in securities with you at NSE/BSE/MCX in Capital Market Segment, F&O Segment, Currency Derivatives Segment and Commodity Segment and in order to facilitate ease of operations and upfront requirement or margin for trade. I/ We authorize you as under :

**1. Running Account:**

- a. I/We request you to maintain running balance in my account & retain the credit balance in any of my/our account and to use the unused funds towards my/our margin/pay-in/other future obligation(s) of any segment(s) of any or all the Exchange(s)/Clearing Corporation unless I/We instruct you otherwise.
- b. I/We request you to settle my fund available in running A/c after making necessary retention as per frequency option given below:-
- Once in a 30 days
- Once in every 90 days
- except the funds given towards collaterals/margin in form of Bank Guarantee and/or Fixed Deposit Receipt.
- c. In case I/We have an outstanding obligation on the settlement date, you may retain the requisite funds towards my settlement/margin obligations and may also retain the fund expected to be required to meet future margin obligation calculated in the manner specified by the exchanges.
- d. I/We confirm you that I/We shall bring to your notice any dispute arising from the statement of account or settlement so made in writing preferably within 07 working days from the date of receipt of funds/securities or statement of account or statement related to it, as the case may be at your registered office and corporate office.
- e. This Running account authorization would continue until it is revoked by me by giving a notice in writing.

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**2. Pledge of securities with Stock Exchange / Clearing Corporation / Clearing House / Clearing Member against Margin Obligation :**

As stipulated in the SEBI Circular No. SEBI/HO/MIRSD/DOP/CIR/P/20 dated February 25, 2020, the Stock brokers are allowed to maintain following demat accounts only namely;

- i. 'Pool account' (including 'Early Pay-in')
- ii. 'Client Unpaid Securities account' and
- iii. 'TM/CM Client Securities Margin Pledge account'.

Accordingly, the securities / collaterals to be given as margin shall be pledged to "TM/CM Client Securities Margin Pledge account" maintained by the Trading Member/Clearing Member and TM may pledge these securities / collaterals to Clearing Member (CM) / Clearing Corporation (CC) / Stock Exchange towards my / our margin obligations.

For this purpose I / We hereby agree and authorise:-

- a. The Trading Member / Clearing Member to pledge securities / collaterals provided against margin by me to the Clearing Member / Clearing Corporation / Stock Exchange.
- b. The Trading Member / Clearing member to exercise first priority lien on the securities / collaterals so pledged.

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- c. The Trading Member / Clearing Member / Clearing Corporation / Stock Exchange to invoke pledge without any prior reference to or permission and upon receipt of said securities, utilise same in the manner as deemed fit In case of my / our unpaid margin / settlement obligation.
- d. The Trading Member / Clearing Member to do all such act and things and sign all such documents and deeds as may be necessary for the purpose of pledging securities / collaterals with Clearing Member / Clearing Corporation / Stock Exchange.
- e. The Trading Member / Clearing Member to recover the all the cost paid and incurred in relation to and for pledging the securities with Clearing Member / Clearing Corporation / Stock Exchange.

It is hereby confirmed that all the existing securities / collaterals provided me / us are actually owned me / us and are free from any charge, lien or encumbrance. Further all the securities / collaterals to be provided in future would be the securities / collaterals owned by me / us at the time of creation of pledge and would likewise free and unencumbered.

**3. Delivery of order/ trade confirmation/ cancellation:**

- a. I/We request you to consider my/our telephonic instructions for order placing/order modification/order cancellation as a written instruction and give us all the confirmation on telephone unless instructed otherwise in writing. I/We am/are getting required details from contracts issued by you.
- b. I/We hereby authorize you not to provide me / us order confirmation / Modification / Cancellation Slips and Trade Confirmation slips to avoid unnecessary paper work. I/we shall get the required details from contract notes and confirmation issued by you.

**4. Electronic Mode of delivery:**

- a. I/We request that you may send/ Dispatch me contract notes other documents through E-mail: on my designated E-mail address of..... I/We stress that I/we will not hold you responsible under any circumstances in the event of an E-mail which you send gets bounced due to any reason such as mail box being full, inactive account or due to any technical reason beyond your control.
- b. **Log Report :** I/We will completely rely on the log reports of your dispatching software as a conclusive proof of dispatch of E-mail to me and will not dispute the same.
- c. **Change in E-mail Id:** I/We will inform you any change in my E-mail, if any, in future, in physical mode by registered post or by hand delivery or through E-mail from my registered email address.

**5. Fines & Penalties:**

 16 \_\_\_\_\_

All fines/penalties and charges levied upon you due to my acts / deeds or transactions may be recovered by you from my account.

**6. Charges & Balance Maintenance:**

 17 \_\_\_\_\_

I/We have a Trading As well as depository relationship with Ashlar Securities Pvt. Ltd. Please debit the charges relevant with depository services from my/our trading account on monthly basis. I/We also agree to maintain the adequate balance in my/our trading account / pay adequate advance fee for the said reason.

**7. Set off of outstanding:**

 18 \_\_\_\_\_

I/We authorize you to set off outstanding in any of my / our accounts against credits available or arising in any other accounts maintained with you irrespective of the fact that such credits in the accounts may pertain to transactions in any segment of the Exchange and / or against the value of cash margin or collateral shares provided to you by me / us. I further authorise you to debit the financial charges @ 18% per annum of the outstanding debit balance, if any, in my account and not settled as per the exchange requirement.

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- 8. I/We am/are aware that I/We may not opt for any of the above authorisation by striking off the same. Further, I/We am /are aware that above authorisation is voluntary on my/our part and that I/We can revoke this authorisation at my point of time during the operation of my/our trading account with you by giving you a notice in writing.

\* Strike off the clauses not relevant to you.

Thanking you,  
Yours faithfully,

**For and On Behalf of Constituent**

 20 \_\_\_\_\_  
Client Signature

Name : \_\_\_\_\_



## NSE - MFSS FACILITY CLIENT REGISTRATION FORM

To,  
**Ashlar Securities Private Limited**  
 Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)  
 Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Date.....

Sir,  
**Sub : Mutual Fund Service System (MFSS) facility**

I/We \_\_\_\_\_ am/are registered as your client with Client Code No. \_\_\_\_\_ and have executed the Trading Member and Client Agreement for the purpose of trading in the Capital Market Segment of National Stock Exchange of India Ltd. (Exchange).

I/We am/are interested in availing the MFSS facility of the Exchange for the purpose of dealing in the units of Mutual Funds Schemes permitted to be dealt with on the MFSS of the Exchange.

For the purpose of availing the MFSS facility, I/we state that Know Your Client details as submitted by me/us for the stock broking may be considered for the purpose of MFSS and I/we further confirm that the details contained in same remain unchanged as on date.

I/We are willing to abide by the terms and conditions as mentioned in the Circular dated 24 November, 2009 and as may be specified by the Exchange from time to time in this regard.

I/We shall ensure also compliance with the requirements as may be specified from time to time by Securities and Exchange Board of India and Association of Mutual Funds of India (AMFI).

I/We shall read and understand the contents of the Scheme Information Document and Key Information Memorandum, addenda issued regarding each Mutual Funds Schemes with respect to which I/we choose to subscribe/redeem. I/we further agree to abide by the terms conditions, rules and regulations of the Mutual Fund Schemes.

I/We therefore request you to register me/us as your client for participating in the MFSS.

Thanking you,  
 Yours faithfully,

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Client Signature

Name of Client : \_\_\_\_\_

**DETAILS OF TERMS & CONDITIONS FOR THE INVESTOR / CLIENT FOR USING NEW MFSS FACILITY****1. Pre-requisites for becoming Investor / Client for the New MFSS facility**

- 1.1. The client who is desirous of investing in units of mutual fund schemes through the New MFSS.
- 1.2. The Client intends to execute his instruction for the subscription/redemption of units of Mutual Fund Schemes through the Participant of the New MFSS.
- 1.3. The client has satisfied itself of the capacity of the Participant to deal in Mutual Fund units and wishes to execute its instruction through the Participant and the client shall from time to time continue to satisfy itself of such capability of the Participant before executing transacting through the Participant.
- 1.4. The Client has approached to the Participant with the application for availing the New MFSS facility.
- 1.5. The Client has submitted relevant KYC (Know Your Client) details to the Participants

**2. Terms and Conditions**

- 2.1. The client shall be bound by circulars issued by NSEIL, Rules, Regulations and circulars issued there under by SEBI and relevant notifications of Government authorities as may be in force from time to time.
- 2.2. The client shall notify the Participant in writing if there is any change in the information in the 'Client Registration Form' provided by the client to the Participant at the time registering as a client for participating in the New MFSS or at any time thereafter.
- 2.3. The client shall submit to the Participant a completed application form in the manner prescribed format for the purpose of placing a subscription order with the Participant.
- 2.4. The client has read and understood the risks involved in investing in Mutual Fund Schemes.
- 2.5. The client shall be wholly responsible for all his investment decisions and instruction.
- 2.6. The client shall ensure continuous compliance with the requirements of the NSEIL, SEBI and AMFI.
- 2.7. The Client shall pay to the Participant fees and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Participant renders to the Client.
- 2.8. The client will furnish information to the Participant in writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against him or if any litigation which may have material bearing on his capacity has been filed against him.
- 2.9. In the event of non-performance of the obligation by the Participant, the client is not entitled to claim any compensation either from the Investor Protection Fund or from any fund of NSEIL or NSCCL.
- 2.10. In case of any dispute between the Participants and the investors arising out of the MFSS facility, NSEIL and / or NSCCL agrees to extend the necessary support for the speedy redressal of the disputes.

## AUTHORISATION FOR VALUE ADDED SERVICES

To,

**Ashlar Securities Private Limited**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Date.....

Name \_\_\_\_\_

Login ID \_\_\_\_\_

Dear Sir/Madam,

I want to avail the below mentioned facilities through SMS over my Mobile No.          **A) I/We wish to avail the SMS/Email alert facility offered by respective exchanges** showing details of my daily transactions executed through Ashlar Securities Pvt. Ltd. (ASPL) on my e-mail id/mobile no. provided in KYC Form. **Yes**  **No** 

(The above facility is provided by Exchanges and will be activated once the details are verified by Exchanges and confirmed by you)

**B) I wish to subscribe for value added services on registered mobile number :** **Yes**  **No** 

I want to avail the below mentioned facilities through SMS over my above mobile no. &amp; make an informed decision by availing the following facilities :

- Net position of your top five stocks
- Updates on your stock prices during market hours
- Updates on Ledger Balance on daily basis

**C) 1. I wish to use online Trading Software** **Yes**  **No** **2. I hereby authorize to send system generated password by SMS :** **Yes**  **No** 

- i. Please send my system-generate, internet account first time as well as subsequent, password on the above mobile numbers. Also, if I ever need to reset the Password later, the same should also be sent by SMS on the above given mobile number. As soon as I receive the system-generated Password, I shall login and change it for security reasons. I am aware that system-generated Password will automatically expire in 72 hours from the time of sending.
- ii. In the event that I do not receive the Password on SMS within 24 hours of opening of account or request for reset of Password, I shall contact the Customer Service Department of the ASPL immediately and request for re-setting of my Password.
- iii. I have been explained that I shall set my new Password as may be easy to remember for me, but should not be easy to decipher the anybody else and should be preferable alpha-numeric and not my or any family member's name/surname.
- iv. I am fully aware of the risk of electronic loss/theft and agree to be solely liable and responsible for the same as well as for any unauthorized use/misuse of the Password. I understand ASPL will not be responsible or liable in the manner whatsoever for the same.

**Declaration :**

- i. I also confirm that the above mobile number shall be updated in all your records and databases including trading and demat account.
- ii. I declare that the above is my personal mobile number and is always in my safe custody. I shall keep ASPL informed of any change in my mobile number immediately for updating the same in databases. I am aware that without intimation for change in mobile number, ASPL would not be able to send my Password over new mobile number and also would not be able to update in records and databases.
- iii. I am aware that in case of change in my mobile number anytime after opening of this account, it is mandatory for me to submit the photocopy of a latest/last two months Mobile bill for postpaid connection. If I have prepaid connection then I have to visit personally to the Branch/FANs alongwith my ID proofs (E.g.: Pan Card or Driving License) and get the documents verified by the branch officials.
- iv. I will be solely responsible for the security of the information provided on my aforesaid mobile number. Further, I agree and undertake to indemnify ASPL and its group companies, that they will not be held liable/responsible for any losses, claims, damages, cost and liabilities etc., caused to me due to misuse of this information or pursuant to any litigations, non-litigations cases, complaints, actions, etc. that may arise in future on account of my above authorization request.



Client Signature

Name of Client : \_\_\_\_\_ Client Code : \_\_\_\_\_

**UNDERTAKING TO ACT IN OWN CAPACITY**

I/We do hereby solemnly affirm and declare as under :

1. That my/our registration with ASHLAR SECURITIES PVT. LTD. (ASPL) is in individual capacity and is for transacting on my/our own account. And that no one expect myself/ourselves has/have an interest in the account with ASPL.
2. That I/We shall not be acting further as an intermediary / sub-broker in any manner whatsoever for the transactions executed in any segment of any security exchange(s) in my/our account with ASPL.
3. That I/We further state that if anybody on my/our behalf makes claim of any amounts / securities on account of the transactions in my/our account, the said act shall be null and void and shall be ineffective from all corners.
4. In case ASPL finds that I/We am/are as an un-registered Sub-broker, ASPL can immediately cancel my/our account with them and adjust all credit against my/our liabilities.
5. That I/We shall inform ASPL any of my/our registration in any capacity with any other member of the exchange(s) to transact on the same segment as at ASPL.
6. I/We shall not make any payment to ASPL drawn on the account of any third party whether related to me/us or not. All payments to my/our above A/c shall be from accounts that stand in my/our own name.
7. I/We shall not make any cash payment to ASPL nor shall I/We insist on any sales person/business associate to accept cash in lieu of cheque/demand draft. I/We understand that ASPL does not accept cash from clients and therefore any cash payment made by me/us to any staff shall be at my/our sole risk and I/We absolve ASPL of all liability and claim that may arise from any cash payment made by me/us.
8. I/We understand that cash and third party payment of any kind are prohibited under rules of Exchange if despite this I/We make any cash/third party payment in my/our trading A/c or to any sales person / business associate I/We shall render myself liable to criminal / civil action from ASPL. I/We shall also indemnify ASPL from all claims, loss, liability that incur on account of any cash/third party payment made by me/us in my/our trading account with ASPL.
9. I/We have been made understood by ASPL that it does not permit any of its employee to place any discretionary orders in the account of any client therefore I/We must not authorise any of ASPL's staff member to place any discretionary order under any circumstances in my / our trading account and that ASPL limits its liability in the event of I/we giving any such authorisation to any of the Employee of ASPL.
10. I/We hereby absolve ASPL from all liability claims that arise from bonafide mistake typing errors etc. that occur in ordinary and regular course of business I/We shall not initiate any legal action without first intimating in writing my grievance to the Corporate Office at Delhi.

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\_\_\_\_\_

Client Signature

Client Name \_\_\_\_\_

Client Code \_\_\_\_\_

## FOR REGISTRATION AND VERIFICATION OF MOBILE NUMBER AND E-MAIL ADDRESS

To,

Date \_\_\_\_\_

**The Compliance Officer****Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

**Member Id's :**

13718 (NSE)

3302 (BSE)

56815 (MCX)

I/We am/are aware that NSE, BSE and MCX provide SMS/email alerts to the constituents (clients) of its member for trades executed on its platform. I/We hereby provide and confirm my/our mobile number and/or email address as stated below for the purpose of receipt of SMS/email alerts.

- I/We want to receive transaction alerts in SMS as well as email from Exchanges.
- I/We want to receive transaction alerts only in SMS from Exchanges.
- I/We want to receive transaction alerts only in Email from Exchanges.
- I/We do not want to receive any transaction alerts from Exchanges, specify reason

.....

The alerts should be sent on :

Mobile number (enter 10 digit mobile no.)

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E-mail Id.....

I/We agree to the terms and conditions specified by the Exchange in its circular no. SEBI/4/2012/C/13 dated 02/02/2012 as modified from time to time. I/We am/are aware that the receipt of SMS/E-mail alerts on the above mobile number and/or email address can be stopped only on my/our written request.

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 Client Signature

**REQUEST FOR TRADING IN COMMODITY FORWARD CONTRACTS / COMMODITY DERIVATIVES ON MCX**

To,

**Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Dear Sir,

Date \_\_\_\_\_

**Subject : My / Our request for trading in commodity forward contracts / commodity derivatives on MCX as your client**

I/We, the undersigned, have taken cognizance of relevant circulars issued by exchanges on the guidelines for calculation of net open positions permitted in any commodity and I/we hereby undertake to comply with the same.

I/We hereby declare and undertake that we will not exceed the position limits as may be prescribed from time to time by MCX or Forward Markets Commission and such position limits will be calculated in accordance with the contents of above stated circular of MCX as modified from time to time.

I/We undertake to inform you and keep you informed if any of my/our partners/directors/karta/trustee or any of the partnership firms/companies/HUF's/Trusts in which I/We or any of above such person is a partner/director/karta/trustee, takes or holds any position in any commodity forward contract/commodity derivative on MCX through you or through any other member(s) of MCX to enable you to restrict our position limit as prescribed by the above referred circular of MCX as modified from time to time.

I/We confirm that you have agreed to enter orders in commodity forward contracts/commodity derivatives for me/us as your clients on MCX only on the basis of our above assurances and undertaking.

I/We also confirm that my/our account in your company may be debited with the amount of penalty imposed by MCX for violating of norms of open position limits then ever any consequences arises.

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Client Signature

Client Name : \_\_\_\_\_

Client Code : \_\_\_\_\_

**DECLARATION OF FAMILY MEMBERS**

To,

**(To be taken from all family members)****Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Subject: **Declaration of Family Members**

Dear Sir,

I /We, \_\_\_\_\_ having trading Account bearing client code \_\_\_\_\_ with you. I / We would like to inform you that my under mentioned family members are also maintaining trading accounts with you.

Sl.No.	Name of Members	Trading Code	Relation with Account Holder

I / We request you to kindly consider my / our designated Mobile No.: \_\_\_\_\_ as Common Mobile No. in case of all the above family members for all communication in respect of any of the above family accounts.

I / We further request you to consider my / our designated Email Id: \_\_\_\_\_ as Common Email Id in case of all the above family members for all communication in respect of any of the above family accounts.

I hereby declare that the aforesaid mobile number of E-mail ID belongs to  Me or  My Family (Spouse, D. Children and D. Parents)

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Client Signature

## DECLARATION, INDEMNITY CUM UNDERTAKING FOR NAME DISCREPANCY IN PAN CARD, BANK PROOF &amp; ADDRESS PROOF

**Ashlar Securities Pvt. Ltd.**

Date \_\_\_\_\_

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

I/We \_\_\_\_\_ s/o, w/o, d/o \_\_\_\_\_

\_\_\_\_\_, refer to my/our Trading Account

\_\_\_\_\_ with Ashlar Securities Pvt. Ltd. (ASPL) do hereby affirm, declare and undertake that

1. That my/our name as it appears on my/our Pan Card is \_\_\_\_\_
2. That my/our name as it appears on the Income Tax website is \_\_\_\_\_
3. Additional ID Proof \_\_\_\_\_
4. That my/our name as it appears on the Address proof is \_\_\_\_\_
5. That my/our name as it appears on the Bank Proof is \_\_\_\_\_
6. That above mentioned names, on Trading account, Tax website, Address proof, PAN Card No. \_\_\_\_\_ and Bank account bearing no. \_\_\_\_\_ are mine alone.
7. That I/We hereby request ASPL to maintain my/our name in Demat and Trading account as per the name appearing on the website / PAN card.
8. That I/We promise and undertake to get my/our PAN card altered in accordance with my/our name as appearing on the Income tax within 45 days from the date of signing this undertaking. ASPL may, at its sole discretion, terminate my/our trading and demat account in the event of me/us not getting my/our name altered within 45 days of signing this undertaking.
9. That I/We further undertake to open a bank account in accordance with the name as appearing on the Income Tax website week from the date of signing this undertaking.
10. I/We further undertake that in case my/our name has been changed after approval from government authorities and notification gazette. I/We shall get the name change effected in PAN, Bank account etc. and furnish immediately to ASPL.
11. That I/We further declare that I/We am/are responsible and I/We shall indemnify & keep indemnified ASPL, its directors, officers, employees, agents from and against any and all losses, claims, liabilities, obligations, damages, deficiencies, judgements, action proceedings arising out or in relation to corporate benefits, IPO refund, Foreign Exchange Management Act (FEMA) transfer, dematerialization of securities, rematerialization of securities, dividends, interest etc., that may arise out Declaration-cum-undertaking and/or acting on this basis.

That the contents of this declaration, Indemnity-cum-undertaking have been explained to me/us in vernacular and I/We have understood before signing it. That this declaration, Indemnity-cum-undertaking given by me/us to ASPL is by my/our absolute free will and not by coercion, undue influence, pressure etc., and at present I/We am/are having sound health and mind.

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 Client Signature



**BANKER'S VERIFICATION**

To,

**Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Date \_\_\_\_\_

Dear Sir,

This is to certify that the savings / current account no. \_\_\_\_\_ of  
Mr. / Ms / M/s. \_\_\_\_\_ held  
jointly with Mr./Ms/M/s. \_\_\_\_\_ with our branch, has  
been active since \_\_\_\_\_.

We confirm that the signature of the client agrees with the specimen held in our records. This verification is without any responsibility on the part of the bank or the signing officer.

Signature of Client \_\_\_\_\_  
\_\_\_\_\_

signed in my / our presence and attested by me / us

Bank Name & Address	
Name & Signature of Authorised Signatory	
Stamp of the Bank Branch	

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Client Signature

**ADJUSTMENT IN DIFFERENT EXCHANGES / ACCOUNTS**

To,

The Manager Accounts,

**Ashlar Securities Pvt. Ltd.**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

Date \_\_\_\_\_

**Sub : Adjustment in different Exchanges / Accounts maintained with you**

Dear Sir,

I/We executed/desire to execute an agreement with Ashlar Securities Pvt. Ltd. for trading on the National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Ltd. (BSE) and Multi Commodity Exchange of India Ltd. (MCX) and National Depository Services (India) Ltd. (NSDL) in Security Market. In this regard, I/We hereby request you to treat the agreement between us whether in NSE/BSE/MCX or NSDL, as coextensive and I/We hereby authorize you to transfer, make adjustments and/or to set off a part or whole of the securities / Commodities placed as margin and/or any surplus funds in any of my account/(s) maintained with you i.e. either in NSE/BSE/MCX or NSDL against the outstanding dues payable if any, by me/us in any of my/our account/(s) maintained with Ashlar Securities Pvt. Ltd. or vice versa, notwithstanding anything contrary contained in the agreement between us. Ashlar Securities Pvt. Ltd. shall have right of lien on the credit balance in any of my/our accounts. Any entries passed by you in accordance with this authorization shall be binding on me/us.

Thanking You,

Yours Faithfully,

 28

Client Signature

Name \_\_\_\_\_

Address : \_\_\_\_\_

Client Code : \_\_\_\_\_

**DECLARATION OF HUF BY KARTA**

(To be filled in case of HUF A/c only)

**Please fill in for a HUF**

As our HUF firm wishes to open Trading and/or Demat account with you in the said name \_\_\_\_\_ we beg to say that the first signatory to this letter, i.e., \_\_\_\_\_ is the Karta of the Joint Family and other signatories are the adult co-parceners of the said family.

We further confirm that the business of the said joint family is carried on mainly by the said Karta as also by the other signatories hereto in the interest and for the benefit of the entire body of co-parceners of the joint family. We all undertake that claims due to you from the said family shall be recoverable personally from all or any of us and also for the entire family properties of which the first signatory is the Karta, including the share of minor co-parceners.

In view of the fact that ours is not a firm governed by the Indian Partnership Act of 1952, we have not got our said firm registered under the said Act.

We hereby undertake to inform you of the death or birth of a co-parcener of any change occurring at any time in the membership of our joint family during the currency of the account.

S.No.	Name	Gender (M/F)	Relationship with Karta	Date of Birth								Signature
1				D	D	M	M	Y	Y	Y	Y	
2				D	D	M	M	Y	Y	Y	Y	
3				D	D	M	M	Y	Y	Y	Y	
4				D	D	M	M	Y	Y	Y	Y	
5				D	D	M	M	Y	Y	Y	Y	
6				D	D	M	M	Y	Y	Y	Y	

Name &amp; Signature of Karta

For \_\_\_\_\_ (HUF)  
Karta

\* Please attach separate annexure, if the space provided is not sufficient.

\* Please stamp and sign.

**MOST IMPORTANT TERMS AND CONDITIONS (MITC)**

Date : .....

1. Your trading account has a “Unique Client Code” (UCC), different from your demat account number. Do not allow anyone (including your own stock broker, their representatives and dealers) to trade in your trading account on their own without taking specific instruction from you for your trades. Do not share your internet/mobile trading login credentials with anyone else.
2. You are required to place collaterals as margins with the stock broker before you trade. The collateral can either be in the form of funds transfer into specified stock broker bank accounts or margin pledge of securities from your demat account. The bank accounts are listed on the stock broker website. Please do not transfer funds into any other account. The stock broker is not permitted to accept any cash from you.
3. The stock broker's Risk Management Policy provides details about how the trading limits will be given to you, and the tariff sheet provides the charges that the stock broker will levy on you
4. All securities purchased by you will be transferred to your demat account within one working day of the payout. In case of securities purchased but not fully paid by you, the transfer of the same may be subject to limited period pledge i.e. seven trading days after the pay-out (CUSPA pledge) created in favor of the stock broker. You can view your demat account balances directly at the website of the Depositories after creating a login.
5. The stock broker is obligated to deposit all funds received from you with any of the Clearing Corporations duly allocated in your name. The stock broker is further mandated to return excess funds as per applicable norms to you at the time of quarterly/ monthly settlement. You can view the amounts allocated to you directly at the website of the Clearing Corporation(s).
6. You will get a contract note from the stock broker within 24 hours of the trade.
7. You may give a one-time Demat Debit and Pledge Instruction (DDPI) authority to your stock broker for limited access to your demat account, including transferring securities, which are sold in your account for pay-in.
8. The stock broker is expected to know your financial status and monitor your accounts accordingly. Do share all financial information (e.g. income, networth, etc.) with the stock broker as and when requested for. Kindly also keep your email Id and mobile phone details with the stock broker always updated.
9. In case of disputes with the stock broker, you can raise a grievance on the dedicated investor grievance ID of the stock broker. You can also approach the stock exchanges and/or SEBI directly.
10. Any assured/guaranteed/fixed returns schemes or any other schemes of similar nature are prohibited by law. You will not have any protection/recourse from SEBI/stock exchanges for participation in such schemes.

29\_\_\_\_\_  
Client Signature

Client Name : .....



**DEMAT ACCOUNT  
OPENING FORM  
NSDL**



# ASHLAR SECURITIES PVT. LTD.

(DEPOSITORY PARTICIPANT - NSDL) DP ID IN303921 • SEBI Regn. No. : IN-DP-236-2016

Regd. Office : A-38, Sector-67, Noida-201301, Ph.: 0120-6633200

Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)

E-mail : dp@ashlarindia.com Website : www.ashlarindia.in

## PART II - ACCOUNT OPENING FORM (FOR INDIVIDUALS)

(To be filled by the Depository Participant)

Client ID										Date	D	D	M	M	Y	Y	Y	Y
-----------	--	--	--	--	--	--	--	--	--	------	---	---	---	---	---	---	---	---

I/We request you to open a depository account in my/our name as per following details :

(Please fill all the details in CAPITAL/BLOCK LETTERS only)

### A. DETAILS OF ACCOUNT HOLDER(S)

Account Holder(s)	Sole/First Holder	Second Holder	Third Holder
Name			
PAN			
Occupation (Please tick any one and give brief details)	<input type="checkbox"/> Private Sector <input type="checkbox"/> Agriculturist <input type="checkbox"/> Public Sector <input type="checkbox"/> Retired <input type="checkbox"/> Govt. Service <input type="checkbox"/> Housewife <input type="checkbox"/> Business <input type="checkbox"/> Student <input type="checkbox"/> Professional <input type="checkbox"/> Others (Pl. Specify)	<input type="checkbox"/> Private Sector <input type="checkbox"/> Agriculturist <input type="checkbox"/> Public Sector <input type="checkbox"/> Retired <input type="checkbox"/> Govt. Service <input type="checkbox"/> Housewife <input type="checkbox"/> Business <input type="checkbox"/> Student <input type="checkbox"/> Professional <input type="checkbox"/> Others (Pl. Specify)	<input type="checkbox"/> Private Sector <input type="checkbox"/> Agriculturist <input type="checkbox"/> Public Sector <input type="checkbox"/> Retired <input type="checkbox"/> Govt. Service <input type="checkbox"/> Housewife <input type="checkbox"/> Business <input type="checkbox"/> Student <input type="checkbox"/> Professional <input type="checkbox"/> Others (Pl. Specify)
Brief Details			

**B.** For Association of Persons (AOP), Partnership Firm, Unregistered Trust, etc., although the account is opened in the name of the natural persons, the name & PAN of the Association of Persons (AOP), Partnership Firm, Unregistered Trust, etc., should be mentioned below :

Name	PAN										
------	-----	--	--	--	--	--	--	--	--	--	--

### C. TYPE OF ACCOUNT

<input type="checkbox"/> Ordinary Resident <input type="checkbox"/> NRI-Repatriable <input type="checkbox"/> Margin <input type="checkbox"/> Promoter <input type="checkbox"/> Qualified Foreign Investor <input type="checkbox"/> NRI-Non Repatriable <input type="checkbox"/> Foreign National <input type="checkbox"/> Others (Specify)_____
--

### D. GROSS ANNUAL INCOME DETAILS

Income Range per annum (please tick any one)
<input type="checkbox"/> Below Rs. 1 Lac <input type="checkbox"/> Rs. 1 - 5 Lac. <input type="checkbox"/> Rs. 5 - 10 Lac <input type="checkbox"/> Rs. 10 - 25 Lac <input type="checkbox"/> More than Rs. 25 Lac

### E. In Case of NRIs/Foreign Nationals

RBI Approval Reference Number		RBI Approval Date	D	D	M	M	Y	Y	Y	Y
-------------------------------	--	-------------------	---	---	---	---	---	---	---	---



**F. BANK DETAILS**

1.	Bank Account Type	<input type="checkbox"/> Saving <input type="checkbox"/> Current <input type="checkbox"/> Other (Pl. Specify)_____									
2.	Bank Account Number										
3.	Bank Name										
4.	Branch Address										
		City/Town/Village					Pin Code				
		State			Country						
5.	MICR Code										
6.	IFSC										

**G.** Please tick, if applicable:  Politically Exposed Person (PEP)  Related to Politically Exposed Person (RPEP)

**H. STANDING INSTRUCTIONS**

1.	I/We authorise you to receive credits automatically into my/our account	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2.	Account to be operated through Power of Attorney (PoA)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
3.	Account to be operated through Demat Debit and Pledge Instruction (DDPI)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
4.	Standing Instruction for Auto Pledge Confirmation I/We have read and understood the Securities and Exchange Board of India's guidelines on pledging of shares in dematerialised form as regulated by SEBI (Depositories and Participants) Regulations, 1996 and Depositories Act, 1996.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
5.	<b>SMS Alert facility : [Mandatory if you are giving Power of Attorney (PoA/DDPI). Ensure that the mobile number is provided in the KYC Application Form]</b>		
	<b>Sr. No.</b>	<b>Holder</b>	<b>Yes</b>
	1.	Sole / First Holder	<input type="checkbox"/>
	2.	Second Holder	<input type="checkbox"/>
	3.	Third Holder	<input type="checkbox"/>
6.	Mode of Receiving Statement of Account (Tick any one)	<input type="checkbox"/> Physical Form <input type="checkbox"/> Electronic Form (Read Note 3 and ensure that email ID is provided in KYC Application Form]	
7.	I/We would like to share the email ID with the RTA	<input type="checkbox"/> Yes <input type="checkbox"/> No	
8.	For Joint accounts, communication to be sent to (See Note 5)	<input type="checkbox"/> First Holder <input type="checkbox"/> All Joint Account holder	

**I. GUARDIAN DETAILS (where sole holder is a minor) :**

[For account of a minor, two KYC Application Forms must be filled i.e. one for the guardian and another for the minor (to be signed by guardian)

Guardian Name										
PAN										
Relationship of Guardian with Minor										

**J. NOMINATION OPTION**




<input type="checkbox"/> I/We wish to make a nomination (Details are provided in Nomination Form prescribed by SEBI)	<input type="checkbox"/> I/We wish to opt out of a nomination (Declaration Form opting out of nomination as prescribed by SEBI)
---	--

**K. MODE OF OPERATIONS FOR JOINT ACCOUNTS**

<input type="checkbox"/> Jointly <input type="checkbox"/> Anyone of the holder or survivor(s)
If Mode of Operation for Joint Account is chosen as anyone of the holder or survivor(s), only specified operations such as transfer of securities including Inter-Depository Transfer, pledge / hypothecation / margin pledge / margin re-pledge (creation, closure and invocation and confirmation thereof as applicable of securities and freeze/unfreeze of account and/or securities and/or specific number of securities will be permitted.

**DECLARATION**

The rules and regulations of the Depository and Depository Participants pertaining to an account which are in force now have been read by me/us and I/we have understood the same and I/we agree to abide by and to be bound by the rules as are in force from time to time for such accounts. I/we hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting. I am/we are aware that I/we may be held liable for it. In case non-resident account, I/we also declare that I/we have complied and will continue to comply with

	Sole / First Holder / Guardian (Mr./Ms.) (in case of Minor)	Second Holder (Mr./Ms.)	Third Holder (Mr./Ms.)
Name			
Signatures			



1) I / We want the details of my / our nominee to be printed in the statement of holding or statement of account, provided to me/ us by the AMC / DP as follows; (please tick, as appropriate)  Name of nominee(s)  Nomination: Yes / No

2) I hereby authorize \_\_\_\_\_ (nominee number \_\_\_) to operate my account on my behalf, in case of my incapacitation in terms of paragraph 3.5 of the circular. He / She is authorized to encash my assets up to \_\_\_% of assets in the account / folio or Rs. \_\_\_\_\_. (Optional). (Strike off portions that are not relevant)

3) This nomination shall supersede any prior nomination made by me / us, if any

4) Signature(s) – As per the mode of holding in demat account(s) / MF folio(s)

	Name(s) of holder(s)	Signature(s) of holder/ thumb impression	Signature of two witnesses	Name of Witness & Address (wherever applicable)*
<b>Sole/First Holder (Mr./Ms)</b>				
<b>Second Holder (Mr./Ms)</b>				
<b>Third Holder (Mr./Ms)</b>				

\* Signature of two witness(es), along with name and address are required, if the account holder affixes thumb impression, instead of wet signature.

#### Rights, Entitlement and Obligation of the investor and nominee:

- If you are opening a new demat account / MF folios, you have to provide nomination, Otherwise you have to follow procedure as per 3.10 of this circular. You can make nomination or change nominee any number of times without any restriction.
- You demise of the investor, the nominees shall have the option to either continue as joint holders with other nominees or for each nominee(s) to open separate single account/folio.
- Upon demise of the investor, the nominees shall have the option to either continue as joint holders with other nominees or for each nominee(s) to open separate single account / folio.
- In case all your nominees do not claim the assets from the AMC/DP, then the residual unclaimed asset shall continue to be with the AMC in case of MF unit and with the concerned Depository in case of Demat account.
- You have the option to designate any one of your nominees to operate your account/folio, in case of your physical incapacitation at any point of time and not just during opening of account/ folio
- This mandate can be changed any time you choose.
- This signatories for this nomination form shall be as per mode of holding in the folio(s) / demat account(s) i.e.
  - 'Either or Survivor' Folios/Accounts-any one of the holder can sign
  - 'First holder' Folios / Accounts -only First holder can sign
  - 'Jointly' Folios / Accounts-all holders have to sign

#### Transmission aspects

- AMCs/DPs shall transmit the folio/account to the nominee(s) upon receipt of 1) copy of death certificate and 2) completion /update of KYC of nominee.  
The nominee is not required to provide affidavits, indemnities,
- In case of a joint account/folio, for transmission to the surviving joint holder(s) by name deletion, the surviving joint holder(s) shall have the option to update residential address(es), mobile number(s), email address(es), bank account detail(s), annual income and nominee(s), either along with transmission or at a later date. The regulated entity cannot seek KYC documents at the time of transmission, unless it was sought earlier but not provided by the holder.
- Nominee(s) shall extend all possible co-operation to transfer the assets to the legal heir(s) of the deceased investor, In this regard, no dispute shall lie against the AMC/DP.
- In case of multiple, the assets shall be distributed pro-rata to the surviving nominees, as illustrated below.

% share as specified by investor at the time of nomination		% assets to be apportioned to surviving nominees upon demise of investor and nominee 'A'			
Nominee	% share	Nominee	% initial share	% of A's share to be apportioned	Total % share
<b>A</b>	<b>60%</b>	<b>A</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B</b>	<b>30%</b>	<b>B</b>	<b>30%</b>	<b>45%</b>	<b>75%</b>
<b>C</b>	<b>10%</b>	<b>C</b>	<b>10%</b>	<b>15%</b>	<b>25%</b>
<b>Total</b>	<b>100%</b>	<b>-</b>	<b>40%</b>	<b>60%</b>	<b>100%</b>

**DECLARATION FORM FOR OPTING OUT OF NOMINATION**

(Annexure-B)

**Ashlar Securities Private Limited**

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)  
 Corp. Office : 1D, A-1, Sector-10, Noida-201301 (U.P.)



UCC	
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DATE	D	D	M	M	Y	Y	Y	Y
------	---	---	---	---	---	---	---	---

DP ID											Client ID							
-------	--	--	--	--	--	--	--	--	--	--	-----------	--	--	--	--	--	--	--

Sole/First Holder Name	
Second Holder Name	
Third Holder Name	

I / We hereby confirm that I / We do not wish to appoint any nominee(s) in my / our trading / demat account and understand the issues involved in non-appointment of nominee(s) and further are aware that in case of death of all the account holder(s), my / our legal heirs would need to submit all the requisite documents / information for claiming of assets held in my / our trading / demat account, which may also include documents issued by Court or other such competent authority, based on the value of assets held in the trading / demat account.

Signatures of Holder(s)

Signature of 1st Holder

Signature of 2nd Holder

Signature of 3rd Holder

**STANDING INSTRUCTION FOR AUTO PLEDGE CONFIRMATION**

To,

**Ashlar Securities Pvt. Ltd.****DP ID : IN303921**

Regd. Off.: A-38, Sector-67, Noida-201301  
 Corp. Off: 1D, Sector-10, Noida-20301 (U.P.)

Date : \_\_\_\_\_

With reference to my / our application for opening a depository account, I / We request you to enable my / our depository account having DP ID IN303921 & Client ID \_\_\_\_\_ with Flag "Standing Instruction for Auto Pledge Confirmation".

I / We have read and understood the Securities and Exchange Board of India's guidelines on pledging of shares in dematerialised form as regulated by SEBI (Depositories and Participants) Regulations, 1996 and Depositories Act, 1996.

.....  
Sole/First Holder Signature.....  
Second Holder Signature.....  
Third Holder Signature

To,  
**Ashlar Securities Pvt. Ltd.**  
Regd. Off.: A-38, Sector-67, Noida-201301(U.P.)  
Corp. Off: 1D, Sector-10, Noida-20301 (U.P.)

Date : \_\_\_\_\_

Dear Sirs,

**Sub: Request to provide the Statements through e-mail and/or website.**

Client ID : \_\_\_\_\_ E-mail ID. \_\_\_\_\_

You are hereby requested to provide me/us transaction statement(s)/bills or any other document(s) required to be sent to me under my specific request or as per the statutory requirement(s) through e-mail and/or website. I/We am/are aware and understand the following:-

1. I/We am/are aware that I/we will not receive the transaction statements/bills etc in paper form.
2. I/We understand that website(s) would mean www.ashlarindia.com and or any of it's pages/links/applets or any other website that Ashlar Securities Pvt. Ltd. may inform from time to time.
3. I/We will take all the necessary steps to ensure confidentiality and secrecy of the login name and password of the DP back office /email account.
4. I/We am/are aware that the transaction statement/bills etc. may be accessed by other entities in case the confidentiality/secrecy of the login name and password is compromised.
5. I/We shall immediately inform Ashlar Securities Pvt. Ltd. about change in email address, if any.
6. I/we agree that till the time the change in email address is not updated in the records of Ashlar Securities Pvt. Ltd., the statements/bills etc. sent to the original email address shall deem to be a valid delivery and I/we shall keep Ashlar Securities Pvt. Ltd. and/or any of it's employees, directors, agents, associates indemnified against any loss suffered by them and also not hold them responsible for any loss suffered by me/us on this account.
7. I/We shall log off from website/DP back office/e-mail service, whenever I/we am/are not accessing or using the service. Any liability incurred to me/ us as a consequence of the not logging off the service shall be borne solely by me/us.
8. I/we agree that Ashlar Securities Pvt. Ltd. shall not take cognizance of out-of-office/out-of-station auto replies and I/we am/are deemed to have received above referred documents. Non-receipt of bounced mail notification by Ashlar Securities Pvt. Ltd. shall amount to delivery of the above-referred documents at the email id provided by me/us.
9. I/we agree that I/we shall immediately notify Ashlar Securities Pvt. Ltd. in writing with full details if I/we discover or suspect, unauthorized access through my/our DP back office password or Notice discrepancies that might be attributable to unauthorized access, Forget DP back office password or Discover a security flaw.
10. I/we understand that I/we am/are responsible for installing, operating and maintaining the communication equipment (including but not limited to personal computers and modems), software, tools, telephone or alternative service required at my/our end and connectivity required for using and accessing the website(s), back office , email account(s) , any above referred documents or any other related services at my/our own cost.
11. Ashlar Securities Pvt. Ltd. will not ( and shall not be under any obligation to ) assist me/us in operating, installing and / or maintaining any such communication equipment/infrastructure or obtaining any permits, clearances etc for establishing connectivity or linkages to the website(s) of the participant.
12. Ashlar Securities Pvt. Ltd.'s own records of the transactions/holdings/bills etc. mentioned through computer systems or otherwise shall be accepted as conclusive and binding on me/us for all purposes.
13. I/we understand and agree that the initial password sent by Ashlar Securities Pvt. Ltd. of DP back office should only be used for the first login. I/we agree to immediately reset my/our password(s) upon the first login. I/we understand and agree that if I/we do not change the password(s) after the first login, I/we shall keep the Ashlar Securities Pvt. Ltd. and/or any of it's employees, directors, agents, associates indemnified against any loss suffered by them and also not hold them responsible for any loss suffered by me/us on this account.
14. I/we understand and agree that the records of the Ashlar Securities Pvt. Ltd. with respect to delivery of above referred documents shall be conclusive evidence of any such documents delivered.
15. Ashlar Securities Pvt. Ltd. and I/we shall have the right to terminate such service provided a written notice is given at least 10 days in advance to the other party.
16. I/We shall approach Ashlar Securities Pvt. Ltd. within 24 hours from the delivery/display of the above data/documents etc. intimating any inability to access or download of the above data, document, data etc. failing which it shall be deemed to be the due delivery and acceptance of the data, document, data etc. sent to me/us via electronic mail/displayed by Ashlar Securities Pvt. Ltd./on the website of Ashlar Securities Pvt. Ltd. In all cases, Ashlar Securities Pvt. Ltd. reserves the right to determine the validity of my/our objection to the transaction.

Thanking You

Yours truly,



.....  
Sole/First Holder Signature



.....  
Second Holder Signature



.....  
Third Holder Signature



# TERMS AND CONDITIONS FOR RECEIVING SMS ALERTS FORM NSDL

## SMS Alert facility for NSDL demat account holders

### Introduction

NSDL has launched SMS Alert facility for demat account holders whereby investors can receive alerts for debits (transfers) to their demat accounts, credits for IPO and offer for sale allotment, sub-division and bonus. Alerts are also sent in case the instructions given by investors for debiting their demat accounts fail due to insufficient balance. Under this facility, investors can receive alerts, a day after such debits (transfers) take place or debit instruction failing as the case may be and on the same day when such credits take place. These alerts are sent to those account holders who have provided their mobile numbers to their Depository Participants (DPs). Alerts for debits are sent, if the debits (transfers) are up to five ISINs in a day. In case debits (transfers) are for more than five ISINs, alert s are sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP or on IDeAS website, if the investor is an IDeAS subscriber.

### Benefits

1. Investors will get to know about debits and credits for IPO and offer for sale allotment, sub-division, bonus and failed debit instructions due to insufficient balance without having to call-up their DPs.
2. Investors need not wait for receiving Transaction Statements from DPs to know about such debits and credits.
3. In case of any discrepancy, the investor can approach its DP for clarification sooner.

### Charges

No charge is levied by NSDL on DPs for providing this facility to investors.

### Registration

This facility is available to investors who request for such a facility and provide their mobile numbers to the DPs. In case mobile numbers already given have changed, investors need to inform their DPs about the new numbers by way of written requests. Investors who have not yet provided their mobile numbers to their DPs can also avail this facility by intimating their mobile numbers to their DPs and submit a written request for this facility. This facility is not available to investors who have registered mobile numbers originating outside India. Thus, this facility will be available to the investors provided they have given their mobile numbers to their DPs and the DPs have captured the numbers in the computer system and have also enabled (ticked) the SMS flag in their system.

### Contact

The investors may contact their respective DPs in case they do not receive SMS alert inspite of registering for this facility. Those investors who have provided their mobile numbers to their DPs but do not wish to avail this facility may also inform their DPs.

### For further details / information investors may contact us at

Investor Relationship Cell

National Securities Depository Limited

4<sup>th</sup> Floor, A Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

Tel.: (022) 2499 4200 / 4090 4200 Fax: (022) 2497 6351

Email: relations@nsdl.co.in

### Terms and Conditions

#### 1.1 Definition

In these Terms and Conditions, the following terms shall have the following meanings:

"Alerts" or "Facility" means the customized messages with respect to specific events/transactions relating to an Investor's Account sent as Short Messaging Service ("SMS") over mobile phone to the Investor;

"Investor" means the person who holds an Account;

"Account" means the demat account of the Investor with NSDL maintained through its Depository Participant;

"ISIN" means an International Securities Identification Number assigned to a security;

"CSP" means the cellular service provider through whom the Investor or NSDL receives the mobile services.

#### 1.2 Availability

1.2.1 NSDL at its sole discretion may discontinue the Facility at any time by providing a prior intimation through its website or any other medium of communication. NSDL may at its discretion extend the Facility to investors who register mobile phones originating outside India.

1.2.2 The Alerts would be generated by NSDL and will be sent to the investors on the mobile number provided by the investor and the delivery of the Alert would be entirely based on the service availability of the service provider and connectivity with other cellular circles of the CSPs or in circles forming part of the roaming GSM network agreement between such CSPs. The Alerts are dependent on various factors including connectivity and, therefore, NSDL cannot assure final and timely delivery of the Alerts.

1.2.3 The investor will be responsible for the security and confidentiality of his/her Mobile Phone and mobile phone number to be used for this Facility.

#### 1.3 Process

1.3.1 This Facility provides Alerts to investors over mobile phones for the debits (transfers), credits for IPO and offer for sale allotment, sub-division and bonus that have taken place in their accounts. Alerts are also sent in case the instructions given by investors for debiting their demat accounts fail due to insufficient balance. Under this Facility, investors can receive Alerts, a day after such debits (transfers) take place or debit instruction failing as the case may be and on the same day when such credits take place. These Alerts will be sent to those investors who have requested for such a Facility and have provided their mobile numbers to their Depository Participants. Alerts will be sent for debits, if the debits (transfers) are up to five ISINs in a day. In case debits (transfers) are for more than five ISINs, Alerts will be sent with a message that debits for more than five ISINs have taken place and that the investor can check the details with the DP or on IDeAS website, if the investor is an IDeAS subscriber. Investors who have provided their mobile numbers to Depository Participants but do not wish to avail of this Facility may do so by informing their Depository Participants accordingly.

1.3.2 The investor is duty bound to acquaint himself/herself with the detailed process for using the Facility and interpreting the Alerts for which NSDL is not responsible for any error/omissions by the investor.

1.3.3 The investor acknowledges that the Alerts will be implemented in a phased manner and NSDL may at a later stage; as and when feasible, add more Alerts. NSDL may, at its discretion, from time to time change the features of any Alert. The investor will be solely responsible for keeping himself/herself updated of the available Alerts, which shall, on best-effort basis, be notified by NSDL through its website or any other medium of communication.

#### 1.4 Receiving Alerts

1.4.1 The investor is solely responsible for intimating in writing to his/her Depository Participant any change in his/her mobile phone number and NSDL will not be liable for sending Alerts or other information over his/her mobile phone number recorded with NSDL.

1.4.2 The investor acknowledges that to receive Alerts, his/her mobile phone must be in an 'on' mode. If his/her mobile is kept 'off' for a specified period from the time of delivery of an Alert message by NSDL, that particular message may not be received by the investor.

1.4.3 The investor acknowledges that the Facility is dependent on the infrastructure, connectivity and services provided by the CSPs within India. The investor accepts that timeliness, accuracy and readability of Alerts sent by NSDL will depend on factors affecting the CSPs and other service providers. NSDL shall not be liable for non-delivery or delayed delivery of Alerts, error, loss or distortion in transmission of Alerts to the investor.

1.4.4 NSDL will endeavor to provide the Facility on a best effort basis and the investor shall not hold NSDL responsible/liable for non-availability of the Facility or non performance by any CSPs or other service providers or any loss or damage caused to the investor as a result of use of the Facility (including relying on the Alerts for his/her investment or business or any other purposes) for causes which are attributable and are beyond the control of NSDL. NSDL shall not be held liable in any manner to the investor in connection with the use of the Facility.

1.4.5 The investor accepts that each Alert may contain certain account information relating to the investor. The investor authorizes NSDL to send any other account related information, though not specifically requested, if NSDL deems that the same is relevant.

#### 1.5 Withdrawal or Termination

1.5.1 NSDL may, in its discretion, withdraw temporarily or terminate the Facility, either wholly or in part, at any time. NSDL may suspend temporarily the Facility at any time during which any maintenance work or repair is required to be carried out or in case of any emergency or for security reasons, which require the temporary suspension of the Facility.

1.5.2 Notwithstanding the terms laid down in clause 1.5.1 above, either the investor or NSDL may, for any reason whatsoever, terminate this Facility at any time. In case the investor wishes to terminate this Facility, he/she will have to intimate his/her Depository Participant accordingly.

#### 1.6 Fees

1.6.1 At present, NSDL is levying no charge for this Facility on the Depository Participants. The investor shall be liable for payment of airtime or other charges, which may be levied by the CSPs in connection with the receiving of the Alerts, as per the terms and conditions between the CSPs and investors, and NSDL is in no way concerned with the same.

#### 1.7 Disclaimer

1.7.1 This Facility is only an Alert mechanism for the investors and is not in lieu of the Transaction Statements required to be provided by the Depository Participant to its clients.

1.7.2 NSDL shall not be concerned with any dispute that may arise between the investor and his/her CSP and makes no representation or gives no warranty with respect to the quality of the service provided by the CSP or guarantee for timely delivery or accuracy of the contents of each Alert.

1.7.3 The investor shall verify the transactions and the balances in his/her account from his/her Depository Participant and not rely solely on Alerts for any purpose.

1.7.4 NSDL will not be liable for any delay or inability of NSDL to send the Alert or for loss of any information in the Alerts in transmission.

#### 1.8 Liability

1.8.1 NSDL shall not be liable for any losses, claims and damages arising from negligence, fraud, collusion or violation of the terms herein on the part of the investor and/ or a third party.



Sole/First Holder Signature



Second Holder Signature



Third Holder Signature



# ASHLAR SECURITIES PVT. LTD.

(DEPOSITORY PARTICIPANT - NSDL) DP ID IN303921 • SEBI Regn. No. : IN-DP-236-2016

Regd. Office : A-38, Sector-67, Noida-201301, Ph.: 0120-6633200

Corp. Office : 25/4, Gali No. 17, Vishwas Nagar, Delhi-110032 • E-mail : dp@ashlarindia.com

## SCHEDULE OF SERVICE CHARGES FOR DP SERVICES w.e.f. 01-10-2017

## SCHEDULE - A

SCHEME	Scheme-A (Rs. 2000 in advance out of which Rs. 1000 is refundable/adjusted on closure of A/c and/or change of scheme after one year from the date of a/c opening)	Scheme-B	Scheme-C Rs. 999/- for Life Time Rs. 750/- for conversion of existing account for life time maintenance free	BSDA (Basic Services Demat Account)		
1. Account Opening Charges	Nil	Nil	Nil	Nil		
2. Account Maintenance Charges	For Individual : Nil  For Non-Individual : Rs. 500/- p.a.	For Individual : Rs. 300/- p.a.  For Non-Individual : Rs. 800/- p.a.	For Individual : Nil  For Non-Individual : Rs. 500/- p.a.	In case value of holdings is upto Rs 4 Lakhs  NIL	In case of holding is more than Rs. 4 Lakh but upto Rs. 10 Lakhs <b>Rs. 100/-</b> AMC Charge p.a  Rs. 100/-	In case value of holding is more than Rs. 10 Lakhs regular AMC may be Levied  As applicable in Scheme A, B or C as opted by the Client
3. Dematerialisation Charges	Rs. 20/- Per DRF plus Rs. 3/- per Certificate	Rs. 20/- Per DRF plus Rs. 3/- per Certificate	Rs. 20/- Per DRF plus Rs. 3/- per Certificate	Rs. 20/- Per DRF plus Rs. 3/- per Certificate		
4. Rematerialisation Charges	Rs. 20/- per every 100 securities or part thereof subject to maximum fee of Rs.5,00,000; or a flat fee of Rs. 20/- per certificate which ever is higher is payable	Rs. 20/- per every 100 securities or part thereof subject to maximum fee of Rs.5,00,000; or a flat fee of Rs. 20/- per certificate which ever is higher is payable	Rs. 20/- per every 100 securities or part thereof subject to maximum fee of Rs.5,00,000; or a flat fee of Rs. 20/- per certificate which ever is higher is payable	Rs. 20/- per every 100 securities or part thereof subject to maximum fee of Rs.5,00,000; or a flat fee of Rs. 20/- per certificate which ever is higher is payable		
5. Custody	Nil	Nil	Nil	Nil		
6. Transaction Charges (per Transaction) Receipt / Purchase Delivery / Sale	Nil Rs. 12/-	All Charges Payable upfront  Nil Rs. 15/-	All Charges Payable upfront  Nil Rs. 15/-	All Charges Payable upfront  Nil Rs. 30/-		
7. Pledge Charges (per Transaction) Creation Invocation / Closure	Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 25/-		
8. Margin Pledge / Un-pledge Margin Re-pledge	Rs. 15/- Rs. 3/-	Rs. 15/- Rs. 3/-	Rs. 15/- Rs. 3/-	Rs. 15/- Rs. 3/-		
9. Lending / borrowing Charges Borrowing Lending Repay	Rs. 50/- Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 50/- Rs. 25/-	Rs. 50/- Rs. 50/- Rs. 25/-		
10. Surrender request (SRF)	Rs. 100/- per request	Rs. 100/- per request	Rs. 100/- per request	Rs. 100/- per request		

Normal Account with Scheme A  BSDA (after subsequent conversion with Scheme A)   
 Normal Account with Scheme B  BSDA (after subsequent conversion with Scheme B)   
 Normal Account with Scheme C  BSDA (after subsequent conversion with Scheme C)

### \*GST applicable as per Government Rule.

In addition to the above the following out of pocket expenses shall also be charged.

1. Instruction Booklet : Rs. 10/-, 20/- Containing 10, 20 Leaves.
2. Failed Instruction Intimation : Rs. 20/- per intimation per instruction.
3. Additional Statement of Holding/Transaction : Rs. 2/- per Page + Postage.
4. Non periodic statement & other communications shall be charged @ Rs. 20/- per mail.
5. AMC for Speed-E Services @ Rs. 500/- p.a.
6. Charges are subject to revision at Depository Participant's sole discretion by giving 30 days notice and shall be informed by circulars sent by ordinary post/press advertisement/Electronic Communication/courier/personal messenger/Website ( Website means www.ashlarindia.com and/ or its pages and links and/ or any other website(s)/links/pages/applets Participant may inform from time to time)
7. In case of demat rejection postage shall be charged @ Rs. 30/- for dispatch to the client for removal of objection.
8. Taxes and other government levies extra as applicable from time to time.
9. Any modifications to the Client Master will incur a charge of Rs 20. Online nomination services will cost Rs 35. If a hard copy of the Client Master is requested, it will cost Rs 20 plus applicable postage charges.
10. All the charges are payable on monthly basis under scheme A and under all other schemes all charges are payable upfront.
11. Service charges for DP services for trading clients of Ashlar Securities Pvt. Ltd. and Ashlar Commodities Pvt. Ltd. will be debited to their trading accounts.
12. Ashlar Securities Pvt. Ltd. may suspend/freeze the depository services of the account holder on non payment of outstanding bill till the time outstanding DP service Charges is received.

Note: A settlement fee at the rate of Rs 4.00 per debit instruction in a Client's account shall be charged by the NSDL.

**"As per SEBI Circular No. SEBI/HO/MIRSDP/MIRSDPoD1/P/CIR/2024/91 dated June 28, 2024, all clients who are willing to hold only one demat account as the first holder and whose DP holding valuation does not exceed Rs 4 lakh are eligible to opt for BSDA (Basic Service Demat Account), subject to the terms and conditions specified by**

I/We do not wish to avail BSDA facility in my/our Demat Account  I/We wish to avail BSDA facility in my/our Demat Account



Sole/First Holder Signature



Second Holder Signature



Third Holder Signature

## OPTION FORM FOR ISSUE OF DIS BOOKLET

To,  
**Ashlar Securities Pvt. Ltd.**  
 Regd. Off.: A-38, Sector-67, Noida-201301(U.P.)  
 Corp. Off: 1D, Sector-10, Noida-20301 (U.P.)

Date : \_\_\_\_\_




Dear Sir/ Madam,

I/ We hereby state that (Select one of the options given below)

**Option 1**

I/ We require you to issue Delivery Instruction Slip (DIS) booklet to me/us immediately on opening my/our account though I/We have issued a Power of Attorney (POA) in favor of Ashlar Securities Pvt. Ltd. for executing delivery instructions for setting stock exchange trades (settlement related transactions) effected through such Clearing member.




Your Faithfully,

	Sole/First Holder	Second Holder	Third Holder
Name			
Signatures			

**Option 2**

I/ We do not require you to issue Delivery Instruction Slip (DIS) booklet for the time being since I/ We have subscribe for e-DIS/POA/DDPI in favor of Ashlar Securities Pvt Ltd for executing delivery instructions for setting stock exchange trades (settlement related transactions) effected through such Clearing member. However, the Delivery Instruction Slip (DIS) booklet should be issued to me/us immediately on my/our request at any later date.

Your Faithfully,

	Sole/First Holder	Second Holder	Third Holder
Name			
Signatures			

## E-DIS MANDATE




To,  
**Ashlar Securities Pvt. Ltd.**  
 Regd. Off.: A-38, Sector-67, Noida-201301(U.P.)  
 Corp. Off: 1D, Sector-10, Noida-20301 (U.P.)

Date : \_\_\_\_\_

Dear Sir/ Madam,

I wish to avail the E-DIS facility to operate in my Demat account number (\_\_\_\_\_), attached to my UCC Code (\_\_\_\_\_), I hereby declare that I am agree to avail the E-DIS.

Under this facility, based on the mandate submitted by the Client, Clearing Members submits the instruction to the Depository Participant of the Client to debit the securities from the demat account of the Clients to the extent of obligation at exchange(s) arising out of trades. NSDL validates the details of debit instruction with obligation details uploaded by CCs. Upon debit of securities from the Client account, as a risk mitigation mechanism, NSDL sends SMS to concerned clients at the mobile number registered in their demat account.

	Sole/First Holder	Second Holder	Third Holder
Name			
Signatures			

# CLIENT GUIDANCE DOCUMENT



## Ashlar Securities Private Limited

Member :

National Stock Exchange of India Ltd.  
Bombay Stock Exchange Ltd.

SEBI Regn. No. : INZ000203739

Depository Participant : National Securities Depository Ltd. (NSDL)  
SEBI Registration Number : IN-DP-NSDL-236-2016

Regd. Office : A-38, Sector-67, Noida-201301 (U.P.)  
Phone : 0120-6633200

Corp. Office : Plot No. 1D, A-1, Sector-10, Noida-201301(U.P.)  
E-mail : care@ashlarindia.com

*Compliance Officer*

PRIYA RATHI  
Ph.: 0120-6633229  
Email : compliance@ashlarindia.com

*COO*

DEEPAK K KHANDELWAL  
Ph.: 0120-6633204  
Email : pradeep@ashlarindia.com

*Clearing Member :*

GLOBE DERIVATIVES AND SECURITIES LIMITED  
NSE (F&O, CDS), BSE (F&O, CDS), MCX (COM)  
SEBI Regn. No.: INZ000312637

609, Ansal Bhawan, 16, Kasturba Gandhi Marg, New Delhi-110001 Tel.: 011-30412345

Client Guidance Booklet for the information of Client  
as per SEBI Circular No. CIR/MIRSD/16/2011 Dt. 22 August 2011

**RIGHTS AND OBLIGATIONS OF STOCK BROKERS, SUB-BROKERS AND CLIENTS***as prescribed by SEBI and Stock Exchanges*

1. The client shall invest/trade in those securities/ contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Regulations of Exchanges/ Securities and Exchange Board of India (SEBI) and circulars/ notices issued there under from time to time.
2. The stock broker, sub-broker and the client shall be bound by all the Rules, Byelaws and Regulations of the Exchange and circulars/ notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
3. The client shall satisfy itself of the capacity of the stock broker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stock broker and the client shall from time to time continue to satisfy itself of such capability of the stock broker before executing orders through the stock broker.
4. The stock broker shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
5. The stock broker shall take steps to make the client aware of the precise nature of the Stock broker's liability for business to be conducted, including any limitations, the liability and the capacity in which the stock broker acts.
6. The sub-broker shall provide necessary assistance and co-operate with the stock broker in all its dealings with the client(s).
10. The stock broker and sub-broker shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stock broker may so disclose information about his client to any person or authority with the express permission of the client.

**MARGINS**

11. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the stock broker or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The stock broker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the client shall be obliged to pay such margins within the stipulated time.
12. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

**CLIENT INFORMATION**

7. The client shall furnish all such details in full as are required by the stock broker in "Account Opening Form" with supporting details, made mandatory by stock exchanges/SEBI from time to time.
8. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the stock broker shall be non-mandatory, as per terms & conditions accepted by the client.
9. The client shall immediately notify the stock broker in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the stock broker on a periodic basis.

**TRANSACTIONS AND SETTLEMENTS**

13. The client shall give any order for buy or sell of a security/derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the stock broker. The stock broker shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.
14. The stock broker shall inform the client and keep him apprised about trading/settlement cycles, delivery/ payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.
15. The stock broker shall ensure that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than



the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange.

16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, stock broker shall be entitled to cancel the respective contract(s) with client(s).
17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued thereunder.

#### BROKERAGE

18. The Client shall pay to the stock broker brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that stock broker renders to the Client. The stock broker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and bye-laws of the relevant stock exchanges and/or rules and regulations of SEBI.

#### LIQUIDATION AND CLOSE OUT OF POSITION

19. Without prejudice to the stock broker's other rights (including the right to refer a matter to arbitration), the client understands that the stock broker shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.
20. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, stock broker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result therefrom. The client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the stock broker against the legal heir.

21. The stock broker shall bring to the notice of the relevant Exchange the information about default in payment/delivery and related aspects by a client. In case where defaulting client is a corporate entity/partnership/proprietary firm or any other artificial legal entity, then the name(s) of Director(s)/ Promoter(s)/ Partner(s)/ Proprietor as the case may be, shall also be communicated by the stock broker to the relevant Exchange(s).

#### DISPUTE RESOLUTION

22. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
23. The stock broker shall co-operate in redressing grievances of the client in respect of all transactions routed through it and in removing objections for bad delivery of shares, rectification of bad delivery, etc.
24. The client and the stock broker shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Regulations of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.
25. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The client/stock-broker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stock-broker shall be binding on the client/stock-broker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stock-broker.

#### TERMINATION OF RELATIONSHIP

27. This relationship between the stock broker and the client shall be terminated; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.
28. The stock broker, sub-broker and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to



subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

29. In the event of demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or/withdrawal of recognition of the sub-broker by the stock exchange and/or termination of the agreement with the sub broker by the stock broker, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the stock broker and all clauses in the 'Rights and Obligations' document(s) governing the stock broker, sub-broker and client shall continue to be in force as it is, unless the client intimates to the stock broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

#### ADDITIONAL RIGHTS AND OBLIGATIONS

30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.
31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and
35. Format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.
35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.
37. The stock broker/stock broker and depository participant shall not directly/indirectly compel the clients to execute Power of Attorney (POA) of Demat Debit and Pledge Instruction (DDPI) or deny services to the client if the client refuses to execute PoA or DDPI.

#### ELECTRONIC CONTRACT NOTES (ECN)

37. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
38. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
39. The client shall note that non-receipt of bounced mail notification by the stock broker shall amount to delivery of the contract note at the e-mail ID of the client.
40. The stock broker shall retain ECN and acknowledgment of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the

and as per the extant rules/regulations/ circulars/ guidelines issued by SEBI/Stock Exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the stock broker for the specified period under the extant regulations of SEBI/stock exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The stock broker shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant regulations of SEBI/stock exchanges.

41. The stock broker shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the stock broker shall send a physical contract note to the client within the stipulated time under the extant regulations of SEBI/stock exchanges and maintain the proof of delivery of such physical contract notes.
42. In addition to the e-mail communication of the ECNs to the client, the stock broker shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.
46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges/SEBI.
47. All additional voluntary clauses/document added by the stock broker should not be in contravention with rules/regulations/notices/ circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

#### LAW AND JURISDICTION

43. In addition to the specific rights set out in this document, the stock broker, sub-broker and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued thereunder or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchanges, where the trade is executed, that may be in force from time to time.
45. The stock broker and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the stock exchanges, if either party is not satisfied with the arbitration award.

**INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY  
PROVIDED BY STOCK BROKERS TO CLIENT**

(All the clauses mentioned in the '*Rights and Obligations*' document(s) shall be applicable.  
Additionally, the clauses mentioned herein shall also be applicable.)

1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whatsoever through the Stock broker's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/ securities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his authorized representative are not revealed to any third party including employees and dealers of the stock broker.
6. The Client shall immediately notify the Stock broker in writing if he forgets his password, discovers security flaw in Stock Broker's IBT System, discovers/suspects discrepancies/unauthorized access through his username /password/account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.
7. The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/securities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/ password in any manner whatsoever.
8. The stock broker shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the stock broker shall send the order/trade confirmation on the device of the client.
9. The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. are susceptible to interruptions and dislocations. The Stock broker and the Exchange do not make any representation or warranty that the Stock broker's IBT Service will be available to the Client at all times without any interruption.
10. The Client shall not have any claim against the Exchange or the Stock broker on account of any suspension, interruption, non-availability or malfunctioning of the Stock broker's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/system failure at the Client/Stock brokers/ Exchange end for any reason beyond the control of the stock broker/Exchanges.

## RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET AND DERIVATIVES SEGMENTS

This document contains important information on trading in Equities/Derivatives Segments of the stock exchanges. All prospective constituents should read this document before trading in Equities/Derivatives Segments of the Exchanges.

Stock exchanges/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor have Stock exchanges /SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

In the light of the risks involved, you should undertake transactions only if you understand the nature of the relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that trading in Equity shares, derivatives contracts or other instruments traded on the Stock Exchange, which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on Stock exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and Stock exchanges/its Clearing Corporation and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned stock broker. The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a derivative contract being traded on Stock exchanges.

It must be clearly understood by you that your dealings on Stock exchanges through a stock broker shall be subject to your fulfilling certain formalities set out by the stock broker, which may inter alia include your filling the know your client form, reading the rights and obligations, do's and don'ts, etc., and are subject to the Rules, Byelaws and Regulations of relevant Stock exchanges, its Clearing Corporation,

guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by Stock exchanges or its Clearing Corporation and in force from time to time. Stock exchanges does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any stock broker of Stock exchanges and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade or authorize someone to trade for you, you should be aware of or must get acquainted with the following:-

### 1. BASIC RISKS:

#### 1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that a security/derivatives contract undergoes when trading activity continues on the Stock Exchanges. Generally, higher the volatility of a security/derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded securities / derivatives contracts than in active securities /derivatives contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

#### 1.2 Risk of Lower Liquidity:

Liquidity refers to the ability of market participants to buy and/or sell securities / derivatives contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / derivatives contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / derivatives contracts purchased or sold. There may be a risk of lower liquidity in some securities /



derivatives contracts as compared to active securities / derivatives contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

1.2.1 Buying or selling securities / derivatives contracts as part of a day trading strategy may also result into losses, because in such a situation, securities / derivatives contracts may have to be sold / purchased at low / high prices, compared to the expected price levels, so as not to have any open position or obligation to deliver or receive a security / derivatives contract.

### 1.3 Risk of Wider Spreads:

Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a security / derivatives contract and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid securities / derivatives contracts. This in turn will hamper better price formation.

### 1.4 Risk-reducing orders:

The placing of orders (e.g., "stop loss" orders, or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

1.4.1 A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security / derivatives contract.

1.4.2 A "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the customer receives price protection, there is a possibility that the order may not be executed at all.

1.4.3 A stop loss order is generally placed "away" from the current price of a stock / derivatives contract, and such order gets activated if and when the security / derivatives contract reaches, or trades through, the stop price.

Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the security / derivatives contract reaches the pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a security / derivatives contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

### 1.5 Risk of News Announcements:

News announcements that may impact the price of stock / derivatives contract may occur during trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative movement in the price of the security / contract.

### 1.6 Risk of Rumors:

Rumors about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumors.

### 1.7 System Risk:

High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

1.7.1 During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

1.7.2 Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security / derivatives contract due to any action on account of unusual trading activity or security / derivatives contract hitting circuit filters or for any other reason.

### 1.8 System/Network Congestion:

Trading on exchanges is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Derivatives segments are concerned, please note and get yourself acquainted with the following additional features:-

#### 2.1 Effect of "Leverage" or "Gearing":

In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'. Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the margin amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involve daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index / derivatives contract. If the contract has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This amount will have to be paid within a stipulated time frame, generally before commencement of trading on next day.

- B. If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the stock broker may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

#### 2.2 Currency specific risks:

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.
2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.
3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.



## 2.3 Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

## 2.4 Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

## 3. TRADING THROUGH WIRELESS TECHNOLOGY / SMART ORDER ROUTING OR ANY OTHER TECHNOLOGY:

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/ smart order routing or any other technology should be brought to the notice of the client by the stock broker.

## 4. GENERAL

- 4.1 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a stock broker for the purpose of acquiring and/or selling of securities / derivatives contracts through the mechanism provided by the Exchanges.
- 4.2 The term 'stock broker' shall mean and include a stock broker, a broker or a stock broker, who has been admitted as such by the Exchanges and who holds a registration certificate from SEBI.

## GUIDANCE NOTE - DO'S AND DON'Ts FOR TRADING ON THE EXCHANGE(S) FOR INVESTORS

### BEFORE YOU BEGIN TO TRADE

1. Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges websites ([www.nseindia.com](http://www.nseindia.com), [www.bseindia.com](http://www.bseindia.com)) and SEBI website [www.sebi.gov.in](http://www.sebi.gov.in).
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/Stock exchanges.
6. Obtain a copy of all the documents executed by you from the stock broker free of charge.
7. In case you wish to execute Power of Attorney (POA) in favour of the Stock broker, authorizing it to operate your bank and demat account, please refer to the guidelines issued by SEBI/Exchanges in this regard.

### TRANSACTIONS AND SETTLEMENTS

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/ demat account.

12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the stock broker shall maintain running account for you subject to the following conditions:
  - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
  - b) The actual settlement of funds and securities shall be done by the stock broker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stock broker shall send to you a 'statement of accounts' containing an extract from the client ledger for funds and an extract from the register of securities displaying all the receipts/deliveries of funds and securities. The statement shall also explain the retention of funds and securities and the details of the pledged shares, if any.
  - c) On the date of settlement, the stock broker may retain the requisite securities/funds towards outstanding obligations and may also retain the funds expected to be required to meet derivatives margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. In respect of cash market transactions, the stock broker may retain entire pay-in obligation of funds and securities due from clients as on date of settlement and for next day's business, he may retain funds/securities/margin to the extent of value of transactions executed on the day of such settlement in the cash market.
  - d) You need to bring any dispute arising from the statement of account or settlement so made to the notice of the stock broker in writing preferably within 7 (seven) working days from the date of receipt of funds/securities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Stock exchanges without delay.

14. In case you have not opted for maintaining running account and pay-out of funds/securities is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the stock broker. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Stock exchange.
15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

#### IN CASE OF TERMINATION OF TRADING MEMBERSHIP

16. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges give a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.
17. Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stock broker, particularly in the event of a default or the stock broker's insolvency or bankruptcy and the extent to which you may recover such money and/or securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

#### DISPUTES/ COMPLAINTS

18. Please note that the details of the arbitration proceedings, penal action against the brokers and investor complaints against the stock brokers are displayed on the website of the relevant Stock exchange.
19. In case your issue/problem/grievance is not being sorted out by concerned stock broker/sub-broker then you may take up the matter with the concerned Stock exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.
20. Note that all the stock broker/sub-brokers have been mandated by SEBI to designate an e-mail ID of the grievance redressal division/ compliance officer exclusively for the purpose of registering complaints.

## RIGHTS AND OBLIGATIONS OF BENEFICIAL OWNER AND DEPOSITORY PARTICIPANT AS PRESCRIBED BY SEBI AND DEPOSITORIES

### General Clause

1. The Beneficial Owner and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996, Rules and Regulations of Securities and Exchange Board of India (SEBI), Circulars/Notifications/Guidelines issued there under, Bye Laws and Business Rules/Operating Instructions issued by the Depositories and relevant notifications of Government Authorities as may be in force from time to time.
2. The DP shall open/activate demat account of a beneficial owner in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time.

### Beneficial Owner information

3. The DP shall maintain all the details of the beneficial owner(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the beneficial owner confidentially and shall not disclose the same to any person except as required by any statutory, legal or regulatory authority in this regard.
4. The Beneficial Owner shall immediately notify the DP in writing, if there is any change in details provided in the account opening form as submitted to the DP at the time of opening the demat account or furnished to the DP from time to time.

### Fees/Charges/Tariff

5. The Beneficial Owner shall pay such charges to the DP for the purpose of holding and transfer of securities in dematerialized form and for availing depository services as may be agreed to from time to time between the DP and the Beneficial Owner as set out in the Tariff Sheet provided by the DP. It may be informed to the Beneficial Owner that "*no charges are payable for opening of demat accounts*"
6. In case of Basic Services Demat Accounts, the DP shall adhere to the charge structure as laid down under the relevant SEBI and/or Depository circulars/directions/ notifications issued from time to time.
7. The DP shall not increase any charges/tariff agreed upon unless it has given a notice in writing of not less than thirty days to the Beneficial Owner regarding the same.

### Dematerialization

8. The Beneficial Owner shall have the right to get the securities, which have been admitted on the Depositories, dematerialized in the form and manner laid down under the Bye Laws, Business Rules and Operating Instructions of the depositories.

### Separate Accounts

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and /or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions/Business Rules of the Depositories.

### Transfer of Securities

11. The DP shall effect transfer to and from the demat accounts of the Beneficial Owner only on the basis of an order, instruction, direction or mandate duly authorized by the Beneficial Owner and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The Beneficial Owner reserves the right to give standing instructions with regard to the crediting of securities in his demat account and the DP shall act according to such instructions.

### Statement of account

13. The DP shall provide statements of accounts to the beneficial owner in such form and manner and at such time as agreed with the Beneficial Owner and as specified by SEBI/depository in this regard.
14. However, if there is no transaction in the demat account, or if the balance has become Nil during the year, the DP shall send one physical statement of holding annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account.
15. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will furnish to the Beneficial Owner the statement of demat accounts under its digital signature, as governed under the Information Technology Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.
16. In case of Basic Services Demat Accounts, the DP shall send the transaction statements as mandated by SEBI and/or Depository from time to time.

## Manner of Closure of Demat account

17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.
18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

## Default in payment of charges

19. In event of Beneficial Owner committing a default in the payment of any amount provided in Clause 5 & 6 within a period of thirty days from the date of demand, without prejudice to the right of the DP to close the demat account of the Beneficial Owner, the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.
20. In case the Beneficial Owner has failed to make the payment of any of the amounts as provided in Clause 5&6 specified above, the DP after giving two days notice to the Beneficial Owner shall have the right to stop processing of instructions of the Beneficial Owner till such time he makes the payment along with interest, if any.

## Liability of the Depository

21. As per Section 16 of Depositories Act, 1996,
  1. Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.
  2. Where the loss due to the negligence of the participant under Clause (1) above, is indemnified by the depository, the depository shall have the right to recover the same from such participant.

## Redressal of Investor grievance

24. The DP shall redress all grievances of the Beneficial Owner against the DP within a period of thirty days from the date of receipt of the complaint.

## Authorized representative

25. If the Beneficial Owner is a body corporate or a legal entity, it shall, along with the account opening form, furnish to the DP, a list of officials authorized by it, who shall represent and interact on its behalf with the Participant. Any change in such list including additions, deletions or alterations thereto shall be forthwith communicated to the Participant.

## Law and Jurisdiction

26. In addition to the specific rights set out in this document, the DP and the Beneficial owner shall be entitled to exercise any other rights which the DP or the Beneficial Owner may have under the Rules, Bye Laws and Regulations of the respective Depository in which the demat account is opened and circulars/ notices issued there under or Rules and Regulations of SEB.
  - I. 27. The provisions of this document shall always be subject to Government notification, any rules, regulations, guidelines and circulars/ notices issued by SEBI and Rules, Regulations and Bye-laws of the relevant Depository, where the Beneficial Owner maintains his/ her account, that may be in force from time to time.
28. The Beneficial Owner and the DP shall abide by the arbitration and conciliation procedure prescribed under the Bye-laws of the depository and that such procedure shall be applicable to any disputes between the DP and the Beneficial Owner.
29. Words and expressions which are used in this document but which are not defined herein shall unless the context otherwise requires, have the same meanings as assigned thereto in the Rules, Bye-laws and Regulations and circulars/notices issued there under by the depository and /or SEBI
30. Any changes in the rights and obligations which are specified by SEBI/Depositories shall also be brought to the notice of the clients at once.
31. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant Depository, where the Beneficial Owner maintains his/her account, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

## Additional Rights And Obligations

The stock broker / stock broker and depository participant shall not directly / indirectly compel the clients to execute Power of Attorney (PoA) or Demat Debit and Pledge Instruction (DDPI) or deny services to the client if the client refuses to execute PoA or DDPI.



**POLICIES AND PROCEDURES AS PER SEBI CIRCULAR NO. MIRSD/ SE /CIR-19/2009 DATED 3 DEC, 2009**

1. Refusal of orders for penny/illiquid stock

The stock broker may from time to time limit (quantity/ value)/refuse orders in one or more securities due to various reasons including market liquidity, value of security(ies), the order being for securities which are not in the permitted list of the stock broker/exchange(s) /SEBI. Provided further that stock broker may require compulsory settlement/advance payment of expected settlement value/ delivery of securities for settlement prior to acceptance/placement of order(s) as well. The client agrees that the losses, if any on account of such refusal or due to delay caused by such limits, shall be borne exclusively by the client alone. The stock broker may require reconfirmation of orders, which are larger than that specified by the stock broker's risk management, and is also aware that the stock broker has the discretion to reject the execution of such orders based on its risk perception.

2. Setting up client's exposure limits and conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.

The stock broker may from time to time impose and vary limits on the orders that the client can place through the stock broker's trading system (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed etc.). The client is aware and agrees that the stock broker may need to vary or reduce the limits or impose new limits urgently on the basis of the stock broker's risk perception and other factors considered relevant by the stock broker including but not limited to limits on account of exchange/ SEBI directions/limits ( such as broker level/ market level limits in security specific/volume specific exposures etc.) , and the stock broker may be unable to inform the client of such variation, reduction or imposition in advance. The client agrees that the stock broker shall not be responsible for such variation, reduction or imposition or the client's inability to route any order through the stock broker's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that the stock broker may at any time, at its sole discretion and without prior notice, prohibit or restrict the client's ability to place orders or trade in securities through the stock broker, or it may subject any order placed by the client to a review before its entry into the trading systems and may refuse to execute/allow execution of orders due to but not limited to the reason of lack of margin/securities or the order being outside the limits set by stock broker/exchange/ SEBI and any other reasons which the stock broker may deem appropriate in the circumstances. The client agrees that the losses, if any on account of such refusal or

Due to delay caused by such review, shall be borne exclusively by the client alone.

The stock broker is required only to communicate/ advise the parameters for the calculation of the margin/security requirements as rate(s)/percentage(s) of the dealings, through anyone or more means or methods such as post /speed post/courier/registered post/registered A.D/facsimile/telegram/cable/e-mail/ voice mails/telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees/agents of the stock broker; by publishing/displaying it on the website of the stock broker/making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch/office through which the client trades or if the circumstances, so require, by radio broadcast/television broadcast/newspapers advertisements etc; or any other suitable or applicable mode or manner. The client agrees that the postal department/the courier company /newspaper company and the e-mail/voice mail service provider and such other service providers shall be the agent of the client and the delivery shall be complete when communication is given to the postal department/the courier company/the e-mail/voice mail service provider, etc. by the stock broker and the client agrees never to challenge the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever and once parameters for margin/security requirements are so communicated, the client shall monitor his/her/its position (dealings/trades and valuation of security) on his/her/its own and provide the required/deficit margin/security forthwith as required from time to time whether or not any margin call or such other separate communication to that effect is sent by the stock broker to the client and /or whether or not such communication is received by the client.

The client is not entitled to trade without adequate margin/security and that it shall be his/her/its responsibility to ascertain beforehand the margin /security requirements for his/ her /its orders/trades/ deals and to ensure that the required margin/security is made available to the stock broker in such form and manner as may be required by the stock broker. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the stock broker intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he /she/it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) &/or any claim /loss/ damage arising out of the non



Availability /shortage of margin /security required by the stock broker &/or exchange &/or SEBI.

The stock broker is entitled to vary the form (i.e., the replacement of the margin/security in one form with the margin/security in any other form, say, in the form of money instead of shares) &/or quantum &/or percentage of the margin &/or security required to be deposited/made available, from time to time.

The margin/security deposited by the client with the stock broker are not eligible for any interest.

The stock broker is entitled to include/appropriate any/all payout of funds &/or securities towards margin/security without requiring specific authorizations for each payout.

The stock broker is entitled to transfer funds &/ or securities from his account for one exchange &/or one segment of the exchange to his/her/its account for another exchange &/or another segment of the same exchange whenever applicable and found necessary by the stock broker.

The client also agrees and authorises the stock broker to treat/adjust his/ her/its margin/security lying in one exchange &/or one segment of the exchange/towards the margin/security/pay in requirements of another exchange &/or another segment of the exchange.

The stock broker is entitled to disable/freeze the account &/or trading facility/any other service. facility, if, in the opinion of the stock broker, the client has committed a crime/fraud or has acted in contradiction of this agreement or/is likely to evade/violate any laws, rules, regulations, directions of a lawful authority whether Indian or foreign or if the stock broker so apprehends.

### 3. Applicable brokerage rate

The stock broker is entitled to charge brokerage within the limits imposed by exchange which at present is as under:

- a. For Cash Market Segment: The maximum brokerage chargeable in relation to trades effected in the securities admitted to dealings on the Capital Market segment of the Exchange shall be 2.5 % of the contract price exclusive of statutory levies. It is hereby further clarified that where the sale/purchase value of a share is Rs.10/- or less, a maximum brokerage of 25 paise per share may be collected.
- b. For Option contracts: Brokerage for option contracts shall be charged on the premium amount at which the option contract was bought or sold and not on the strike price of the option contract. It is hereby clarified that brokerage charged on options contracts shall not exceed 2.5% of the premium amount or Rs 100/- (per lot) whichever is higher.

### 4. Imposition of penalty/delayed payment charges

The client agrees that any amounts which are overdue from the client towards trading or on account of any other reason to the stock broker will be charged with delayed payment charges at such rates not exceeding 2% p.m. as may be determined by the stock broker. The client agrees that the stock broker may impose fines/penalties for any orders/trades/deals/actions of the client which are contrary to this agreement/rules/ regulations/bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. Further where the stock broker has to pay any fine or bear any punishment from any authority in connection with/as a consequence of/in relation to any of the orders/trades/deals/actions of the client, the same shall be borne by the client. The client agrees to pay to the stock broker brokerage, commission, fees, all taxes, duties, levies imposed by any authority including but not limited to the stock exchanges (including any amount due on account of reassessment/ backlogs etc.), transaction expenses, incidental expenses such as postage, courier etc. as they apply from time to time to the client's account/transactions/services that the client avails from the stock broker.

### 5. The right to sell clients' securities or close clients' positions, without giving notice to the client, on account\ of non-payment of client's dues

The stock broker maintains centralized banking and securities handling processes and related banking and depository accounts at designated place. The client shall ensure timely availability of funds/securities in designated form and manner at designated time and in designated bank and depository account(s) at designated place, for meeting his/her/its pay in obligation of funds and securities. The stock broker shall not be responsible for any claim/loss/damage arising out of non availability/short availability of funds/securities by the client in the designated account(s) of the stock broker for meeting the pay in obligation of either funds or securities. If the client gives orders/trades in the anticipation of the required securities being available subsequently for pay in through anticipated payout from the exchange or through borrowing or any off market delivery(s) or market delivery(s) and if such anticipated availability does not materialize in actual availability of securities/funds for pay in for any reason whatsoever including but not limited to any delays/shortages at the exchange or stock broker level/non release of margin by the stock broker etc., the losses which may occur to the client as a consequence of such shortages in any manner such as on account of auctions/square off/closing outs etc., shall be solely to the account of the client and the client agrees not to hold the stock broker responsible for the same in any form or manner whatsoever.

In case the payment of the margin/security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit/credit for the same only on the realization of the funds from the said bank instrument etc. at the absolute discretion of the stock broker.

Where the margin /security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin/security &/or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion.

The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/ securities/shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage mentioned on the website, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position (Le. short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agrees to provide securities/funds to fulfill the payin obligation failing which the client will have to face auctions or internal close outs; in addition to this the client will have to pay penalties and charges levied by exchange in actual and losses, if any. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

The stock broker is entitled to prescribe the date and time by which the margin/security is to be made available and the stock broker may refuse to accept any payments in any form after such deadline for margin/security expires.

Notwithstanding anything to the contrary in the agreement or elsewhere, if the client fails to maintain or provide the required margin/fund/ security or to meet the funds/margins/ securities pay in obligations for the orders/trades/deals of the client within the prescribed time and form, the stock broker shall have the right without any further notice or communication to the client to take any one or more of the following steps:

- i. To withhold any payout of funds/securities.
- ii. To withhold/disable the trading/dealing facility to the client.
- iii. To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the stock broker may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery/receipt.

iv. To liquidate/square off partially or fully the position of sale &/or purchase in anyone or more securities/contracts in such manner and at such rate which the stock broker may decide in its absolute discretion.

v. To take any other steps which in the given circumstances, the stock broker may deem fit.

The client agrees that the loss(s) if any, on account of anyone or more steps as enumerated herein above being taken by the stock broker, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the stock broker.

6. Shortages in obligations arising out of internal netting of trades

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation/ clearing house or other company or entity liable to make the payment and the client has fulfilled his/her/ its obligations first.

The policy and procedure for settlement of shortages in obligations arising out of internal netting of trades is as under:

- a. The securities delivered short are purchased from market on T+3 day which is the Auction Day on Exchange, and the purchase consideration (inclusive of all statutory taxes & levies) is debited to the short delivering seller client.
- b. If securities cannot be purchased from market due to any reason whatsoever on T+3 day they can be covered from the market on any subsequent trading days. In case any reason whatsoever (any error or omission) any delay in covering of securities leads to higher losses, stock broker will not be liable for the same. Where the delivery is matched partially or fully at the Exchange Clearing, the delivery and debits/credits shall be as per Exchange Debits and Credits.
- c. In cases of securities having corporate actions all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction payout is after the book closure/record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day
- d. The Short delivering client is debited by an amount equivalent to higher of 10% above the official closing price on the auction day OR the highest traded price from first trading day of the settlement till the auction day and the amount shall be credited to the short purchasing client.

7. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.

We have margin based RMS System. Client may take exposure upto the amount of margin available with us. Client may not be allowed to take position in case of non-availability/ shortage of margin as per our RMS policy of the company. The existing position of the client is also liable to square off/ close out without giving notice due to shortage of margin/non making of payment for their pay-in obligation/outstanding debts.

8. De-registering a client

Notwithstanding anything to the contrary stated in the agreement, the stock broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- i. If the action of the Client are prima facie illegal/ improper or such as to manipulate the price of any securities or disturb the normal/ proper functioning of the market, either alone or in conjunction with others.
- ii. If there is any commencement of a legal process against the Client under any law in force;
- iii. On the death/lunacy or other disability of the Client;
- iv. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- v. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- vi. If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- vii. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- viii. If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Security;
- ix. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- x. If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the Stock broker;
- xi. If the Client is in breach of any term, condition or covenant of this Agreement;
- xii. If any covenant or warranty of the Client is incorrect or untrue in any material respect; However not with standing any termination of the agreement, all transactions made under/pursuantto this agreement shall be subject to all the terms and conditions of this

and parties to this agreement submit to exclusive jurisdiction of courts of law at the place of execution of this agreement by Stock Broker.

9. Policy regarding treatment of inactive accounts:

When Trade is not done in an account for more than 12 months, Stock Broker reserves the right to temporary suspend the operations. The Management may allow operations in such account after making such verification as it deems fit. The balance of securities/funds will be transferred to client after due verification.

Client Acceptance of Policies and Procedures stated hereinabove:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforce ability and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended/changed unilaterally by the broker, provided the change is informed to me/us with through anyone or more means or methods such as post/speed post/courier/registered post/registered AD/facsimile/telegram/cable/e-mail/voice mails/telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees/agents of the stock broker; by publishing/displaying it on the website of the stock broker/making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch/office through which the client trades or if the circumstances, so require, by radio broadcast/ television broadcast/ newspapers advertisements etc; or any other suitable or applicable mode or manner. I/we agree that the postal department/ the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department/the courier company/the e-mail/voice mail service provider, etc. by the stock broker and I/we agree never to challenge the same on any grounds including delayed receipt/non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/ difference or claim between me/ us and stock broker before any court of law/judicial/adjudicating authority including arbitrator/ mediator etc.



**RIGHTS AND OBLIGATIONS OF MEMBERS, AUTHORIZED PERSONS AND CLIENTS (COMMODITY)  
as prescribed by SEBI and Commodity Exchanges**

1. The client shall invest/ trade in those commodities/contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Business Rules/ Regulations of Exchanges/ SEBI and circulars/ notices issued there under from time to time.
  2. The Member, Authorized Person and the client shall be bound by all the Rules, Byelaws and Business Rules of the Exchange and circulars/notices issued there under and Rules and Regulations of SEBI and relevant notifications of Government authorities as may be in force from time to time.
  3. The client shall satisfy himself of the capacity of the Member to deal in commodities and/or deal in derivatives contracts and wishes to execute its orders through the Member and the client shall from time to time continue to satisfy itself of such capability of the Member before executing orders through the Member.
  4. The Member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.
  5. The Member shall take steps to make the client aware of the precise nature of the Member's liability for business to be conducted, including any limitations, the liability and the capacity in which the Member acts.
  6. Requirements of professional diligence
    - a. The Member must exercise professional diligence while entering into a financial contract or discharging any obligations under it.
    - b. "professional diligence" means the standard of skill and care that a Member would be reasonably expected to exercise towards a Client, commensurate with
      - i. honest market practice;
      - ii. the principle of good faith;
      - lii. the level of knowledge, experience and expertise of the Client;
      - iv. the nature and degree of risk embodied in the financial product\* or financial service being availed by the Client; and
      - v. the extent of dependence of the Client on the Member.

\*Commodity derivative contract
  7. The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).
- CLIENT INFORMATION
8. The client shall furnish all such details in full as are required by the Member in "Account Opening Form" with supporting details, made mandatory by commodity exchanges/SEBI from time to time.
  9. The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Member shall be non-mandatory; therefore, subject to specific acceptance by the client.
  10. The client shall immediately notify the Member in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the Member on a periodic basis.
  11. A. Protection from unfair terms in financial contracts\*\*
    - a. An unfair term of a non-negotiated contract will be void.
    - b. A term is unfair if it
      - i. causes a significant imbalance in the rights and obligations of the parties under the financial contract, to the detriment of the Client; and
      - ii is not reasonably necessary to protect the legitimate interests of the Member.
    - c. The factors to be taken into account while determining whether a term is unfair, include
      - i. the nature of the financial product or financial service dealt with under the financial contract;
      - ii. the extent of transparency of the term;

\*\*contracts offered by commodity exchanges

      - lii. the extent to which the term allows a Client to compare it with other financial contracts for similar financial products or financial services; and
      - iv. the financial contract as a whole and the terms of any other contract on which it is dependent.
    - d. A term is transparent if it
      - i. is expressed in reasonably plain language that is likely to be understood by the Client;
      - ii. is legible and presented clearly; and
      - iii. is readily available to the Client affected by the term.
    - e. If a term of a financial contract is determined to be unfair under point
  11. A.c, the parties will continue to be bound by the remaining terms of the financial contract to the extent that the financial contract is capable of enforcement without the unfair term.
  11. B.
    - a. "Non-negotiated contract" means a contract whose terms, other than the terms contained in

- point 11.C. (given below) are not negotiated between the parties to the financial contract and includes
- i. a financial contract in which, relative to the Client, the Member has a substantially greater bargaining power in determining terms of the financial contract; and
  - ii. a standard form contract.
- b. "Standard form contract" means a financial contract that is substantially not negotiable for the Client, except for the terms contained in point 11.C.
  - c. Even if some terms of a financial contract are negotiated in form, the financial contract may be regarded as a non-negotiated contract if so indicated by
    - i. an overall and substantial assessment of the financial contract; and
    - ii. the substantial circumstances surrounding the financial contract
  - d. In a claim that a financial contract is a non-negotiated contract, the onus of demonstrating otherwise will be on the Member.
- 11.C.
- a. The above does not apply to a term of a financial contract if it-
    - i. defines the subject matter of the financial contract;
    - ii. sets the price that is paid, or payable, for the provision of the financial product or financial service under the financial contract and has been clearly disclosed to the Client; or
    - iii. is required, or expressly permitted, under any law or regulations.
  - b. The exemption under point 11.C does not apply to a term that deals with the payment of an amount which is contingent on the occurrence or non-occurrence of any particular event.
12. The Member and Authorized Person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Member may so disclose information about his client to any person or authority with the express permission of the client.
13. A. Protection of personal information and confidentiality
- a. "Personal information" means any information that relates to a Client or allows a Client's identity to be inferred, directly or indirectly, and includes
    - i. name and contact information;
    - ii. biometric information, in case of individuals
    - iii. information relating to transactions in, or holdings of, financial products
    - iv. information relating to the use of financial services; or
    - v. such other information as may be specified.
- 13.B.
- a. A Member must
    - i. not collect personal information relating to a Client in excess of what is required for the provision of a financial product or financial service;
    - ii. maintain the confidentiality of personal information relating to Clients and not disclose it to a third party, except in a manner expressly permitted under point 13.B. b.;
    - iii. make best efforts to ensure that any personal information relating to a Client that it holds is accurate, up to date and complete;
    - iv. ensure that Clients can obtain reasonable access to their personal information, subject to any exceptions that the Regulator may specify; and
    - v. allow Clients an effective opportunity to seek modifications to their personal information to ensure that the personal information held by the Member is accurate, up to date and complete.
  - b. A Member may disclose personal information relating to a Client to a third party only if
    - i. it has obtained prior written informed consent of the Client for the disclosure, after giving the Client an effective opportunity to refuse consent;
    - ii. the Client has directed the disclosure to be made;
    - iii. the Regulator has approved or ordered the disclosure, and unless prohibited by the relevant law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
    - iv. the disclosure is required under any law or regulations, and unless prohibited by such law or regulations, the Client is given an opportunity to represent under such law or regulations against such disclosure;
    - v. the disclosure is directly related to the provision of a financial product or financial service to the Client, if the Member
      1. informs the Client in advance that the personal information may be shared with a third party; and
      2. makes arrangements to ensure that the third party maintains the confidentiality of the personal information in the same manner as required under this Part; or
    - vi. the disclosure is made to protect against or prevent actual or potential fraud, unauthorised transactions or claims, if the Member arranges with the third party to maintain the confidentiality of the personal information in the manner required under this Part.-
  - c. "Third party" means any person other than the concerned Member, including a person belonging to the same group as the Member.

14. A. Requirement of fair disclosure both initially and on continuing basis

- a. Member must ensure fair disclosure of information that is likely to be required by a Client to make an informed transactional decision.
- b. In order to constitute fair disclosure, the information must be provided
  - i. sufficiently before the Client enters into a financial contract, so as to allow the Client reasonable time to understand the information;
  - ii. in writing and in a manner that is likely to be understood by a Client belonging to a particular category; and
  - iii. in a manner that enables the Client to make reasonable comparison of the financial product or financial service with other similar financial products or financial services.
- c. The types of information that must be disclosed to a Client in relation to a financial product or financial service, which may include information regarding
  - i. main characteristics of the financial product or financial service, including its features, benefits and risks to the Client;
  - ii. consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
  - iii. existence, exclusion or effect of any term in the financial product or financial contract;
  - iv. nature, attributes and rights of the Member, including its identity, regulatory status and affiliations;
  - v. contact details of the Member and the methods of communication to be used between the Member and the Client;
  - vi. rights of the Client to rescind a financial contract within a specified period; or
  - vii. rights of the Client under any law or regulations.

14.B.

- a. Member must provide a Client that is availing a financial product or financial service provided by it, with the following continuing disclosures
  - i. any material change to the information that was required to be disclosed under point 14.A at the time when the Client initially availed the financial product or financial service;
  - ii. information relating to the status or performance of a financial product held by the Client, as may be required to assess the rights or interests in the financial product or financial service; and
  - iii. any other information that may be specified.
- b. A continuing disclosure must be made -
  - i. within a reasonable time-period from the occurrence of any material change or at reasonable periodic intervals, as applicable; and
  - ii. in writing and in a manner that is likely to be understood by a Client belonging to that category.

MARGINS

15. The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Member or the Exchange or as may be directed by SEBI from time to time as applicable to the segment(s) in which the client trades. The Member is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange or SEBI) and the client shall be obliged to pay such margins within the stipulated time.
16. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

TRANSACTIONS AND SETTLEMENTS

17. The client shall give any order for buy or sell of commodities derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the Member however ensuring the regulatory requirements in this regard are complied with. The Member shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.
18. The Member shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant commodity exchange where the trade is executed.
19. The Member shall ensure that the money deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the Member for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, circulars, notices, guidelines of SEBI and/or Rules, Business Rules, Bye-laws, circulars and notices of Exchange.
20. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, Member shall be entitled to cancel the respective contract(s) with client(s).
21. The transactions executed on the Exchange are subject to Rules, Byelaws and Business Rules and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified



7. by the Byelaws and Business Rules of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Business Rules of the Exchanges and the circulars/notices issued thereunder.

#### BROKERAGE

22. The Client shall pay to the Member brokerage and statutory levies as are prevailing from time to time and as they apply to the Client's account, transactions and to the services that Member renders to the Client. The Member shall not charge brokerage more than the maximum brokerage permissible as per the Rules, Business Rules and Bye-laws of the relevant commodity exchanges and/or Rules of SEBI.

#### LIQUIDATION AND CLOSE OUT OF POSITION

23. Without prejudice to the Member's other rights (including the right to refer a matter to arbitration), the client understands that the Member shall be entitled to liquidate/close out all or any of the client's positions for nonpayment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.

24. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring commodities which the client has ordered to be bought or sold, Member may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/commodities in favor of a Nominee shall be valid discharge by the Member against the legal heir.

#### DISPUTE RESOLUTION

25. The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.
26. The client and the Member shall refer any claims and/or disputes with respect to deposits, margin money, etc., to arbitration as per the Rules, Byelaws and Business Rules of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.
27. The client/Member understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/Member shall be binding on the client/Member in accordance with the letter authorizing the said representative to deal on behalf of the said client/Member.
28. Requirement for each Member to have an effective grievance redress mechanism which is

Accessible to all its Clients.

- a. A Member must have in place an effective mechanism to receive and redress complaints from its Clients in relation to financial products or financial services provided by it, or on its behalf, in a prompt and fair manner.
  - b. A Member must inform a Client, at the commencement of relationship with the Client and at such other time when the information is likely to be required by the Client, of
    - i. the Client's right to seek redress for any complaints; and
    - ii. the processes followed by the Member to receive and redress complaints from its Clients.
29. A Suitability of advice for the Client  
Right to receive advice that is suitable taking into account the relevant personal circumstances of the Client, such as the Client's financial circumstances and needs. This obligation would apply to persons who render advice to Clients and the regulator may specify categories of financial products and service that necessarily require such advice to be given.
- a. A Member must
    - i. make all efforts to obtain correct and adequate information about the relevant personal circumstances of a Client; and
    - ii. ensure that the advice given is suitable for the Client after due consideration of the relevant personal circumstances of the Client.
  - b. If it is reasonably apparent to the Member that the available information regarding the relevant personal circumstances of a Client is incomplete or inaccurate, the Member must warn the Client of the consequences of proceeding on the basis of incomplete or inaccurate information.
  - c. If a Client intends to avail of a financial product or financial service that the Member determines unsuitable for the Client, the Member -
    - i. must clearly communicate its advice to the Client in writing and in a manner that is likely to be understood by the Client; and
    - ii. may provide the financial product or financial service requested by the Client only after complying with point 29.A.a and obtaining a written acknowledgement from the Client.
30. Dealing with conflict of interest  
In case of any conflict between the interests of a Client and that of the Member, preference must be given to the Client interests.
- a. A member must
    - i. provide a Client with information regarding any conflict of interests, including any conflicted remuneration that the Member has received or expects to receive for making the advice to the Client; and
    - ii. Give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between-

- ii. give priority to the interests of the Client if the Member knows, or reasonably ought to know, of a conflict between
1. its own interests and the interests of the Client; or
  2. the interests of the concerned Member and interests of the Client, in cases where the Member is a financial representative.
- b. The information under point 16a.i. must be given to the Client in writing and in a manner that is likely to be understood by the Client and a written acknowledgment of the receipt of the information should be obtained from the Client.
- c. In this section, "conflicted remuneration" means any benefit, whether monetary or non-monetary, derived by a Member from persons other than Clients, that could, under the circumstances, reasonably be expected to influence the advice given by the Member to a Client.
- TERMINATION OF RELATIONSHIP**
31. This relationship between the Member and the client shall be terminated; if the Member for any reason ceases to be a member of the commodity exchange including cessation of membership by reason of the Member's default, death, resignation or expulsion or if the certificate is cancelled by the Exchange.
32. The Member, Authorized Person and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
33. In the event of demise/insolvency of the Authorized Person or the cancellation of his/its registration with the Board or/withdrawal of recognition of the Authorized Person by the commodity exchange and/or termination of the agreement with the Authorized Person by the Member, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the Member and all clauses in the 'Rights and Obligations' document(s) governing the Member, Authorized Person and client shall continue to be in force as it is, unless the client intimates to the Member his/its intention to terminate their relationship by giving a notice in writing of not less than one month.
- ADDITIONAL RIGHTS AND OBLIGATIONS**
34. The Member and client shall reconcile and settle their accounts from time to time as per the Rules, Business Rules, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
35. The Member shall issue a contract note to his clients for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The Member shall send contract notes to the investors within 24 hours of the execution of the trades in hard copy and/or in electronic form using digital signature.
36. The Member shall make pay out of funds or delivery of commodities as per the Exchange Rules, Bye-Laws, Business Rules and Circulars, as the case may be, to the Client on receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
37. The Member shall send a complete 'Statement of Accounts' for both funds and commodities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement immediately but not later than 30 calendar days of receipt thereof, to the Member. A detailed statement of accounts must be sent every month to all the clients in physical form. The proof of delivery of the same should be preserved by the Member.
38. The Member shall send margin statements to the clients on monthly basis. Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee, warehouse receipts, securities etc.
39. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Member and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.
40. In case, where a member surrenders his/ her/ its membership, Member gives a public notice inviting claims, if any, from investors. In case of a claim relating to transactions executed on the trading system of the Exchange, ensure that client lodge a claim with the Exchange within the stipulated period and with the supporting documents.

- 41.A. Protection from unfair conduct which includes misleading conduct & abusive conduct
- a. Unfair conduct in relation to financial products or financial services is prohibited.
  - b. "Unfair conduct" means an act or omission by a Member or its financial representative that significantly impairs, or is likely to significantly impair, the ability of a Client to make an informed transactional decision and includes
    - i. misleading conduct under point 41.B
    - ii. abusive conduct under point 41.C
    - iii. such other conduct as may be specified.
- 41.B.
- a. Conduct of a Member or its financial representative in relation to a determinative factor is misleading if it is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise, and the conduct involves
    - i. providing the Client with inaccurate information or information that the Member or financial representative does not believe to be true; or
    - ii. providing accurate information to the Client in a manner that is deceptive.
  - b. In determining whether a conduct is misleading under point 41.B.a, the following factors must be considered to be "determinative factors"
    - i. the main characteristics of a financial product or financial service, including its features, benefits and risks to the Client;
    - ii. the Client's need for a particular financial product or financial service or its suitability for the Client;
    - iii. the consideration to be paid for the financial product or financial service or the manner in which the consideration is calculated;
    - iv. the existence, exclusion or effect of any term in a financial contract, which is material term in the context of that financial contract;
    - v. the nature, attributes and rights of the Member, including its identity, regulatory status and affiliations; and
    - vi. the rights of the Client under any law or regulations.
- 41.C.
- a. A conduct of a Member or its financial representative in relation to a financial product or financial service is abusive if it
    - i. involves the use of coercion or undue influence; and
    - ii. causes or is likely to cause the Client to take a transactional decision that the Client would not have taken otherwise.
  - b. In determining whether a conduct uses coercion or undue influence, the following must be considered
    - i. the timing, location, nature or persistence of the conduct;
    - ii. the use of threatening or abusive language or behaviour;
    - iii. the exploitation of any particular misfortune or circumstance of the Client, of which the Member is aware, to influence the Client's decision with regard to a financial product or financial service;
- iv. any non-contractual barriers imposed by the Member where the Client wishes to exercise rights under a financial contract, including
    - v. the right to terminate the financial contract;
    - vi. the right to switch to another financial product or another Member and
    - vii. a threat to take any action, depending on the circumstances in which the threat is made.
- ELECTRONIC CONTRACT NOTES (ECN)
42. In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id to the stock broker. The client shall communicate to the stock broker any change in the email-id through a physical letter. If the client has opted for internet trading, the request for change of email id may be made through the secured access by way of client specific user id and password.
  43. The Member shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamperable and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.
  44. The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the contract note at the e-mail ID of the client.
  45. The Member shall retain ECN and acknowledgement of the e-mail in a soft and non-tamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges from time to time. The proof of delivery i.e., log report generated by the system at the time of sending the contract notes shall be maintained by the Member for the specified period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The Member shall take all possible steps to ensure receipt of notification of bounced mails by him at all times within the stipulated time period under the extant rules/circulars/guidelines issued by SEBI/Commodity exchanges.
  46. The Member shall continue to send contract notes in the physical mode to such clients who do not opt to receive the contract notes in the electronic form. Wherever the ECNs have not been delivered to the client or has been rejected (bouncing of mails) by the e-mail ID of the client, the Member shall send a physical contract note to the client within the stipulated time under the extant Regulations/ Rules, Bye-Laws, Business Rules and

Circulars of SEBI/ commodity exchanges and maintain the proof of dispatch and delivery of such physical contract notes.

47. In addition to the e-mail communication of the ECNs to the client, the Member shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.

#### LAW AND JURISDICTION

48. In addition to the specific rights set out in this document, the Member, Authorised Person and the client shall be entitled to exercise any other rights which the Member or the client may have under the Rules, Bye-laws and Business Rules of the Exchanges in which the client chooses to trade and circulars/notices issued thereunder or Rules of SEBI.
49. The provisions of this document shall always be subject to Government notifications, any rules, guidelines and circulars/notices issued by SEBI and Circulars, Rules, Business Rules and Bye laws of the relevant commodity exchanges, where the trade is executed, that may be in force from time to time..
50. The Member and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal, if either party is not satisfied with the arbitration award.

51. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations / Business Rules and circulars / notices issued thereunder of the Exchanges / SEBI.
52. All additional voluntary/non mandatory clauses/document added by the Member should not be in contravention with Rules/ Business Rules/Notices/Circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.
53. If the rights and obligations of the parties hereto are altered by virtue of change in Rules of SEBI or Bye-laws, Rules and Business Rules of the relevant commodity exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.
54. Members are required to send account statement to their clients every month in physical form.



## GUIDANCE NOTE - DO'S AND DON'Ts FOR THE CLIENTS

### Do's

1. Trade only through Registered Members of the Exchange. Check from the link page of the relevant exchange website to see whether the Member is registered with the Exchange.
2. Insist on filling up a standard 'Know Your Client (KYC)' form before you commence trading.
3. Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.
4. Insist on reading and signing a standard 'Risk Disclosure Agreement'.
5. Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.
6. Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the link page of the relevant exchange website. The trades can be verified online where trade information is available up to 5 working days from the trade date.
7. Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.
8. Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.
9. Obtain receipt for collaterals deposited with the Member towards margins.
10. Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties vis-à-vis those of the Member.
11. Ask all relevant questions and clear your doubts with your Member before transacting.
12. Insist on receiving the bills for every settlement.
13. Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.
14. Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
15. Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.
16. Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.
17. Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.
18. Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.
19. Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.
20. Understand and comply with accounting standards for derivatives.
21. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.
22. Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for trading and the relevant provisions/ guidelines specified by SEBI/Commodity exchanges.
23. Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of commodities with the Member, stating date, commodity, quantity, towards which bank/ demat account such money or commodities (in the form of warehouse receipts) deposited and from which bank/ demat account.
24. The payout of funds or delivery of commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be subject to the following conditions:
  - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
  - b) You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity exchanges without delay.
- In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Commodity exchange.
- d) Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the commodity exchanges.



## Don'ts

25. You should familiarize yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the commodity derivatives market or the member becomes insolvent or bankrupt.
  26. Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited.
  27. In case your problem/grievance/issue is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.
1. Do not deal with any unregistered intermediaries.
  2. Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
  3. Do not enter into assured returns arrangement with any Member.
  4. Do not get carried away by luring advertisements, rumours, hot tips, explicit/ implicit promise of returns, etc.
  5. Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
  6. Do not start trading before reading and understanding the Risk Disclosure Agreement.
  7. Do not neglect to set out in writing, orders for higher value given over phone.
  8. Do not accept unsigned/duplicate contract note/confirmation memo.
  9. Do not accept contract note/confirmation memo signed by any unauthorized person.
  10. Don't share your internet trading account's password with anyone.
  11. Do not delay payment/deliveries of commodities to Member.
  12. Do not forget to take note of risks involved in the investments.
  13. Do not sign blank Delivery Instruction Slips (DIS) while furnishing commodities, deposits and/or keep them with Depository Participants (DP) or member to save time.
  14. Do not pay brokerage in excess of that rates prescribed by the Exchange.
  15. Don't issue cheques in the name of Authorized Person.

## ADDITIONAL RISK DISCLOSURE DOCUMENTS FOR OPTIONS TRADING

### Risk of Option holders:

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

### Risks of Option Writers:

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same

Underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.

3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

## INVESTOR CHARTER – STOCK BROKERS

### 1. **VISION**

To follow highest standards of ethics and compliances while facilitating the trading by clients in securities in a fair and transparent manner, so as to contribute in creation of wealth for investors.

### 2. **MISSION**

- I. To provide high quality and dependable service through innovation, capacity enhancement and use of technology.
- II. To establish and maintain a relationship of trust and ethics with the investors.
- III. To observe highest standard of compliances and transparency.
- IV. To always keep 'protection of investors' interest' as goal while providing service.
- V. To ensure confidentiality of information shared by investors unless such information is required to be provided in furtherance of discharging legal obligations or investors have provided specific consent to share such information.

### 3. **Services provided to Investors by stock brokers include**

- I. Execution of trades on behalf of investors.
- II. Issuance of Contract Notes.
- III. Issuance of intimations regarding margin due payments.
- IV. Facilitate execution of early pay-in obligation instructions.
- V. Periodic Settlement of client's funds.
- VI. Issuance of retention statement of funds at the time of settlement.
- VII. Risk management systems to mitigate operational and market risk.
- VIII. Facilitate client profile changes in the system as instructed by the client.
- IX. Information sharing with the client w.r.t. relevant Market Infrastructure Institutions (MII) circulars.
- X. Provide a copy of Rights & Obligations document to the client.
- XI. Communicating Most Important terms and Conditions (MITC) to the client.
- XII. Redressal of Investor's grievances.

### 4. **Rights of Investors**

- I. **Ask** for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself (including website providing mandatory information).
- II. **Receive** complete information about the risks, obligations, and costs of any investment before investing.

### 5. **Various activities of Stock Brokers with timelines**

S. No.	Activities	Expected Timelines
1.	KYC entered into KRA System and CKYCR	3 Working days of account opening
2.	Client Onboarding	Immediate, but not later than one week
3.	Order execution	Immediate on receipt of order, but not later than the same day
4.	Allocation of Unique Client Code	Before trading
5.	Copy of duly completed Client Registration Documents to clients	7 days from the date of upload of Unique Client Code to the Exchange by the trading member

- III. Receive a copy of all completed account forms and right & obligation documents.
- IV. Receive a copy of 'Most Important Terms & Conditions' (MITC).
- V. Receive account statements that are accurate and understandable.
- VI. Understand the terms and conditions of transactions you undertake.
- VII. Access your funds in a prescribed manner and receive information about any restrictions or limitations on access.
- VIII. Receive complete information about maintenance or service charges, transaction or redemption fees, and penalties in form of tariff sheet.
- IX. Discuss your grievances with compliance officer / compliance team / dedicated grievance redressal team of the firm and receive prompt attention to and fair consideration of your concerns.
- X. Close your zero balance accounts online with minimal documentation
- XI. Get the copies of all policies (including Most Important Terms and Conditions) of the broker related to dealings of your account
- XII. Not be discriminated against in terms of services offered to equivalent clients
- XIII. Get only those advertisement materials from the broker which adhere to Code of Advertisement norms in place
- XIV. In case of broker defaults, be compensated from the Exchange Investor Protection Fund as per the norms in place
- XV. Trade in derivatives after submission of relevant financial documents to the broker subject to brokers' adequate due diligence.
- XVI. Get warnings on the trading systems while placing orders in securities where surveillance measures are in place
- XVII. Get access to products and services in a suitable manner even if differently abled
- XVIII. Get access to educational materials of the MIIs and brokers
- XIX. Get access to all the exchanges of a particular segment you wish to deal with unless opted out specifically as per Broker norms
- XX. Deal with one or more stockbrokers of your choice without any compulsion of minimum business
- XXI. Have access to the escalation matrix for communication with the broker
- XXII. Not be bound by any clause prescribed by the Brokers which are contravening the Regulatory provisions.

6.	Issuance of contract notes	24 hours of execution of trades
7.	Collection of upfront margin from client	Before initiation of trade
8.	Issuance of intimations regarding other margin due payments	At the end of the T day
9.	Settlement of client funds	First Friday/Saturday of the month / quarter as per Exchange pre- announced schedule
10.	'Statement of Accounts' for Funds, Securities and Commodities	Monthly basis
11.	Issuance of retention statement of funds/ commodities	5 days from the date of settlement
12.	Issuance of Annual Global Statement	30 days from the end of the financial year
13.	Investor grievances redressal	21 calendar days from the receipt of the complaint

## 6. Dos and Don'ts for Investors

<b>Dos</b>	<b>DON'Ts</b>
1. Read all documents and conditions being agreed before signing the account opening form.	1. Do not deal with unregistered stock broker.
2. Receive a copy of KYC, copy of account opening documents and Unique Client Code.	2. Do not forget to strike off blanks in your account opening and KYC.
3. Read the product / operational framework / timelines related to various Trading and Clearing & Settlement processes.	3. Do not submit an incomplete account opening and KYC form.
4. Receive all information about brokerage, fees and other charges levied.	4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system.
5. Register your mobile number and email ID in your trading, demat and bank accounts to get regular alerts on your transactions.	5. Do not transfer funds, for the purposes of trading to anyone other than a stock broker. No payment should be made in name of employee of stock broker.
6. If executed, receive a copy of Demat Debit and Pledge Instruction (DDPI). However, DDPI is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting DDPI, carefully examine the scope and implications of powers being granted.	6. Do not ignore any emails / SMSs received with regards to trades done, from the Stock Exchange and raise a concern, if discrepancy is observed.
7. Receive contract notes for trades executed, showing transaction price, brokerage, GST and STT/CTT etc. as applicable, separately, within 24 hours of execution of trades.	7. Do not opt for digital contracts, if not familiar with computers.
8. Receive funds and securities / commodities on time, as prescribed by SEBI or exchange from time to time.	8. Do not share trading password.
9. Verify details of trades, contract notes and statement of account and approach relevant authority for any discrepancies. Verify trade details on the Exchange websites from the trade verification facility provided by the Exchanges.	9. Do not fall prey to fixed / guaranteed returns schemes.
10. Receive statement of accounts periodically. If opted for running account settlement, account has to be settled by the stock broker as per the option given by the client (Monthly or Quarterly).	10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.
11. In case of any grievances, approach stock broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines.	11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments.
12. Retain documents for trading activity as it helps in resolving disputes, if they arise.	

Additionally, Investors may refer to Dos and Don'ts issued by MIs on their respective websites from time to time.

## 7. Grievance Redressal Mechanism

The Process of Investor Grievance redressal is as follows:

1.	Investor Complaint/Grievances	<p>Investor can lodge complaint/grievance against stock broker in the following ways:</p> <p><b><u>Mode of filing the complaint with stock broker</u></b></p> <p>Investor can approach the Stock Broker at the designated Investor Grievance e-mail ID of the stock broker. The Stock Broker will strive to redress the grievance immediately, but not later than 21 days of the receipt of the grievance</p> <p><b><u>Mode of filing the complaint with stock Exchanges</u></b></p> <p>i. SCORES 2.0 (a web based centralized grievance redressal system of SEBI) (<a href="https://scores.sebi.gov.in">https://scores.sebi.gov.in</a>)</p> <p><b><u>Two level review for complaint / grievance against stock broker:</u></b></p> <ul style="list-style-type: none"> <li>• First review done by Designated body/Exchange</li> <li>• Second review done by SEBI</li> </ul> <p>ii. Emails to designated email IDs of Exchange</p>
2.	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	<p>If the Investor is not satisfied with the resolution provided by the Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through online conciliation or arbitration</p>
3.	Steps to be followed in ODR for Review, Conciliation and Arbitration	<ol style="list-style-type: none"> <li>1. Investor to approach Market Participant for redressal of complaint May escalate the complaint on SEBI SCORES portal.</li> <li>2. If investor is not satisfied with response of Market Participant, he/she has either of the following 2 options:             <ol style="list-style-type: none"> <li>i) May escalate the complaint on SEBI SCORES portal</li> <li>ii) May also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration.</li> </ol> </li> </ol>
		<ol style="list-style-type: none"> <li>3. Upon receipt of complaint on SMARTODR portal, the relevant Mill will review the matter and endeavor to resolve the matter between the Market Participant and investor within 21 days.</li> <li>4. If the matter could not be amicably resolved, then the matter shall be referred for conciliation.</li> <li>5. During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator with consent of the parties to dispute.</li> <li>6. If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration.</li> <li>7. The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days with consent of the parties to dispute.</li> </ol>

## 8. Handling of Investors Claims/complaints in case of default of a Trading Member / Clearing Member (TM/CM) Default of TM/CM

Following steps are carried out by Stock Exchange for benefit of investor, in case stock broker defaults:

- Circular is issued to inform about declaration of Stock Broker as Defaulter.
- Information of defaulter stock broker is disseminated on Stock Exchange website.
- Public Notice is issued informing declaration of a stock broker as defaulter
- and inviting claims within specified period.
- Intimation to clients of defaulter stock brokers via emails and SMS for facilitating lodging of claims within the specified period.

Following information is available on Stock Exchange website for information of investors:

- Norms for eligibility of claims for compensation from IPF.
- Claim form for lodging claim against defaulter stock broker.
- FAQ on processing of investors' claims against Defaulter stock broker.
- Provision to check online status of client's claim.
- Standard Operating Procedure (SOP) for handling of Claims of Investors in the Cases of Default by Brokers
- Claim processing policy against Defaulter/Expelled members
- List of Defaulter/Expelled members and public notice issue



## **INVESTOR CHARTER – DEPOSITORY**

### **1. Vision**

Towards making Indian Securities Market - Transparent, Efficient, & Investor friendly by providing safe, reliable, transparent and trusted record keeping platform for investors to hold and transfer securities in dematerialized form.

### **2. Mission**

- To hold securities of investors in dematerialised form and facilitate its transfer, while ensuring safekeeping of securities and protecting interest of investors.
- To provide timely and accurate information to investors with regard to their holding and transfer of securities held by them.
- To provide the highest standards of investor education, investor awareness and timely services so as to enhance Investor Protection and create awareness about Investor Rights.

### **3. Details of business transacted by the Depository and Depository Participant (DP)**

A Depository is an organization which holds securities of investors in electronic form. Depositories provide services to various market participants - Exchanges, Clearing Corporations, Depository Participants (DPs), Issuers and Investors in both primary as well as secondary markets. The depository carries out its activities through its agents which are known as Depository Participants (DP).

### **4. Description of services provided by the Depository through Depository Participants (DP) to investors**

#### **(1) Basic Services**

<b>SNo.</b>	<b>Brief about the Activity / Service</b>	<b>Expected Timelines for processing by the DP after receipt of proper documents</b>
1	Dematerialization of securities	7 days
2	Rematerialization of securities	7 days
3	Mutual Fund Conversion / Destatementization	5 days
4	Re-conversion / Restatementisation of Mutual fund units	7 days
5	Transmission of securities	7 days
6	Registering pledge request	15 days
7	Closure of demat account	30 days
8	Settlement Instruction	For T+1 day settlements, Participants shall accept instructions from the Clients, in physical form up to 4 p.m. (in case of electronic instructions up to 6.00 p.m.) on T day for pay-in of securities. For T+0- day settlements, Participants shall accept EPI instructions from the clients, till 11:00 AM on T day. Note: 'T' refers 'Trade Day'.

#### **(2) Depositories provide special services like pledge, hypothecation, internet-based services etc. in addition to their core services and these include**

<b>SrNo.</b>	<b>Type of Activity /Service</b>	<b>Brief about the Activity / Service</b>
1	Value Added Services	Depositories also provide value added services such as <ul style="list-style-type: none"> <li>• a. <a href="#">Basic Services Demat Account (BSDA)</a>[pls see details in the Annexure A.1 below]</li> <li>• b. <a href="#">Transposition cum dematerialization</a> [pls see details in the Annexure A.1 below]</li> <li>• c. <a href="#">Linkages with Clearing System</a> [pls see details in the Annexure A.1 below]</li> <li>• d. Distribution of cash and non-cash corporate benefits (Bonus, Rights, IPOs etc.)</li> </ul>
2	Consolidated Account statement (CAS)	CAS is issued 10 days from the end of the month (if there were transactions in the previous month) or half yearly (if no transactions).
3	Digitalization of services provided by the depositories	Depositories offer below technology solutions and e-facilities to their demat account holders through DPs: <ul style="list-style-type: none"> <li>a. <a href="#">E-account opening</a> [pls see details in the Annexure A.1 below]</li> <li>b. <a href="#">Online instructions for execution</a> [pls see details in the Annexure A.1 below]</li> <li>c. e-DIS / Demat Gateway</li> <li>d. <a href="#">e-CAS facility</a>[pls see details in the Annexure A.1 below]</li> <li>e. <a href="#">Miscellaneous services</a> [pls see details in the Annexure A.1 below]</li> </ul>

## 5. Details of Grievance Redressal Mechanism

### (1) The Process of investor grievance redressal

1	Investor Complaint / Grievances	<p>Investor can lodge complaint/ grievance against the Depository/DP in the following ways:</p> <p>a. <b>Electronic mode-</b></p> <p>(i) SCORES 2.0 (a web based centralized grievance redressal system of SEBI) <a href="https://scores.sebi.gov.in/">https://scores.sebi.gov.in/</a> <u>Two Level Review for complaint/grievance against DP:</u></p> <ul style="list-style-type: none"><li>• First review done by Designated Body</li><li>• Second review done by SEBI</li></ul> <p>(ii) Respective Depository's web portal dedicated for the filing of complaint <a href="https://investor.nsd.com/portal/en/home">https://investor.nsd.com/portal/en/home</a></p> <p>(iii) Emails to designated email IDs of Depository and Depository Participant <a href="mailto:relations@nsdl.co.in">relations@nsdl.co.in</a> <a href="mailto:Investercell@ashlarindia.com">Investercell@ashlarindia.com</a></p> <p>b. <b>Offline Mode</b> – Send the duly fill complaint form as per format given below The complaints/ grievances lodged directly with the Depository shall be resolved within 21 days.</p>
2	Online Dispute Resolution (ODR) platform for online Conciliation & arbitration	<p>If the Investor is not satisfied with the resolution provided by DP or other Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through by online conciliation or arbitration <a href="https://smartodr.in/register">https://smartodr.in/register</a>.</p>
3	Steps to be followed in ODR for Review, Conciliation & Arbitration	<ul style="list-style-type: none"><li>• Investor to approach Market Participant for redressal of complaint</li><li>• If an investor is not satisfied with response of Market Participant, he/she can escalate the complaint on SEBI SCORES portal.</li><li>• Alternatively, the investor may also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration.</li><li>• Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavor to resolve the matter between the Market Participant and investor within 21 days.</li><li>• If the matter could not be amicably resolved, then the Investor may request the MII to refer the matter case for conciliation.</li><li>• During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator.</li><li>• If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration.</li></ul> <p>The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days.</p>
4	Investor Grievance Redressal Committee of Depository	<p>If no amicable resolution is arrived, then the Investor has the option to refer the complaint/ grievance to the Grievance Redressal Committee (GRC) of the Depository. Upon receipt of reference, the GRC will endeavor to resolve the complaint/ grievance by hearing the parties, and examining the necessary information and documents.</p>

### (2) Illustration of New Grievance Redressal System:

The flow-chart of New Grievance Redressal System. *[link to be provided by the Participants]*

**Annexure-A2**

## **INFORMATION CONTAINED IN LINKS TO THE INVESTOR CHARTER**

This document contains the contents in main Charter mapped with the same superscript.

### **Para 4 (2) of Investor Charter**

#### **Point 1: Value Added Services**

##### **a) Basic Services Demat Account (BSDA):**

The facility of BSDA with limited services for eligible individuals was introduced with the objective of achieving wider financial inclusion and to encourage holding of demat accounts. As per the SEBI direction, No Annual Maintenance Charges (AMC) shall be levied, if the value of securities holding in the Demat Account (Debt as well as other than debt securities combined) is upto Rs. 4 lakhs. For value of securities holdings in Demat Account (Debt as well as other than debt securities combined) is more than Rs 4 lakhs but upto Rs 10 lakhs, AMC not exceeding Rs 100 is chargeable.

of Holdings in the Demat Account (Debt as well as other than debt securities combined)	Maximum Annual Maintenance Charges
Up to Rs. 4 lakhs	NIL
More than Rs. 4 lakhs but up to Rs. 10 lakhs	Rs. 100
More than Rs. 10 lakhs	Not a BSDA. Regular AMC may be levied.

**b) Transposition cum dematerialization:**

In case of transposition-cum- dematerialisation, client can get securities dematerialised in the same account if the names appearing on the certificates match with the names in which the account has been opened but are in a different order. The same may be done by submitting the security certificates along with the Transposition Form and Demat Request Form.

**c) Linkages with Clearing System**

for actual delivery of securities to the clearing system from the selling brokers and delivery of securities from the clearing system to the buying broker.

**Point 3: Digitization of services provided by the depositories**

**a) E-account opening:**

Account opening through digital mode, popularly known as “On-line Account opening”, wherein investor intending to open the demat account can visit DP website, fill in the required information, submit the required documents, conduct video IPV and demat account gets opened without visiting DPs office.

**b) Online instructions for execution:**

internet-enabled services like Speed-e (NSDL) & Easiest (CDSL) empower a demat account holder in managing his/her securities ‘anytime-anywhere’ in an efficient and convenient manner and submit instructions online without the need to use paper. These facilities allow Beneficial Owner (BO) to submit transfer instructions and pledge instructions including margin pledge from their demat account. The instruction facilities are also available on mobile applications through android, windows and IOS platforms.

**c) e-DIS / Demat Gateway:**

Investors can give instructions for transfer of securities through e-DIS apart from physical DIS. Here, for on-market transfer of securities, investors need to provide settlement number along with the ISIN and quantity of securities being authorized for transfer. Client shall be required to authorize each e-DIS valid for a single settlement number / settlement date, by way of OTP and PIN/password, both generated at Depositories end. Necessary risk containment measures are being adopted by Depositories in this regard.

**d) e-CAS facility:**

Consolidated Account Statements are available online and could also be accessed through mobile app to facilitate the investors to view their holdings in demat form.

**e) Miscellaneous services:**

Transaction alerts through SMS, e-locker facilities, chat bots for instantaneously responding to investor queries etc. have also been developed.

**Para 5(2) of Investor Charter \_\_\_\_\_ Illustration of New Grievance Redressal System**

**NEW GRIEVANCE REDRESSAL SYSTEM**



**Stages of resolution of dispute through ODR :**



**Para 6. Guidance pertaining to special circumstances related to market activities: Termination of the Depository Participant**

1	<ul style="list-style-type: none"> <li>• Depositories to terminate the participation in case a participant no longer meets the eligibility criteria and/or any other grounds as mentioned in the bye laws like suspension of trading member by the Stock Exchanges.</li> <li>• Participant surrenders the participation by its own wish.</li> </ul>	<p>Client will have a right to transfer all its securities to any other Participant of its choice without any charges for the transfer within 30 days from the date of intimation by way of letter/email.</p>
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**Para 7 of Investor Charter**  
**Dos and Don'ts for Investor**  
**Guidance**

1. Always deal with a SEBI registered Depository Participant for opening a demat account.
2. Read all the documents carefully before signing them.
3. Before granting Power of attorney to operate your demat account to an intermediary like Stock Broker, Portfolio Management Services (PMS) etc., carefully examine the scope and implications of powers being granted.
4. Always make payments to registered intermediary using banking channels. No payment should be made in name of employee of intermediary.
5.
  - Accept the Delivery Instruction Slip (DIS) book from your DP only (pre- printed with a serial number along with your client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS slips.
  - Always mention the details like ISIN, number of securities accurately. In case of any queries, please contact your DP or broker and it should be signed by all demat accountholders.
  - Strike out any blank space on the slip and Cancellations or corrections on the DIS should be initialed or signed by all the accountholder(s).
  - Do not leave your instruction slip book with anyone else.
  - Do not sign blank DIS as it is equivalent to a bearer cheque.
6. Inform any change in your Personal Information (for example address or Bank Account details, email ID, Mobile number) linked to your demat account in the prescribed format and obtain confirmation of updation in system.
7. Mention your Mobile Number and email ID in account opening form to receive SMS alerts and regular updates directly from depository.
8. Always ensure that the mobile number and email ID linked to your demat account are the same as provided at the time of account opening/updation.
9. Do not share password of your online trading and demat account with anyone.
10. Do not share One Time Password (OTP) received from banks, brokers, etc. These are meant to be used by you only.
11. Do not share login credentials of e-facilities provided by the depositories such as e-DIS/demat gateway, SPEED-e/easiest etc. with anyone else.
12. Demat is mandatory for any transfer of securities of Listed public limited companies with few exceptions.
13. If you have any grievance in respect of your demat account, please write to designated email IDs of depositories or you may lodge the same with SEBI online at <https://scores.sebi.gov.in>
14. Keep a record of documents signed, DIS issued and account statements received.
15. As Investors you are required to verify the transaction statement carefully for all debits and credits in your account. In case of any unauthorized debit or credit, inform the DP or your respective Depository.

16. Appoint a nominee to facilitate your heirs in obtaining the securities in your demat account, on completion of the necessary procedures.
17. Register for Depository's internet-based facility or download mobile app of the depository to monitor your holdings.
18. Ensure that, both, you're holding and transaction statements are received periodically as instructed to your DP. You are entitled to receive a transaction statement every month if you have any transactions.
19. Do not follow herd mentality for investments. Seek expert and professional advice for your investments
20. Beware of assured / fixed returns.

#### **Para 8 of Investor Charter**

##### **Rights of investors**

- Receive a copy of KYC, copy of account opening documents.
- No minimum balance is required to be maintained in a demat account.
- No charges are payable for opening of demat accounts.
- If executed, receive a copy of Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. You have the right to revoke any authorization given at any time.
- You can open more than one demat account in the same name with single DP/multiple DPs.
- Receive statement of accounts periodically. In case of any discrepancies in statements, take up the same with the DP immediately. If the DP does not respond, take up the matter with the Depositories.
- Pledge and /or any other interest or encumbrance can be created on demat holdings.
- Right to give standing instructions with regard to the crediting of securities in demat account.
- Investor can exercise its right to freeze / defreeze his/her demat account or specific securities / specific quantity of securities in the account, maintained with the DP.
- In case of any grievances, Investor has right to approach Participant or Depository or SEBI for getting the same resolved within prescribed timelines.
- Every eligible investor shareholder has a right to cast its vote on various resolutions proposed by the companies for which Depositories have developed an internet based 'e-Voting' platform.
- Receive information about charges and fees. Any charges / tariff agreed upon shall not increase unless a notice in writing of not less than thirty days is given to the Investor.

#### **Para 9 of Investor Charter**

##### **Responsibilities of Investors**

- Deal with a SEBI registered DP for opening demat account, KYC and Depository activities.
- Provide complete documents for account opening and KYC (Know Your Client).
- Fill all the required details in Account Opening Form / KYC form in own handwriting and cancel out the blanks.
- Read all documents and conditions being agreed before signing the account opening form.
- Accept the Delivery Instruction Slip (DIS) book from DP only (preprinted with a serial number along with client ID) and keep it in safe custody and do not sign or issue blank or partially filled DIS.
- Always mention the details like ISIN, number of securities accurately.
- Inform any change in information linked to demat account and obtain confirmation of updation in the system.
- Regularly verify balances and demat statement and reconcile with trades / transactions.
- Appoint nominee(s) to facilitate heirs in obtaining the securities in their account.
- Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.

#### **Para 10. Code of Conduct for Depositories**

- i. Always abide by the provisions of the SEBI Act, 1992 Depositories Act, 1996, any Rules or Regulations framed thereunder, circulars, guidelines and any other directions issued by the Board from time to time.
- ii. Adopt appropriate due diligence measures.
- iii. Take effective measures to ensure implementation of proper risk management framework and good governance practices.
- iv. Take appropriate measures towards investor protection and education of investors.
- v. Treat all its applicants/members in a fair and transparent manner.
- vi. Promptly inform SEBI of violations of the provisions of the SEBI Act, 1992 the Depositories Act, 1996, rules, regulations, circulars, guidelines or any other directions by any of its issuer or issuer's agent.
- vii. Take a proactive and responsible attitude towards safeguarding the interests of investors, integrity of depository's systems and the securities market.
- viii. Endeavor for introduction of best business practices amongst itself and its members.
- ix. Act in utmost good faith and shall avoid conflict of interest in the conduct of its functions.
- x. Not indulge in unfair competition, which is likely to harm the interests of any other Depository, their participants or investors or is likely to place them in a disadvantageous position while competing for or executing any assignment.
- xi. Segregate roles and responsibilities of key management personnel within the depository including:
  - a. Clearly mapping legal and regulatory duties to the concerned position



- b. Defining delegation of powers to each position
- c. Assigning regulatory, risk management and compliance aspects to business and support teams
- xii. Be responsible for the acts or omissions of its employees in respect of the conduct of its business.
- xiii. monitor the compliance of the rules and regulations by the participants and shall further ensure that their conduct is in a manner that will safeguard the interest of investors and the securities market.

**Para 11. Code of Conduct for Participants**

*A participant shall make all efforts to protect the interests of investors.*

- i. *A participant shall always endeavour to—*
  - a. *(a) render the best possible advice to the clients having regard to the client's needs and the environments and his own professional skills;*
  - b. *(b) ensure that all professional dealings are effected in a prompt, effective and efficient manner;*
  - c. *(c) inquiries from investors are adequately dealt with;*
  - d. *(d) grievances of investors are redressed without any delay.*
- ii. *A participant shall maintain high standards of integrity in all its dealings with its clients and other intermediaries, in the conduct of its business.*
- iii. *A participant shall be prompt and diligent in opening of a beneficial owner account, dispatch of the dematerialisation request form, rematerialisation request form and execution of debit instruction slip and in all the other activities undertaken by him on behalf of the beneficial owners.*
- iv. *A participant shall endeavour to resolve all the complaints against it or in respect of the activities carried out by it as quickly as possible, and not later than one month of receipt.*
- v. *A participant shall not increase charges/fees for the services rendered without proper advance notice to the beneficial owners.*
- vi. *A participant shall not indulge in any unfair competition, which is likely to harm the interests of other participants or investors or is likely to place such other participants in a disadvantageous position while competing for or executing any assignment.*
- vii. *A participant shall not make any exaggerated statement whether oral or written to the clients either about its qualifications or capability to render certain services or about its achievements in regard to services rendered to other clients.*
- viii. *A participant shall not divulge to other clients, press or any other person any information about its clients which has come to its knowledge except with the approval/authorization of the clients or when it is required to disclose the information under the requirements of any Act, Rules or Regulations.*
- ix. *A participant shall cooperate with SEBI as and when required.*
- x. *A participant shall maintain the required level of knowledge and competency and abide by the provisions of the Act, Rules, Regulations and circulars and directions issued by the Board. The participant shall also comply with the award of the Ombudsman passed under the Securities and Exchange Board of India (Ombudsman) Regulations, 2003.*
- xi. *A participant shall not make any untrue statement or suppress any material fact in any documents, reports, papers or information furnished to SEBI.*
- xii. *A participant shall not neglect or fail or refuse to submit to SEBI or other agencies with which it is registered, such books, documents, correspondence, and papers or any part thereof as may be demanded/requested from time to time.*
- xiii. *A participant shall ensure that SEBI is promptly informed about any action, legal proceedings, etc., initiated against it in respect of material breach or non-compliance by it, of any law, Rules, regulations, directions of the Board or of any other regulatory body.*
- xiv. *A participant shall maintain proper inward system for all types of mail received in all forms.*
- xv. *A participant shall follow the maker-checker concept in all of its activities to ensure the accuracy of the data and as a mechanism to check unauthorized transaction.*
- xvi. *A participant shall take adequate and necessary steps to ensure that continuity in data and record keeping is maintained and that the data or records are not lost or destroyed. It shall also ensure that for electronic records and data, up-to-date backup is always available with it.*
- xvii. *A participant shall provide adequate freedom and powers to its compliance officer for the effective discharge of his duties.*
- xviii. *A participant shall ensure that it has satisfactory internal control procedures in place as well as adequate financial and operational capabilities which can be reasonably expected to take care of any losses arising due to theft, fraud and other dishonest acts, professional misconduct or omissions.*
- xix. *A participant shall be responsible for the acts or omissions of its employees and agents in respect of the conduct of its business.*
- xx. *A participant shall ensure that the senior management, particularly decision makers have access to all relevant information about the business on a timely basis.*
- xxi. *A participant shall ensure that good corporate policies and corporate governance are in place.*