

**INDEX OF DOCUMENTS**  
**MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES**

S.N.	Name of the Document	Brief Significance of the Document	Pg. No
1.	Account Opening Form	A. KYC form - Document captures the basic information about the constituent and an instruction/check list.	2-7
		B. Document captures the additional information about the constituent relevant to trading account and an instruction/check list.	8-9
2.	Rights and Obligations	Document stating the Rights & Obligations of stock broker/trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	10-14
3.	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	15-18
4.	Guidance Note	Document detailing do's and don'ts for trading on exchange, for the education of the investors.	19-20
5.	Policies and Procedures	Document describing significant policies and procedures of the stock broker.	21-23
6.	Tariff sheet	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the stock exchange(s).	24
<b>VOLUNTARY DOCUMENTS AS PROVIDED BY THE STOCK BROKER</b>			
7.	Customer Profile	Additional detail about client	25
8.	Running Account Authorisation	To maintain fund, securities on running account basis	26
9.	ECN Letter	This mandate is to authorisation to issue contract notes in digital mode. It provides terms and conditions for the issuance of digital contract note.	27
10.	Debit authorisation letter	This letter authorises DP to debit charges of demat account to trading account	28
11.	FOR NRI / FN	To be provided on letterhead of firm (if applicable)	29
12.	Declaration by HUF/Confirmation for HUF	To be provided on letterhead of firm (if applicable)	30
13.	Declaration by partnership firm	To be provided on letterhead of firm (if applicable)	31
14.	Format of Board Resolution	To be provided on letterhead of firm (if applicable)	32

**DISCLOSURE IN TERMS OF SEBI CIRCULAR NO.: SEBI/MRD/SE/CIR-42/2003 DATED NOVEMBER 19, 2003**

B R JALAN SECURITIES PVT LTD caters to Institutional, Corporate, High net-worth and other retail clients through membership of various exchanges.

B R JALAN SECURITIES PVT LTD besides doing client based business also does its own investment and/or trading.

For B R JALAN SECURITIES PVT LTD

“Proprietary Trading Disclosure noted”

Director/Authorised Signatory

Client Name :

Client Code :

Client's Signature 

## INSTRUCTIONS FOR FILLING KYC FORM

**MANDATORY**

### A. IMPORTANT POINTS:

1. Self attested copy of PAN card is mandatory for all clients, including Promoters/Partners/Karta/Trustees and whole time directors and persons authorized to deal in securities on behalf of company/firm/others.
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. 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.

### C. 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.

**CHECK LIST FOR FILLING KYC FORM**  
(Please tick against documents provided)

**MANDATORY**

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

1.  Unique Identification Number (UID) (Aadhaar)  
 Passport  
 Voter ID card  
 Driving license.
2.  PAN card with photograph.
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.

**B. 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  
 Ration 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.
  8.  The proof of address in the name of the spouse.
- C.**  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.
- D.**  Demat master or recent holding statement issued by DP bearing name of the client.
- E. Additional documents in case of trading in derivatives segments** - illustrative list:
- Copy of ITR Acknowledgement
  - Copy of Annual Accounts
  - In case of salary income - Salary Slip
  - Copy of Form 16
  - Net worth certificate
  - Copy of demat account holding statement
  - Bank account statement for last 6 months
  - Any other relevant documents substantiating ownership of assets.
  - Self declaration with relevant supporting documents.

\*In respect of other clients, documents as per risk management policy of the stock broker need to be provided by the client from time to time.

**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.

In case of Non-Individuals, additional documents to be obtained from non-individuals, over & above the POI & POA, as mentioned below: (Please tick against documents provided)

**MANDATORY**

Types of entity	Documentary requirements
<b>Corporate</b>	<input type="checkbox"/> Copy of the balance sheets for the last 2 financial years (to be submitted every year). <input type="checkbox"/> Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year). <input type="checkbox"/> Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations. <input type="checkbox"/> Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly. <input type="checkbox"/> Copies of the Memorandum and Articles of Association and certificate of incorporation. <input type="checkbox"/> Copy of the Board Resolution for investment in securities market. <input type="checkbox"/> Authorised signatories list with specimen signatures.
<b>Partnership firm</b>	<input type="checkbox"/> Copy of the balance sheets for the last 2 financial years (to be submitted every year). <input type="checkbox"/> Certificate of registration (for registered partnership firms only). <input type="checkbox"/> Copy of partnership deed. <input type="checkbox"/> Authorised signatories list with specimen signatures. <input type="checkbox"/> Photograph, POI, POA, PAN of Partners.
<b>Trust</b>	<input type="checkbox"/> Copy of the balance sheets for the last 2 financial years (to be submitted every year). <input type="checkbox"/> Certificate of registration (for registered trust only). <input type="checkbox"/> Copy of Trust deed. List of trustees certified by managing trustees/CA. <input type="checkbox"/> Photograph, POI, POA, PAN of Trustees.
<b>HUF</b>	<input type="checkbox"/> PAN of HUF. <input type="checkbox"/> Deed of declaration of HUF/ List of coparceners. <input type="checkbox"/> Bank pass-book/bank statement in the name of HUF. <input type="checkbox"/> Photograph, POI, POA, PAN of Karta.
<b>Unincorporated association or a body of individuals</b>	<input type="checkbox"/> Proof of Existence/Constitution document. <input type="checkbox"/> Resolution of the managing body & Power of Attorney granted to transact business on its behalf. <input type="checkbox"/> Authorized signatories list with specimen signatures.
<b>Banks/Institutional Investors</b>	<input type="checkbox"/> Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years. <input type="checkbox"/> Authorized signatories list with specimen signatures.
<b>Foreign Institutional Investors (FII)</b>	<input type="checkbox"/> Copy of SEBI registration certificate. <input type="checkbox"/> Authorized signatories list with specimen signatures.
<b>Army/ Government Bodies</b>	<input type="checkbox"/> Self-certification on letterhead. <input type="checkbox"/> Authorized signatories list with specimen signatures.
<b>Registered Society</b>	<input type="checkbox"/> Copy of Registration Certificate under Societies Registration Act. <input type="checkbox"/> List of Managing Committee members. <input type="checkbox"/> Committee resolution for persons authorised to act as authorised signatories with specimen signatures. <input type="checkbox"/> True copy of Society Rules and Bye Laws certified by the Chairman/Secretary.

**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.

**ANNEXURE - 2**

**KNOW YOUR CLIENT (KYC) APPLICATION FORM**

Please fill this form in **ENGLISH** and in **BLOCK LETTERS**.

**MANDATORY**

*For Individuals*

IDENTITY DETAILS							
Name of the Applicant							
Father's/ Spouse Name							
Gender	<input type="checkbox"/> Male <input type="checkbox"/> Female	Marital status	<input type="checkbox"/> Married <input type="checkbox"/> Unmarried				
Date of birth		Nationality					
Status	<input type="checkbox"/> Resident Individual <input type="checkbox"/> Non Resident <input type="checkbox"/> Foreign National						
PAN		Unique ID No./Aadhaar, if any:					
Specify the proof of Identity submitted							
ADDRESS DETAILS							
Corps. Add. <input type="checkbox"/> Residence <input type="checkbox"/> Office		Permn. Add. (If different from Corps. Add. or overseas add. mandatory for Non-Resi. Applicant)					
City		Pin		City		Pin	
State		Country		State		Country	
Resi No. (s)		Off. No. (s)		Resi No. (s)		Off. No. (s)	
Fax No. (s)				Fax No. (s)			
Mobile No.				Mobile No.			
Email				Email			
Specify the proof of add. submitted for Corps. Add.				Specify the proof of add. submitted for Permanent Add.			
OTHER DETAILS							
Gross Annual Income details (please specify) : Income Range per annum							
<input type="checkbox"/> Upto Rs. 1,00,000/- <input type="checkbox"/> Rs. 1,00,001/- to Rs. 5,00,000/- <input type="checkbox"/> Rs. 5,00,001/- to Rs. 10,00,000/- <input type="checkbox"/> Rs. 10,00,001/- to Rs. 25,00,000/- <input type="checkbox"/> Above Rs. 25,00,001/-							
<b>OR</b>							
Net worth as on Date : _____ Rs. _____ (Net worth should not be older than 1 year)							
2. Occupation (please tick any one and give brief details)		<input type="checkbox"/> Private Sector <input type="checkbox"/> Public Sector <input type="checkbox"/> Government Service <input type="checkbox"/> Business <input type="checkbox"/> Student <input type="checkbox"/> Professional <input type="checkbox"/> Agriculturist <input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Others					
3. Please tick, if applicable		<input type="checkbox"/> Politically Exposed Person (PEP) <input type="checkbox"/> Related to a Politically Exposed Person (PEP)					
4. Any other information							
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.							
Name				Signature			
Place		Date		Signature			
FOR OFFICE USE ONLY							
<input type="checkbox"/> (Originals verified) True copies of documents received	Signature of the Authorised Signatory			Seal/Stamp of the intermediary			
	Name						
Signature							
<input type="checkbox"/> (Self-Attested) Self Certified Document copies received	Designation						
	Date						


PHOTOGRAPH

Please affix your recent passport size photograph and sign across it.

**MANDATORY**

Please fill this form in ENGLISH and in BLOCK LETTERS.

*For Non-Individuals*

IDENTITY DETAILS							
Name of the Applicant							
Date of incorporation					Place of incorporation		
Date of commencement of business							
PAN		Registration No. (e.g. CIN)					
Status (please tick any one): Private Limited Co./Public Ltd. Co./Body Corporate/Partnership/Trust/Charities/NGO's/FI/ FII/HUF/AOP/ Bank/Government Body/Non-Government Organization/Defense Establishment/BOI/Society/LLP/ Others (please specify)							
ADDRESS DETAILS							
Corps. Add. <input type="checkbox"/> Residence <input type="checkbox"/> Office				Regd. Add. (If different from Corps. Add.)			
City		Pin		City		Pin	
State		Country		State		Country	
Resi No. (s)		Off. No. (s)		Resi No. (s)		Off. No. (s)	
Fax No. (s)				Fax No. (s)			
Mobile No.				Mobile No.			
Email				Email			
Specify the proof of add. submitted for Corps. Add.				Specify the proof of add. submitted for Regd. Add.			
OTHER DETAILS							
Gross Annual Income details (please specify) : Income Range per annum							
<input type="checkbox"/> Below Rs 1 Lac <input type="checkbox"/> Rs. 1,00,001/- to Rs. 5,00,000/- <input type="checkbox"/> Rs. 5,00,001/- to Rs. 10,00,000/-							
<input type="checkbox"/> Rs. 10,00,001/- to Rs. 25,00,000/- <input type="checkbox"/> Rs. 25,00,001/- to 1 crore <input type="checkbox"/> > 1 crore							
Net worth as on Date : _____ Rs. _____ (Net worth should not be older than 1 year)							
Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole time directors: Please provide details on Annexure-A attached.							
DIN/UID of Promoters/Partners/Karta and whole time directors: Details on Annexure-A attached.							
Please tick, if applicable, for any of your authorized signatories/Promoters/Partners/Karta/Trustees/whole time directors: Politically Exposed Person (PEP)/ Related to a Politically Exposed Person (PEP)							
Any other information							
DECLARATION							
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 aware that I/we may be held liable for it.							
Name & Signature of the Authorised Signatory				Signature 			
Place		Date		Signature			
FOR OFFICE USE ONLY							
<input type="checkbox"/> (Originals verified) True copies of documents received	Signature of the Authorised Signatory			Seal/Stamp of the intermediary			
	Name						
Signature							
<input type="checkbox"/> (Self-Attested) Self Certified Document copies received	Designation						
	Date						

**Annexure - A**

**MANDATORY**

Photographs of Promoters/Partners/Karta/Trustees and Whole time directors and of persons authorized to deal in securities.

Name				Sign across the Photograph excluding face
Residential Address				
Telephone No.		Mobile		
Income Tax PAN No.				
UID		DIN		
	Promoter/Partner/Karta/Trustees/Whole Time Directors/Authorised Person			

Name				Sign across the Photograph excluding face
Residential Address				
Telephone No.		Mobile		
Income Tax PAN No.				
UID		DIN		
	Promoter/Partner/Karta/Trustees/Whole Time Directors/Authorised Person			

Name				Sign across the Photograph excluding face
Residential Address				
Telephone No.		Mobile		
Income Tax PAN No.				
UID		DIN		
	Promoter/Partner/Karta/Trustees/Whole Time Directors/Authorised Person			

Name				Sign across the Photograph excluding face
Residential Address				
Telephone No.		Mobile		
Income Tax PAN No.				
UID		DIN		
	Promoter/Partner/Karta/Trustees/Whole Time Directors/Authorised Person			

Name				Sign across the Photograph excluding face
Residential Address				
Telephone No.		Mobile		
Income Tax PAN No.				
UID		DIN		
	Promoter/Partner/Karta/Trustees/Whole Time Directors/Authorised Person			

**TRADING ACCOUNT RELATED DETAILS**

BANK ACCOUNT(S) DETAILS					
No.	Bank Name, Branch Add. & Tel. No.	Account No.	A/c Type	MICR No.	IFSC Code
1					
2					
Please provide Cancelled Cheque leaf for MICR & IFSC Code					
DEPOSITORY ACCOUNT(S) DETAILS					
Sr. No.	Dp Name	Beneficiary Name	DP ID No.	BO ID	Depository Name
1*					NSDL/CDSL
2					NSDL/CDSL
*Shares bought by you will be transferred to your DP A/c stated by you at Sr. No. 1					
TRADING PREFERENCES					
*Please sign in the relevant boxes where you wish to trade. The segment not chosen should be struck off by the client.					
Ex. Segment	Cash	Derivatives	Currency Derivatives		
BSE	<input type="checkbox"/>	<input type="checkbox"/>	N.A.		
# 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.					
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/authorized persons in charge of dealing in securities during the last 3 years:					
DEALINGS THROUGH SUB-BROKERS AND OTHER STOCK BROKERS					
If client is dealing through the sub-broker, provide the following details:					
Name			BSE SEBI Reg. No.		
Regd. Off.			SEBI Reg. No.		
Address			SEBI Reg. No.		
Signature X			Remisier/AP (BSE)		
	Tel. No.		Remisier/AP		
	Fax No.		Remisier/AP		
	Website		Remisier/AP		
Whether dealing with any other stock broker/sub-broker (if in case dealing with multiple stock brokers/sub-brokers, provide details of all)					
Name of Stock Broker		Name of Sub-Broker, if any		Client Code	
Exchange					
Details of disputes/dues pending from/to such stock broker/sub- broker:					
ADDITIONAL DETAILS					
Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify): <input type="checkbox"/> YES <input type="checkbox"/> NO					
Specify your Email id, if applicable:					
Whether you wish to avail of the facility of internet trading/ wireless technology (please specify): <input type="checkbox"/> YES <input type="checkbox"/> NO					
Number of years of Investment/Trading Experience:					
In case of non-individuals, name, designation, PAN, UID, signature, residential address and photographs of persons authorised to deal in securities on behalf of company/firm/others: Details as per Annexure - A					
Any other information					
INTRODUCER DETAILS (Optional)					
Name			Signature		
Add. / Tel.					
Status of the Introducer: Sub Broker / Remisier / Authorized Person / Existing Client / Others, please specify_____					




**NOMINATION DETAILS (FOR INDIVIDUAL ONLY)**

<input type="checkbox"/> I / We wish to nominate		<input type="checkbox"/> I / We do not wish to nominate	
Name of Nominee		Relation with Nominee	
Address		PAN No.	
		Tel. No.	
<b>If Nominee is a minor, details of Guardian</b>		Date of Birth	
Name of Guardian			
Address & Tel No.		Signature of Guardian	
Witnesses (Only applicable in case the account holder has made nomination)			
Name		Name	
Address		Address	
Signature		Signature	

**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			Signature	
Place		Date		

**FOR OFFICE USE ONLY**

UCC Code allotted to the Client:		
Documents verified with Originals	Client Interviewed / Approved by	In person Verification done by
Name		
Signature		
Designation		
Employee Code		
Date		

I/We undertake that we have made the client aware of 'Policy and Procedures', tariff sheet and all the non-mandatory documents.

I/We have also made the client aware of 'Rights and Obligations' document (s), RDD and Guidance Note. I/We have given/sent him a copy of all the KYC documents. I/We undertake that any change in the 'Policy and Procedures', tariff sheet and all the non-mandatory documents would be duly intimated to the clients. I/We also undertake that any change in the 'Rights and Obligations' and RDD would be made available on my/our website, if any, for the information of the clients.

Date: \_\_\_\_\_ Signature of the Authorised Signatory Seal/Stamp of the stock broker

**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).

**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.
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.

**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 there from. 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 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.

### **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 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/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.

### **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.
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.

**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 [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 gives 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.

## POLICIES AND PROCEDURES

**MANDATORY**

This document various policies & procedures framed and followed by B. R. Jalan Securities Pvt Ltd ("Stock Broker") with respect to its dealing with its clients and as a stock broker on Bombay Stock Exchange Ltd. (BSE).

The policies and procedures as stated herein below are subject to change from time to time at the sole discretion of Stock Broker, depending upon regulatory changes, its risk management framework, other market conditions, etc.

The said policies & procedures which are subject to upgradation in the same from time to time are produced below for the benefit and notice of all our clients.

### A. Refusal of orders for Penny Stocks and/or Illiquid Stocks

In view of the risks associated in dealing with Penny Stocks and/or Illiquid Stocks, Stock Broker would generally advice its client to desist from trading in them. Further, SEBI, BSE or Stocks Broker may issue circulars or guidelines necessitating exercising additional due diligence by the clients, for dealing in such securities.

Although, the term "Penny Stock" is not defined by BSE /SEBI, a "Penny Stock" generally refers to a stock whose characteristics include but are not limited to:

- Small market capitalization;
- Trading at a price less than its face value;
- Have unsound fundamentals and or which may/may not be liquid (A list of illiquid securities is jointly released by BSE from time to time.)
- Stock Broker recognizes that it is the client's privilege to choose shares in which he / she would like to trade. However, Stock Broker likes to pay special attention to dealing in "Penny Stocks". To this end:
- Stocks Broker recognizes that it is the client's privilege to choose shares in which he / she would like to trade. However, Stock Broker likes to pay special attention to dealing in "Penny Stocks". To this end:
- Stock Broker may refuse to execute any client's orders in "Penny Stocks" without assigning any reason for the same.
- Any large order for purchase or sale of a "Penny Stock" should be referred to Head - Dealing before such orders can be put in the market for execution.
- Clients must ensure that trading in "Penny Stock" does not result in creation of artificial volume or false or misleading appearance of trading. Further, clients should ensure that trading in "Penny Stock" does not operate as a device to inflate or depress or cause fluctuations in the price of such stock.
- Clients are expected not to place orders in "Penny Stock" at prices which are substantially different from the prevailing market prices. Any such order is liable to be rejected at the sole discretion of Stock Broker.
- In case of sale of "Penny Stocks", clients should ensure the delivery of shares to Stock Broker before the pay-in date.
- Under no circumstances, Stock Broker shall be responsible for non-execution/delay in execution of such orders and consequential opportunity loss or financial loss to the client.

The above list of criteria is an indicative list. Stock Broker may at its sole and absolute discretion define from time to time other category/criteria to treat a security as Penny Stocks and/or Illiquid Stocks.

### B. Setting up Client's Exposure limits:

While setting up the exposure limits for and on behalf of the clients, Stock Broker broadly takes into consideration the regulatory requirement, client profile, internal risk management policy, market conditions, etc. Considering the said parameters the exposure limit for a client would be set up as follows:

- Exposure limits for each client is determined by the Risk Management System based on the Net Worth information, clients financial capacity, prevailing market conditions and Margin deposited by the client in form of funds/securities with Stock Broker. These limits may be set exchange-wise, segment-wise, and scrip-wise.
- The limits are determined by Risk Management Department based on the above criteria and the payment history of the client in consultation with Sales / Sales traders.
- Stock Broker retains the discretion to set and modify, from time to time any clients exposure limit decided as above.
- Whenever any client has taken or wants to take an exposure in any security, Stock Broker may call for appropriate margins in the form of early pay-in of shares or funds before or after execution of trades in the Cash segment. In case of any margin shortfall, the clients will be told to reduce the position immediately or they will be requested to deposit extra margin to meet the shortfall. Otherwise, Stock Broker may refuse to trade on behalf of such client at its own discretion.
- In case of cash segment, Stock Broker may at its sole and absolute discretion allow clean exposure limit up to certain amount to the client without insisting for any credit balance and/or margin. The quantum of clean

exposure limit shall be decided by Stock Broker. On case to case Stock Broker may, at its sole and absolute discretion, give higher clean exposure limits to certain set of clients. Stock Broker reserves the right to withdraw clean exposure limit granted to the client at any point of time as its sole and absolute discretion. The client cannot raise any concern/dispute for the same.

- The Client will have to abide by the exposure limits set by Stock Broker.

**C. Applicable Brokerage Rate:**

For rendering the broking services, Stock Broker charges brokerage to the client. The Brokerage rate will be as per the terms agreed with the client at the time of client registration.

- Brokerage Rate is mutually decided between the Stock Broker and each client based on client's net worth, expected trading volume, etc. The maximum brokerage chargeable will not exceed the rates prescribed by SEBI, BSE and/or Securities Contract Act and Rules or any other relevant statutes.
- The applicable brokerage rate will be mentioned in the Client registration form and any change in the brokerage rate in future will be communicated to the client.

The brokerage will be exclusive of the following except in cases where it is agreed otherwise:

- Service Tax and Education Cess
- SEBI /Exchange/ Clearing member charges
- Stamp duty
- Statutory charges payable to BSE/SEBI /GOVT. Authorities etc.
- Any other charges towards customised / specialised service.

**D. Imposition of penalty/delayed payment charges by either party specifying the rate and the period**

(i) Imposition of penalties:

BSE/Clearing Corporation/SEBI levies penalties on the broker for irregularities observed by them during the course of business. Stock Broker shall recover such imposed penalties/levies, if any, by BSE regulator/Clearing Corporation, from the client, which arise on the account of dealings by such client. Such recovery would be by way of debit in the ledger of the client and amounts would be adjusted against the dues owed by Stock broker to the clients.

(ii) Delayed payment charges

While dealing with stock Broker it is a responsibility of the client to ensure that the required margin obligation or settlement obligation or any other dues payable to Stock Brokers are paid within the time period stipulated by BSE or Stock Broker, whichever earlier.

In the event if the client defaults in meeting its above said obligations towards Stock Broker, Stock Broker shall have absolute discretion to charge and recover from the client's account, delayed payment charges at such rate, manner/interval as may be determined by Stock Broker from time to time for the delayed period.

Delayed payment charge is only a penal measure. The Client should not construe it as funding arrangement. The client cannot demand continuation of service on a permanent basis citing levy of delayed payment charges.

The client will not be entitled to any interest on the credit balance/surplus margin available/kept with Stock Broker.

No interest or charges will be paid by Stock Broker to any client in respect of retention of funds or securities towards meeting future settlement obligation and in respect of running account authorization.

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

The client shall fulfill all his/her/its settlement obligations and /or other liabilities to Stock Broker within the time frame stipulated by the Stock Broker or BSE, whichever is earlier.

Without prejudice to its other rights and remedies available under the member client agreement(s) executed/to be executed by and between the client and Stock Broker (hereinafter referred to as "the Agreement") or at law, Stock Broker shall be entitled, in its sole and absolute discretion, to liquidate/close out all or any of the client's open/outstanding position, sell the client's securities (whether approved by Stock Broker or not) available with Stock Broker at any time to recover its dues without giving any notice to the client in the following circumstances:

- If the client fails to pay any margin, settlement obligations and / or other liabilities to Stock Broker within the time frame stipulated time frame;
- In the event that the market value of the client securities, lying as margin or bought by the client for which payment is not made by client, for any reason fall or is anticipated to fall, or circumstances arise or are likely to arise which may in the sole opinion of Stock Broker jeopardize its interest and expose it or is likely to expose it to any financial loss or damage.

Any and all losses (actual or notional), financial charges, damages on account of such liquidation/sell/closing-out shall be borne by the client only.

**F. Shortages in obligations arising out of internal netting of trades**

- To determine the net obligation of a broker / trading-cum-clearing member (for securities and funds) in a settlement, clearing house does the netting of trades at the broker level. It is possible that a broker's net obligation towards clearing house may be nil but because of default by one or more clients in satisfying their obligations towards the broker, the broker internally might have shortages in fulfilling its obligation towards the other client(s). In such a situation, Stock Broker shall endeavor to collect the securities from the selling client and deliver it to the purchasing client within 48 hours, of the settlement date. In case the selling client is unable to deliver the securities within 48 hours, then Stock Broker shall attempt to purchase the securities from the market and deliver it to the purchasing client. If Stock Broker is unable to obtain the securities from the market, then the transaction will be closed out as per the auction rate prescribed by the Exchange for that script and the closing amount will be credited to the purchasing client and same will be debited to the selling client.
- In case of shortage in meeting the settlement obligation, either party shall endeavor to make good such shortage through securities / value of shortage as per the Rules, Regulations and Bye-laws of the respective stock exchange(s).

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

Stock Broker shall have absolute discretion and authority to limit client's volume of business or to close any existing position of a client without giving any prior notice to the client under the following mentioned conditions:

- Extreme volatility in the market or in particular scrip or in the F & O segment.
- There is shortfall in the margin deposited by client with Stock Broker.
- There is insider trading restrictions on the client.
- There are any unforeseen adverse market conditions or any natural calamity affecting the operation of the market.
- There are any restrictions imposed by Exchanges or Regulator on the volume of trading outstanding positions of contracts.
- The client is undertaking any illegal trading practice or the client is suspected to be indulging in money laundering activities.
- Stock Broker has reached its limit in that scrip.
- The Client has breached the client-wise limit.
- The Client has taken or intends to take new position in a security which is in the banned period.
- Due to abnormal rise or fall in the market, the markets are closed.
- Failure by the client in providing sufficient/adequate margin(s) and/or insufficient/inadequate free credit balance available in client's broking account with Stock Broker.

**H. Temporarily suspending or closing a client's account based at the Client's request:**

- Any client desirous of temporarily suspending his/her its trading account has to give such request in writing to the Management. After management's approval, further dealing in such client's account will be blocked. Whenever trade has to be resumed in any suspended client account, a request in writing should be made by the client to the management and the management may ask for updated financial information and other details for reactivating such account. After receiving necessary documents, details, etc. and approval from the management, the client account will be reactivated and transaction will be carried out.
- Similarly, any client desirous of closing his/her/its accounts permanently is required to inform in writing and the decision in this regard will be taken by the management. After necessary approval from the management, the client code will be deactivated. Only after scrutinizing the compliance requirements and a "no pending queries" confirmation is taken, securities and funds accounts will be settled.

**I. Deregistering a Client:**

Stock Broker may, at its sole and absolute discretion, decide to deregister a particular client. The illustrative circumstances under which Stock Broker may deregister a client are given below:

- SEBI or any other regulatory body has passed an order against such client, prohibiting or suspending such client from participating in the securities market.
- Such client has been indicated by a regulatory body or any government enforcement agency in case of

market manipulation or insider trading or any other case involving violation of any law, rule regulation, guideline or circular governing securities market.

- Such client is suspected of indulging in illegal or criminal activities including fraud or money laundering.
- Such client's name appears in the UN list of prohibited entities or in the SEBI debarred list.
- Such client's account has been lying dormant for a long time or the client is not traceable.
- Such client has been declared insolvent or any legal proceedings to declare his/her/its as insolvent have been initiated.
- Such client has been irregular in fulfilling obligations towards margin or settlement dues.
- Such client has a tainted reputation and any business relationship with such clients is likely to tarnish the reputation of Stock Broker or may act as detriment to Stock Broker prospects.
- Under no circumstances, any action taken by stock Broker in any of the above circumstances till the date of registration shall be challenged by the client and stock broker shall not be liable to the client for any loss or damage (actual/notional), which may be caused to the client as a result.

**J. Policy for Inactive clients / Dormant Account Policy**

- Any client who has not traded in any segment of BSE with Stock Broker for last six months calculated from the beginning of every financial year or such other period as may be decided by Stock Broker at its sole and absolute discretion then such client would be termed as a Dormant/Inactive Client.
- The broking account of such client shall be deactivated / suspended temporarily by Stock Broker. If the client wants to activate the broking account then a request for reactivating the broking account should be sent in writing. Such request for reactivation should be accompanied along with such documentary evidence as may be specified by Stock Broker from time to time.
- If the client is tagged as a Dormant / Inactive client, then the funds / securities lying with Stock Broker may be refunded / returned to the clients at his/her/ its last known bank account/DP account or send at last known address of the client as per Stock Broker record.

**Inactive Client Account:**

It is the broker's discretion to treat a client account as inactive if there is no activity in an account for more than one year.

- I/We have fully understood the above and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses of this document. These policies and procedures may be amended unilaterally by the broker, provided the amendment is informed to me/us. These policies and procedures shall always be read alongwith the agreement and shall be compulsorily referred to while deciding any dispute or claim between me/us and broker before any regulator or arbitrator or court of law.

**Statutory & Other Charges:**

Brokerage will be exclusive of Transaction Charges, Stamp Duty, Security Transaction Tax, Service Tax, SEBI Turnover fees or any other tax/levy imposed by Exchange/SEBI/any other government agencies/present & future.



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

(If Partner, Cooprator or other signatory, then attest with Company Stamp)

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

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



**BROKERAGE AND STATUTORY CHARGES**

Further, I agree to the following terms of doing business

Segment	Sq. off %		Sq. off Min (ps)		Settlement %		Settlement Min (ps)	Delivery %	Delivery Min (ps)
	Buy	Sell	Buy	Sell	Buy	Sell			
BSE Cash									
BSE F&O									

The above given brokerage will be exclusive of the following charges.

	BSE Cash	BSE F&o
Transaction charges		
Sq. up Stamp Duty		
Del. Stamp Duty		N. A.
STT	Actual	Actual
Service Tax		

- Note:**
1. Inter settlement / DP transaction charges arising out of purchase / sell transactions effected by constituents will be debited to Constitute Account.
  2. The above charges are subject to change by the regulatory authorities or Government agencies.

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

FOR OFFICE USE ONLY						
UNIQUE CONSTITUENT CODE: (To be inseted by the Brokerage Firm)						
	NAME			SIGNATURE AND DATE		
AUTHORISED BY						
ENTERED BY						

## CUSTOMER PROFILE

### Expected Investment / Trading Turnover on a Monthly Basis

<input type="checkbox"/> Upto 10 Lac	<input type="checkbox"/> 10 Lac	<input type="checkbox"/> More than 50 Lac
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### Average Size of Transaction

<input type="checkbox"/> Upto 50 Thousand	<input type="checkbox"/> Rs. 50 Thousand to 1 Lac	<input type="checkbox"/> More Than 1 Lac
---	---	--

### Expected no. of Transaction on a monthly basis

<input type="checkbox"/> Upto 50 Thousand	<input type="checkbox"/> Rs. 50 Thousand to 1 Lac	<input type="checkbox"/> More Than 1 Lac
---	---	--

Average Annual Income to be updated every year on the basis of information or documents to be obtain from clients	
Financial Year	Annual Income
2007-08	
2008-09	
2009-10	
2010-11	
2011-12	

### Additional Information

#### 1. Purpose of Opening the Account

- Investment
- Trading
- Arbitrage

#### 2. Source of Funds for Trading / Investment

- Salary
- Business
- Inherited / Gift
- Investments
- Professional Fees
- Saving
- Others (Pls. Specify) \_\_\_\_\_

**RUNNING ACCOUNT AUTHORISATION FOR ALL EXCHANGES**

**VOLUNTARY**

From: \_\_\_\_\_

\_\_\_\_\_

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

To,

Dear Sirs,

I am / We are regularly Trading with you for Cash and Derivative Market in BSE. I /we hereby authorized you to do following on my /our behalf:

- I/We hereby give my/our consent to maintain my/our account for fund and securities as RUNNING ACCOUNT
- The Securities lying in my/our withhold A/c and credit balance lying in my / our account should be considered as margin deposits
- I/We request you to keep my/our Securities, Margin and funds with you to meet my/our pay in obligation in the Succeeding settlements in the same segment as well as other segments of BSE
- The actual settlement of funds & Securities shall be done by you every
  - Monthly       QuarterlyYou will send quarterly/ monthly statement of Funds & Securities and I/We shall bring any discrepancy to your notice within 7 working days from the receipt of Statements
- You shall transfer the Funds / securities lying in my / our credit within one working day of the request if the same are lying with you & within 3 working days from the request, if the same are lying with the clearing member / clearing corporation
- I/We have noted the following :-
  1. This running account authorization will continue until it is revoked by me.
  2. The authorization shall be signed by me /us only and not by any power of attorney holder or by any authorized person.
  3. I/we may revoke the authorization at any time by giving written notice.

Yours faithfully,

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

Name of the Client \_\_\_\_\_

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

ECN AUTHORISATION

VOLUNTARY

From: \_\_\_\_\_

\_\_\_\_\_

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

To,  
Dear Sirs,

**Sub: Mandate to issue contract notes in digital format & other communications (such as Daily Margin Statement, Statement of Funds & Securities, Account Confirmations, bills, Notices etc.) through an E-Mail**

I / We hereby agree and consent to accept the contract notes for transactions carried on by us/me on BSE with you, in terms of the agreement entered into between us/me, in digital form. Digital contracts issued by you as per the terms and conditions specified herein shall be binding on me/us. The mandate is subject to terms and conditions mentioned herein below.

Terms and conditions for issuance of contract notes in digital form between us :-

1. Digital Contract Notes in the format as may be prescribed by the Exchange from time to time will be mailed to me/us on the E-mail address provided to you.  
You can also send me/us my/our margin statement in digital form with contract notes.
2. I / we undertake to check the contract notes and bring the discrepancies to your notice.
3. In case of any failure in system or errors in digital contract notes, contract notes will be issued in physical form, which shall be binding on the client.
4. Discrepancies, if any, should be sent on E-mail: \_\_\_\_\_
5. Clients can view the digital contract notes using the username & password through the web-site apart from the contract notes sent to the client through mail.
6. The Digital contract notes will be archived at an interval of 15 days. If the client intends to view the digital contract notes for a period prior to 15 days client may request for the same in writing.
7. The contract notes will be issued in digital form in compliance with the guidelines issued by SEBI / Exchanges from time to time.
8. It will be client's responsibility to regularly check the mailbox and keeping the storage space for new email messages.
9. Any changes in the terms and conditions shall be intimated from time to time.
10. Digital Contract Notes will also be available at our Web-site: \_\_\_\_\_
11. Any change in the E-mail ID shall be communicated by us / me through a physical letter.

**Other Communications (such as Daily Margin Statement, Statement of Funds & Securities, Account Confirmations, bills, Notices etc.)**

You can send me various documents like Daily margin statement, Statement of funds & securities, Account confirmations, bills, notices etc. through an E-mail ID mentioned in this letter.

This instruction to issue digital contract notes & other communications are applicable with immediate effect. This instruction is several to all parties mentioned above.

My/Our E-mail ID \_\_\_\_\_

My/Our Alternative E-mail ID \_\_\_\_\_

Yours faithfully,



(Client Signature)

Client Code : (customer ID)

**AUTHORITY TO DEBIT THE DEMAT ACCOUNT OPERATING CHARGES**

To,

Dear Sirs,

This is to inform that

- a. I/We have a beneficiary account with \_\_\_\_\_ (DP) & with client id \_\_\_\_\_.
- b. Further I/We have a trading account with \_\_\_\_\_ (trading code as mentioned below) for investment and trading purpose.
- c. I/We find it extremely inconvenient to give cheques against your depository bills.

With respect to the above mentioned subject and consideration, I hereby authorize you to debit the trading account maintained with \_\_\_\_\_ for the debit charges payable to \_\_\_\_\_.

As Depository Participant for providing depository services. Any such sum debited to my/our account shall be binding on me/us.

Yours faithfully,

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

Name of the Client \_\_\_\_\_

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

FOR NRI / FN

**VOLUNTARY**

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

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

\_\_\_\_\_

**TO WHOMSOEVER IT MAY CONCERN**

I/We agree to abide by all necessary rules and regulations introduced or amended from time to time by all statutory government bodies in India, and guidelines as prescribed by the Reserve Bank of India under the Foreign Exchange Management Act, 1999 (FEMA).

Further, in the process of opening my/our accounts with the Indian Bank/s, members of Indian Stock Exchange/s, and Depository Participants, I/We have complied with the current laws and will continue to do so as required for the proper maintenance of the aforesaid accounts.

In case there is any change in my/our status from Resident to Non-resident or vice versa, I/We shall inform all concerned agencies of the same and will abide by the procedures and requirement for the transition.

Signature 

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

HUF DECLARATION

FORMAT

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

I hereby request you to open out Demat account with you, for our HUF. Being Karta of my family, I hereby declare that following is the list of family members in our HUF, as on date of Application, i.e. \_\_\_\_\_ .

Sr. No.	Name of Family Members	Sex	Relations	Date of Birth

I hereby also declare that the particulars given by me as stated above are true to the best of my knowledge as on date for making this Application to open Account.

I agree that any false/misleading information given by me or suppression of any material information will render my said account liable for termination and further action. Further, I agree that I will immediately intimate any death/s or birth/s in the family as it changes the constitution of the HUF.

Thanking you,  
Yours truly,



Karta  
(Affix stamp of HUF)

CONFIRMATION FOR HUF

I/We the co-parceners of \_\_\_\_\_ H.U.F., do hereby confirm that we have no objection to \_\_\_\_\_, who is the Karta of the aforesaid H.U.F. to issue standing instructions by means of either a Power of Attorney / Authorisation letter to B R Jalan Securities Pvt Ltd

We understand that this Power of Attorney / Authorised letter issued to **B R Jalan Securities Pvt Ltd** is for the explicit purpose of delivery of shares sold by the Karta on behalf of the H.U.F.

Beneficiary Account No. \_\_\_\_\_

Name of Co-parceners	Signature
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____

### Declaration to be given by partnership on Letter head of the firm

Date:

FORMAT

To,

**B R JALAN SECURITIES PVT LTD**

3 Ruther Field Street, 3rd Floor,  
Kala Ghoda, Fort, Mumbai - 400 001.

Dear Sir,

We refer to the trading account being opened/opened with you in the name \_\_\_\_\_  
and declare and authorize you as under.

We recognize that a beneficiary account cannot be opened with a depository participant in the name of a partnership firm as per Regulations. To facilitate the operation of the above trading account with you and for the purpose of completing the securities transfer obligations pursuant to the trading operations, we authorize you to recognize the beneficiary account No. \_\_\_\_\_ with depository \_\_\_\_\_ opened as a joint account in the names of the partner of the firm.

We agree that the obligations for shares purchased and /or sold by the firm will be handled and completed through transfer to/from the above-mentioned account. We recognize and accept transfers made by you to the beneficiary account as complete discharge of obligations by you in respect of trades executed in the above trading account of the firm.

We hereby authorize \_\_\_\_\_, partner in the firm to execute / sign and submit such documents, agreements, deeds etc. as any be necessary to enter into the agreement and engage in business with **B R JALAN SECURITIES PVT LTD** and to place order for buying and selling of securities, sell, purchase, transfer, endorse, negotiate and do other things that may be necessary to engage in business on behalf of the partnership and to sign the authority letter for adjustment of balances in family accounts.

Name of Partners (In Block Letters)	Signatures



**FORMAT OF RESOLUTION**

**ON LETTERHEAD OF COMPANY**

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF \_\_\_\_\_ AT THEIR MEETING HELD ON \_\_\_\_\_ .

RESOLVED THAT the Company do place orders with/give instructions to \_\_\_\_\_ for buying and selling index/stocks based futures and options segment of Bombay Stock Exchange Limited (BSE).

RESOLVED FURTHER THAT any one of the following Directors/Executives/Officers of the Company, whose specimen signatures are appended here under.

No.	Name of Authorised person	Specimen Signature

Be and are hereby authorized severally to

1. Sign, execute and deliver orders, instructions letters, notes, contracts, share transfer forms and such other documents as may considered necessary form time to time for the aforesaid purpose, and
2. Take all such actions and do all such things, as may be deemed prudent, necessary and expedient for giving effect to the above resolution from time to time.

RESOLVED FURTHER THAT the above resolution shall remain effective and in force till such time as a fresh resolution canceling or amending the same is passed by the Board of Directors of the Company is furnished to \_\_\_\_\_.

RESOLVED FURTHER THAT a copy of the above resolution duly certified as true by any one of the Directors of the Company be furnished to \_\_\_\_\_ and such other parties as may be required from time to time.

CERTIFIED TRUE COPY

\_\_\_\_\_  
Director

**Confirmation of Receipt of executed documents**

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

Dear Sir,

I/We hereby acknowledge the receipt of duly executed copy of Account Opening Form, Rights and Obligations, RDD, Policies and Procedures and all other documents as executed by me/us.

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

# B R Jalan Securities Pvt Ltd

## CLIENT REGISTRATION FORM

### INDIVIDUAL/NON-INDIVIDUAL

**BSE: SEBI Regn. No.: INB 010996931 (Cash Segment)**  
**BSE: SEBI Regn. No.: INF 010996931 (F&O Segment)**

**CLIENT NAME:** \_\_\_\_\_

**CLIENT CODE:** \_\_\_\_\_

Name of stock broker/ trading member/clearing member	<b>B R JALAN SECURITIES PVT LTD</b>
SEBI Registration No. and date	For BSE CASH INB 010996931 & Dated: XXth XXXX, XXXX. For BSE F&O INF 010996931 & Dated: XXth XXXX, XXXX. BSE Member Code No.: 062
Registered office & Correspondence office address:	3 Ruther Field Street, 3rd Floor, Kala Ghoda, Fort, Mumbai - 400 001. Investor Grievance Id: brjcom@gmail.com 271/273 Mumbadevi Road, 4th Floor, Mumbai - 400 002. Tel.: 91-22-3242 4689 / 2345 4428 / 2345 4438 • Fax: 91-22-2272 2939. E-mail: brjalan@vsnl.net • Website: www.ganeshstock.com
Compliance officer name: phone no. & email id:	<b>Sushil Kumar Shah</b> 93205 93791 • susilshah78@gmail.com
CEO name: phone no. & email id:	<b>XXXXXXXXXX</b> XXXXXXXXXX • XXXXXXXXX
For any grievance/dispute please contact <b>B R JALAN SECURITIES PVT LTD</b> at the above address or email id: XXXXXXXXXX and Phone no. 91-XXXXXXXXXXXX. In case not satisfied with the response, please contact the concerned exchange(s) at on BSE Tel:-022 2272 8097 E-mail Id:- is@bseindia.com on NSE Tel:- 022 2659 8190 E-mail Id:- ignse@nse.co.in	

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