



## CLIENT REGISTRATION FORM

# Integrated Master Securities (P) Ltd.

NSE, BSE, MSEI, MCX, NCDEX & Mutual Funds

INDEX OF DOCUMENTS			
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<b>MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI EXCHANGES</b>			
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2.	Rights And Obligations Of Stock Brokers, Sub-brokers And Clients	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).	9 to 11
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**INTEGRATED MASTER SECURITIES (P) LTD.****EXCHANGE**

National Stock Exchange Limited (NSE)  
BSE Limited (BSE)  
Metropolitan Stock Exchange of India Limited (MSE)

**SEGMENT**

CM/F&O/CD  
CM/F&O/CD  
CM/F&O/CD

**SEBI REGN NO.**

INZ000175931  
INZ000175931  
INZ000175931

**Regd. Office :** 303, 3rd Floor, New Delhi House,  
27, Barakhamba Road, New Delhi – 110001  
Phone: +91-11-43074307 (30 Lines) Fax : +91-11-43074315  
E-mail : [ceo@integratedmaster.com](mailto:ceo@integratedmaster.com) • Website : [www.integratedmaster.com](http://www.integratedmaster.com)

**Corp. Office :** 303, 3rd Floor, New Delhi House, 27, Barakhamba Road, New Delhi – 110001  
Tel. : 011-43074307 (30 Lines) Fax : 011-43074315

**Compliance Officer's Details :**

Name : Ms. Rupali walia Phone No. : +91-11-43074317  
E-mail Id : [compliance@integratedmaster.com](mailto:compliance@integratedmaster.com)

**CEO's Details :**

Name : Mr. S.C. Khaneja Phone No. : +91-11-43074307  
E-mail ID : [ceo@integratedmaster.com](mailto:ceo@integratedmaster.com)

For any grievance/dispute please contact at the above address or email id [suggestions@integratedmaster.com](mailto:suggestions@integratedmaster.com) and Phone No. 011-43074307 (30 Lines). In case not satisfied with the response, please contact the concerned exchange(s)

<b>Exchange Name</b>	<b>E-mail ID</b>	<b>Phone No.</b>
National Stock Exchange of India Ltd.	<a href="mailto:ignse@nse.co.in">ignse@nse.co.in</a>	022-26598191 / 1800 266 0058
Bombay Stock Exchange Ltd.	<a href="mailto:is@bseindia.com">is@bseindia.com</a>	022-22728097 / 8517
Metropolitan Stock Exchange of India Ltd.	<a href="mailto:investorcomplaints@msei.in">investorcomplaints@msei.in</a>	022-61129000 (Extn. : 9028)

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

**ANNEXURE-2**

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

**FOR INDIVIDUAL**

**A. IDENTITY DETAILS**

**Name of the Applicant** \_\_\_\_\_  
 \_\_\_\_\_

**Father's/Spouse Name** \_\_\_\_\_

**Gender**  Male  Female **Marital Status**  Single  Married

**Date of Birth** \_\_\_\_ - \_\_\_\_ - \_\_\_\_ **Nationality** \_\_\_\_\_

**Status**  Resident Individual  Non Resident  Foreign National

**PAN** \_\_\_\_\_ Unique Identification Number (UID)/ Aadhaar \_\_\_\_\_

**Specify the proof of Identity submitted** \_\_\_\_\_

Please affix your recent passport size photograph and sign across it

**B. ADDRESS DETAILS**

**Address for** \_\_\_\_\_

**Correspondence** City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

**Contact Detail** Tel. (Office) \_\_\_\_\_ Tel. (Res.) \_\_\_\_\_ Mobile \_\_\_\_\_

Fax \_\_\_\_\_ E-mail Id \_\_\_\_\_

**Specify the proof of address submitted for correspondence address** \_\_\_\_\_

**Permanent Address** \_\_\_\_\_

(if different from above or overseas address, mandatory for Non-Resident Applicant) City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

**Specify the proof of address submitted for permanent address** \_\_\_\_\_

**C. OTHER DETAILS**

**Gross Annual Income Details (please specify):**

Income Range per annum  Below ` 1 Lac  ` 1-5 Lac  ` 5- 10 Lac  ` 10-25 Lacs  Above ` 25 Lacs

**OR** Net-worth as on \_\_\_\_ - \_\_\_\_ - \_\_\_\_ (Net worth should not be older than 1 year)

**Occupation** (please tick  Private Sector  Public Sector  Government Service  Business  Professional

any one and give brief details)  Agriculturist  Retired  Housewife  Student  Others \_\_\_\_\_

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

**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.

**Signature of the Applicant** \_\_\_\_\_

**Date** \_\_\_\_ - \_\_\_\_ - \_\_\_\_

**FOR OFFICE USE ONLY**

(Originals verified) True copies of documents received  (Self-Attested) Self Certified Document copies received

\_\_\_\_\_  
**Date** \_\_\_\_ - \_\_\_\_ - \_\_\_\_

**Signature of the Authorised Signatory**

**Seal/Stamp of the intermediary**

## KNOW YOUR CLIENT (KYC) APPLICATION FORM

Please fill this form in ENGLISH and in BLOCK LETTERS

FOR NON-INDIVIDUAL

### A. 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     Bank     Government Body     Non-Government Organization  
 Defense Establishment     BOI     Society     LLP     Others (please specify) \_\_\_\_\_

Please affix  
your recent  
passport size  
photograph and  
sign across it

### B. ADDRESS DETAILS

Address for \_\_\_\_\_

Correspondence City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

Contact Detail Tel. (Office) \_\_\_\_\_ Tel. (Res.) \_\_\_\_\_ Mobile \_\_\_\_\_

Fax \_\_\_\_\_ E-mail Id \_\_\_\_\_

Specify the proof of address submitted for Correspondence Address \_\_\_\_\_

Registered Address \_\_\_\_\_

(if different from above) City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

Specify the proof of address submitted for Registered Address \_\_\_\_\_

### C. OTHER DETAILS

Gross Annual Income Details (please specify):

Income Range per annum  Below ` 1 Lac  ` 1-5 Lac  ` 5- 10 Lac  ` 10-25 Lacs  ` 25 Lacs - 1C rore  Above ` 1 Crore

Net-worth as on \_\_\_\_ - \_\_\_\_ - \_\_\_\_ \_\_\_\_\_ (\*Net worth should not be older than 1 year)

Name, PAN, residential address and photographs of Promoters/Partners/Karta/Trustees and whole time directors

Name (1) \_\_\_\_\_

PAN \_\_\_\_\_

Residential Address \_\_\_\_\_

City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

DIN \_\_\_\_\_ UID \_\_\_\_\_

Photographs of  
Promoters/Partners/  
Karta/Trustees and  
whole time  
directors

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 \_\_\_\_\_  
\_\_\_\_\_

**Name (2)** \_\_\_\_\_  
**PAN** \_\_\_\_\_  
**Residential Address** \_\_\_\_\_  
 City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_  
 State \_\_\_\_\_ Country \_\_\_\_\_  
**DIN** \_\_\_\_\_ **UID** \_\_\_\_\_

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

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** \_\_\_\_\_  
 \_\_\_\_\_

**Name (3)** \_\_\_\_\_  
**PAN** \_\_\_\_\_  
**Residential Address** \_\_\_\_\_  
 City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_  
 State \_\_\_\_\_ Country \_\_\_\_\_  
**DIN** \_\_\_\_\_ **UID** \_\_\_\_\_

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

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** \_\_\_\_\_  
 \_\_\_\_\_

**Name (4)** \_\_\_\_\_  
**PAN** \_\_\_\_\_  
**Residential Address** \_\_\_\_\_  
 City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_  
 State \_\_\_\_\_ Country \_\_\_\_\_  
**DIN** \_\_\_\_\_ **UID** \_\_\_\_\_

Photographs of Promoters/Partners/Karta/Trustees and whole time directors

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 are aware that I/we may be held liable for it.

**Name** \_\_\_\_\_

**Signature of the Authorised Signatory** \_\_\_\_\_ **Date** \_\_\_\_ - \_\_\_\_ - \_\_\_\_

**FOR OFFICE USE ONLY**

- (Originals verified) True copies of documents received  (Self-Attested) Self Certified Document copies received

\_\_\_\_\_  
**Signature of the Authorised Signatory** **Date** \_\_\_\_ - \_\_\_\_ - \_\_\_\_ **Seal/Stamp of the intermediary**

## INSTRUCTIONS/CHECK LIST FOR FILLING KYC FORM

### 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. PROOF OF IDENTITY (POI)

List of documents admissible as Proof of Identity:

1. Unique Identification Number (UID) (Aadhar)/ 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.

### C. PROOF OF ADDRESS (POA)

List of documents admissible as Proof of Address:

(\*Documents having an expiry date should be valid on the date of submission.)

1. Passport/ Voters Identity Card/ 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 apostiled or consularised) that gives the registered address should be taken.
8. The proof of address in the name of the spouse may be accepted.

### D. EXEMPTIONS/CLARIFICATIONS TO PAN

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

1. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
2. Investors residing in the state of Sikkim.
3. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
4. SIP of Mutual Funds upto Rs. 50, 000/- p.a.
5. In case of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.

### E. LIST OF PEOPLE AUTHORIZED TO ATTEST THE DOCUMENTS:

1. Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).
2. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

**F. IN CASE OF NON-INDIVIDUALS, ADDITIONAL DOCUMENTS TO BE OBTAINED FROM NON-INDIVIDUALS, OVER & ABOVE THE POI & POA, AS MENTIONED BELOW:**

TYPE OF ENTITY	DOCUMENTARY REQUIREMENTS
<b>CORPORATE</b>	<ul style="list-style-type: none"> <li>● Copy of PAN Card of the Corporate.</li> <li>● Please Provide a clear self attached photocopy of anyone of the following document acceptable as Bank Proof containing the name of the Corporate. 1. Bank Passbook 2. Statement (Note more than 3 months old) 3. Cancelled Cheque Leaf (Carry name and account number)</li> <li>● Please provide a clear self attached copy of address of the Corporate.</li> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● 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).</li> <li>● Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations.</li> <li>● Photograph, POI, POA, PAN of individual promoters holding control- either directly or indirectly.</li> <li>● Copies of the Memorandum and Articles of Association and certificate of incorporation.</li> <li>● Copy of the Board Resolution for investment in securities market.</li> <li>● Authorised signatories list with specimen signatures.</li> </ul>
<b>PARTNERSHIP FIRM</b>	<ul style="list-style-type: none"> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● Certificate of registration (for registered partnership firms only).</li> <li>● Copy of partnership deed.</li> <li>● Authorised signatories list with specimen signatures.</li> <li>● Photograph, POI, POA, PAN of Partners.</li> </ul>
<b>TRUST</b>	<ul style="list-style-type: none"> <li>● Copy of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>● Certificate of registration (for registered trust only).</li> <li>● Copy of Trust deed.</li> <li>● List of trustees certified by managing trustees/CA.</li> <li>● Photograph, POI, POA, PAN of Trustees.</li> </ul>
<b>HUF</b>	<ul style="list-style-type: none"> <li>● PAN of HUF.</li> <li>● Deed of declaration of HUF/ List of coparceners.</li> <li>● Bank pass-book/bank statement in the name of HUF.</li> <li>● Photograph, POI, POA, PAN of Karta ..</li> </ul>
<b>UNINCORPORATED ASSOCIATION OR A BODY OF INDIVIDUALS</b>	<ul style="list-style-type: none"> <li>● Proof of Existence/Constitution document.</li> <li>● Resolution of the managing body &amp; Power of Attorney granted to transact business on its behalf.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>
<b>BANKS/LNSTITUTIONAL INVESTORS</b>	<ul style="list-style-type: none"> <li>● Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>
<b>FOREIGN INSTITUTIONAL INVESTORS (FII)</b>	<ul style="list-style-type: none"> <li>● Copy of SEBI registration certificate.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>
<b>ARMY/GOVERNMENT BODIES</b>	<ul style="list-style-type: none"> <li>● Self-certification on letterhead.</li> <li>● Authorized signatories list with specimen signatures.</li> </ul>
<b>REGISTERED SOCIETY</b>	<ul style="list-style-type: none"> <li>● Copy of Registration Certificate under Societies Registration Act.</li> <li>● List of Managing Committee members.</li> <li>● Committee resolution for persons authorised to act as authorised signatories with specimen signatures.</li> <li>● True copy of Society Rules and Bye Laws certified by the Chairman/Secretary</li> </ul>



**A. BANK ACCOUNT(S) DETAILS**

Bank Name (1)

Branch Address

City/Town/Village  PIN Code

State  Country

Bank Account No.

Account Type  Saving  Current  Others - In case of  NRI  NRE  NRO

MICR Number  IFSC Code

Bank Name (2)

Branch Address

City/Town/Village  PIN Code

State  Country

Bank Account No.

Account Type  Saving  Current  Others - In case of  NRI  NRE  NRO

MICR Number  IFSC Code

**B. DEPOSITORY ACCOUNT(S) DETAILS**

Depository Participant Name (1)

Depository Name  NSDL DP ID  BO ID   
 CDSL DP ID  BO ID

Beneficiary Name

Depository Participant Name (2)

Depository Name  NSDL DP ID  BO ID   
 CDSL DP ID  BO ID

Beneficiary Name

**C. TRADING PREFERENCES**

\*Please sign in the relevant boxes where you wish to trade. The segment not chosen should be struck off by the client.

Exchanges	Segments				
NSE	Cash	<input type="checkbox"/>	F&O	<input type="checkbox"/>	Currency <input type="checkbox"/>
BSE	Cash	<input type="checkbox"/>			
MSEI	Cash	<input type="checkbox"/>	F&O	<input type="checkbox"/>	Currency <input type="checkbox"/>
MCX		<input type="checkbox"/>			NCDEX <input type="checkbox"/>

#### D. 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 :

1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_

#### E. DEALINGS THROUGH AUTHORISED PERSON (AP) / AND OTHER STOCK BROKERS

If Yes, please specify : \_\_\_\_\_

Name of AP. \_\_\_\_\_

Name of Exchange. \_\_\_\_\_ Client Code : \_\_\_\_\_

Details of disputes/dues pending from/to such stock broker/sub-broker

Whether you are a Member / Sub-broker / AP of any Exchange  Yes  No

If yes, provide SEBI / EXCHANGES RESIGNATION NO. Ph. : Website :

#### F. ADDITIONAL DETAILS

- ◆ Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify)  
 Physical Contract Note  Electronic Contract Note  
Specify your Email id, if applicable \_\_\_\_\_
- ◆ Whether you wish to avail of the facility of internet trading/ wireless technology (please specify)  Yes  No
- ◆ Number of years of Investment/Trading Experience Years \_\_\_\_\_
- ◆ In case of non-individuals, name, designation, PAN, UID, signature, residential address and photographs of persons authorized to deal in securities on behalf of  Company  Firm  Others \_\_\_\_\_
- ◆ Any other information \_\_\_\_\_  
\_\_\_\_\_

#### G. INTRODUCER DETAILS (optional)

Name of the Introducer \_\_\_\_\_

Status of the Introducer  Sub-broker  Remisier  Authorized Person  Existing Client  Others, please specify \_\_\_\_\_

Address of Introducer \_\_\_\_\_

City/Town/Village \_\_\_\_\_ PIN Code \_\_\_\_\_

State \_\_\_\_\_ Country \_\_\_\_\_

Phone No. \_\_\_\_\_

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

#### DECLARATION

1. I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/we undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am/we are aware that I/we may be held liable for it.
2. I/We confirm having read/been explained and understood the contents of the document on policy and procedures of the stock broker and the tariff sheet.
3. I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s) and 'Risk Disclosure Document'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for information on stock broker's designated website, if any.
4. I/We, the holder of the above stated Aadhaar number, hereby give my/our consent to Integrated Master Securities Private Limited as obtain my/our Aadhaar Number for authentication with UIDAI. Integrated Master Securities (P) Limited me/us that my/our identity information would only be used for demographic authentication/validation/e-KYC purpose and also informed that my/our biometrics will not be stored/shared and will be submitted to CIDR only for the purpose of authentication.

Place \_\_\_\_\_

Date \_\_\_\_\_



Signature of Client/ (all) Authorized Signatory (ies)

## FOR OFFICE USE ONLY

UCC Code allotted to the Client

	Documents verified with Originals	Client Interviewed By	In-Person Verification done by
Name of the Employee	<input type="text"/>	<input type="text"/>	<input type="text"/>
Employee Code	<input type="text"/>	<input type="text"/>	<input type="text"/>
Designation of the Employee	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date	<input type="text"/>	<input type="text"/>	<input type="text"/>
Signature	<input type="text"/>	<input type="text"/>	<input type="text"/>

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.

Signature of the Authorised Signatory

Date

Seal/Stamp of the stock broker

## INSTRUCTIONS/ CHECK LIST

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

- Copy of ITR Acknowledgement
- In case of salary income - Salary Slip, Copy of Form 16
- Copy of demat account holding statement.
- Any other relevant documents substantiating ownership of assets.
- Copy of Annual Accounts
- Net worth certificate
- Bank account statement for last 6 months
- 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.

2. Copy of cancelled cheque leaf/ pass book/bank statement specifying name of the constituent, MICR Code or/and IFSC Code of the bank should be submitted.
3. Demat master or recent holding statement issued by DP bearing name of the client.

### 4. For Individuals

- a. Stock broker has an option of doing 'in-person' verification through web camera at the branch office of the stockbroker/ sub-broker's office.
- b. In case of non-resident clients, employees at the stock broker's local office, overseas can do in-person verification. Further considering the infeasibility of carrying out 'In-person' verification of the non-resident clients by the stock broker's staff, attestation of KYC documents by Notary Public, Court, Magistrate, Judge, Local Banker, Indian Embassy / Consulate General in the country where the client resides may be permitted.

### 5. For Non-Individuals

- a. Form need to be initialized by all the authorized signatories.
- b. Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in securities on behalf of company / firm / others and their specimen signatures.

## 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).
- 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-a-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

**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/Cleanng 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

letter authorizing the said representative to deal on behalf of 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 membership by reason of the stock broker's default, legal 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 payout 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.



## 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 (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/Exchange 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 the 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

## ANNEXURE-5

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

## ANNEXURE-6

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

### TRANSACTIONS AND SETTLEMENTS

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

exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.

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





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

#### IN CASE OF TERMINATION OF TRADING MEMBERSHIP

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

securities may be governed by the Bye-laws and Regulations of the relevant Stock exchange where the trade was executed and the scheme of the Investors' Protection Fund in force from time to time.

#### DISPUTES / COMPLAINTS

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



## POLICIES & PROCEDURE

*As per SEBI Circular No. 'MIRSD/SE/Cir-1912009 Dated 3rd December, 2009*

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

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

The stock broker may require reconfirmation of orders, which are larger than that specified by the stock broker's risk management, and is also aware that the stock broker has the discretion to reject the execution of such orders based on its risk perception.

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

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

The client agrees that the losses, if any on account of such refusal or due to delay caused by such review, shall be borne exclusively by the client alone. Ordinarily, the client is not entitled to trade without adequate margin/security and that it shall be his / her / its responsibility to ascertain beforehand the

margin / security requirements for his / her / its orders / trades / deals and to ensure that the required margin / security is made available to the stock broker in such form and manner as may be required by the stock broker. If the client's order is executed despite a shortfall in the available margin, the client, shall, whether or not the stock broker intimates such shortfall in the margin to the client, make up the shortfall suo moto immediately. The client further agrees that he / she / it shall be responsible for all orders (including any orders that may be executed without the required margin in the client's account) & / or any claim / loss / damage arising out of the non availability / shortage of margin / security required by the stock broker & / or exchange & / or SEBI. The stock broker is entitled to vary the form (i.e., the replacement of the margin / security in one form with the margin / security in any other form, say, in the form of money instead of shares) & / or quantum & / or percentage of the margin & / or security required to be deposited / made available, from time to time. The margin / security deposited by the client with the stock broker are not eligible for any interest. The stock broker is entitled to include/ appropriate any/all payout of funds & / or securities towards margin/ security without requiring specific authorizations for each payout. The stock broker is entitled to transfer funds & / or securities from client's account for one exchange & / or one segment of the exchange to his/her/its account for another exchange & / or another segment of the same exchange whenever applicable and found necessary by the stock broker. The client also agrees and authorises the stock broker to treat/adjust his/her/its margin security lying in one exchange & / or one segment of the exchange/towards the margin/ security/pay in requirements of another exchange & / or another segment of the exchange.

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

### 3. Applicable brokerage rate

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

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



the premium amount or Rs 100/- (per lot) whichever is higher.

The stock broker shall be entitled to increase the brokerage applicable to the client within the overall limit stipulated by the Regulator after giving the client fifteen days notice.

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

The client shall be liable to penalty and other charges on non-payment of margin money, short selling of securities or units, failure of payment of auction, cheque bounce, non-delivery of shares, increase in open position or any orders/trades/deals/actions of the clients which are contrary to this agreement/rules/regulations/bye-laws of the exchange or any other law for the time being in force as per rules, regulations, guidelines and circulars issued by SEBI and stock exchange from time to time. Similarly, in case of non receipt of full payment of value of delivery purchased, margin imposed (initial plus exposure margin plus marked to market loss plus any other margin as imposed) interest will be charged at 18% per annum (subject to increase with prior notice of 15 days) calculated on daily basis on shortfall amount and the amount of interest shall be debited to the account of the client on fortnightly basis. The client further agrees that the stock broker may impose fines/penalties for any orders / trades / deals / actions of the client which are contrary to this agreement / rules / regulations / bye laws of the exchange or any other law for the time being in force, at such rates and in such form as it may deem fit. All fines/penalties and charges levied due to acts/deeds or transactions of the client will be recovered by the stock broker by debiting directly to the trading account of the client. It is expressly stated that the stock broker shall not pay any interest whatsoever on the credit balances and/or funds of the client available with the stock broker unless otherwise explicitly and specifically agreed to.

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

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

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

Where the margin / security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security & / or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion. The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/liquidate all open positions/securities/shares at the pre-defined square off time or when Mark to Market (M to M) percentage reaches or crosses a stipulated margin percentage, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices. In case open position (i.e. short/long) gets converted into delivery due to non square off because of any reason whatsoever, the client agree to provide securities/funds to fulfill the payin obligation failing which the client will have to face and bear consequent losses, auctions or internal close outs, and, the sale of securities at the sole discretion of stock broker; in addition to this the client will have to pay penalties and charges levied by exchange in actual and losses, if any. Without prejudice to the foregoing, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

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

- i. To withhold any payout offunds / securities.
- ii. To withhold / disable the trading / dealing facility to the client.
- iii. To liquidate one or more security(s) of the client by selling the same in such manner and at such rate which the stock broker may deem fit in its absolute discretion. It is agreed and understood by the client that securities here includes securities which are pending delivery / receipt.
- iv. To liquidate / square off partially or fully the position of sale and / or purchase in anyone or more securities /contracts in such manner and at such rate which the stock broker may decide in its absolute discretion.
- v. To take any other steps which in the given circumstances, the stock broker may deem fit. The client agrees that the loss(es) if any, on account of anyone or more steps as enumerated herein above being taken by the stock broker, shall be borne exclusively by the client alone and agrees not to question the reasonableness, requirements, timing, manner, form, pricing etc., which are chosen by the stock broker.

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

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

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

- a) The internal shortage delivery is purchased in Internal Shortage Covering Alc on T + 2 day which is the delivery day on exchange ( subject to availability of quantity short delivered ) or in certain unavoidable circumstances on the T +3 day. The purchase consideration + service charge (0.5% of purchase amount) is debited to short delivering client(Alc).
- b) If the security cannot be purchased from market due to any force majeure condition within T +4 days then short delivery seller is debited at T +4 day's closing rate + 10%( of closing rate) and purchaser is credited by the same amount.
- c) In case corporate action like split bonus etc. exists in the particular scrip then original short quantity is purchased in Internal Shortage Covering Alc as procedure followed in short delivery case as mentioned above in point "a" and corporate action quantity is purchased in sellers account, however in case of non-availability of the security in the market, the procedure as laid down in point "b" above is followed.

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

These are the following:

- Receipt of a binding order issued by any regulator/authority
- Where taking further position may result in violation of permissible limits
- Where taking further position, in the opinion of stock broker, may be against public policy or any prescribed Law, Rule or Regulation
- Where there is failure on part of the client to meet his obligation
- In the event of stock broker coming to know of Client's insolvency, death or becoming of unsound mind
- Where the stock broker in its absolute discretion considers it to be not prudent to increase its exposure towards the client.

#### **8. Temporarily suspending or closing a client's account at the client's request**

- i. The stock broker can withhold the payouts of client and suspend his trading account due to his surveillance action or judicial or / and regulatory order/action requiring client suspension.
- ii. The client may request the stock broker to temporarily suspend or close permanently his account, stock broker may do so subject to client accepting / adhering to conditions imposed by stock broker including but not limited to settlement of account and/ or other obligation.

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

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



- i. If the action of the Client are prima facie illegal/ improper or such as to manipulate the price of any securities or disturb the normal/ proper functioning of the market, either alone or in conjunction with others.
- ii. If there is any commencement of a legal process against the Client under any law in force;
- iii. On the death/lunacy or other disability of the Client;
- iv. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- v. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver appointed in respect of its assets or refers itself to the Board for Industrial and Financial Reconstruction or under any other law providing protection as a relief undertaking;
- vi. If the Client being a partnership firm, has any steps taken by the Client and/ or its partners for dissolution of the partnership;
- vii. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution’;
- viii. If the Client has made any material misrepresentation of facts.
- ix. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- x. If the Client suffers any adverse material change in his / her / its financial position or defaults in any other agreement with the Stock broker;
- xi. If the Client is in breach of any term, condition or covenant of this Agreement;
- xii. If any covenant or warranty of the Client is incorrect or untrue in any material respect;

However notwithstanding any termination of the agreement, all transactions made under / pursuant to this agreement shall be subject to all the terms and conditions of this agreement.

#### 10. Treatment of inactive Accounts

- a) Stock Broker has a right to declare any account as “In- active Account” if it is found that the account was not operated for a continuous period of more than 2 years (excludes system generated transactions like credit/debit of interest & charges) .
- b) The Stock Broker ,on request of client in writing along with fresh KYC information, may convert the “In-active Account” into an operative account.
- c) The above procedure shall also apply to return of any Client assets remaining unclaimed, with the Stock Broker, as mentioned in “b” above.

#### 11. Proprietary Trading

The Stock Broker (Integrated Master Securities (P) Ltd.), hereby informs and declares to the Client that, in addition to the Client level trading, the Stock Broker, undertakes Proprietary Trading.

#### 12. Mode of Payment- to and from the clients

- a) Stock Broker doesn't deal with its Client vis-a-vis their trading by way of cash, accordingly all payments are made or received by them only through banking channels. Further the Client must make payment to the Stock Broker from his designated (as mentioned in the KYC) bank account only.
- b) Stock Broker does not deal with its client vis-a-vis their trading by way of third party cheques. Accordingly, if any payment is made otherwise ,then it is not credited to the client account and is held in suspense account. Client's Acceptance of Policies and Procedures stated herein above: I/ We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/ clause of this document under any circumstances whatsoever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me/ us with through anyone or more means or methods such as post / speed post / courier / registered post / registered AD / facsimile / telegram / cable / e-mail/ voice mails /telephone (telephone includes such devices as mobile phones etc.) including SMS on the mobile phone or any other similar device; by messaging on the computer screen of the client's computer; by informing the client through employees / agents of the stock broker; by publishing / displaying it on the website of the stock broker /making it available as a download from the website of the stock broker; by displaying it on the notice board of the branch / office through which the client trades or if the circumstances, so require, by radio broadcast / television broadcast / newspapers advertisements etc; or any other suitable or applicable mode or manner. I/we agree that the postal department/ the courier company /newspaper company and the e-mail/ voice mail service provider and such other service providers shall be my/our agent and the delivery shall be complete when communication is given to the postal department / the courier company / the e-mail/ voicemail service provider, etc. by the stock broker and I/we agree never to challenge the same on any grounds including delayed receipt /non receipt or any other reasons whatsoever. These Policies and Procedures shall always be read along with the agreement and shall be compulsorily referred to while deciding any dispute/ difference or claim between me / us and stock broker before any court of law / judicial / adjudicating authority including arbitrator / mediator etc.



#### CM / F&O / CD BROKERAGE SCHEDULE

Segment	Cash Segment				Future Segment (NSE/BSE)		Option Segment (NSE/BSE)	Currency Derivatives Segment	
	Square Up Transaction		Delivery Transaction		Percentage (%)	Minimum Paise (Per Share)	Brokerage (Per Lot)	Percentage (%)	Minimum Paise (Per Share)
<b>Charges</b>	Percentage (%)	Minimum Paise (Per Share)	Percentage (%)	Minimum Paise (Per Share)	Percentage (%)	Minimum Paise (Per Share)	Brokerage (Per Lot)	Percentage (%)	Minimum Paise (Per Share)
<b>Brokerage</b>									

#### COMMODITY DERIVATIVES BROKERAGE SCHEDULE

Segment	Future Segment (MCX / NCDEX)		Option (MCX/NCDEX)
<b>Charges</b>	Percentage (%)	Minimum Paise (Per Share)	Brokerage (Per Lot)
<b>Brokerage</b>			



**STANDING INSTRUCTIONS**

**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

I/We have been / shall be dealing through you as my broker on the Capital Market and/ or Futures & Options Segments/Currency Derivative Segments. This instruction is applicable for all the exchanges / segments in which I/We have opted to open the account with you. As my broker i.e. agent I/we direct and authorize you to carry out trading / dealings on my/our behalf as per instructions given below.

Since you are issuing contract notes bearing order numbers and trade numbers on a daily basis, please do not issue the order/trade confirmation slips as generated from the Trading Terminal.

The Client hereby authorizes Integrated Master Securities (P) Ltd. to maintain records / books of accounts for the Client collectively for different exchanges/ segments of the exchanges and / or any other service which the Client may be availing.

Thanking you,

Yours faithfully,

Signature 

Client Name

Date  -  -

[ Note: To be signed by person himself/herself not to be signed by his/her attorney/ authorised person etc.]

**AUTHORIZATION FOR PLEDGE OF SECURITIES**

To,  
**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001


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

Dear Sir,

**Authorization to Pledge My/Our (Client's) Securities**

I/We intend to trade/invest in the Securities Market on a regular basis through you and have accordingly completed the formalities of client registration by executing the Client Registration Kit and other Agreements/Documents such as the Member Client Agreements, Client Registration Forms, Risk Disclosure Documents, authorizations, etc. which have been accepted/agreed by me/us. I/We have also been allocated the client code for dealing in the respective segments of the Stock Market in NSE/BSE/MCX-SX from time to time. Before making the said application to get registered as a client with you, I/We hereby confirm that I/We have gained the requisite knowledge and experience and awareness of the trading norms/ settlement/margin norms prescribed by the respective exchanges and shall continue to be abreast with the changes that may occur in the near future to enable me/us to sufficient to carry-out the transactions, intended by me/us, and accordingly I/We understand that in order to avail certain facilities and optimize the use of my/ our financial resources in the form of funds and/or securities, I/We hereby agree and allow you to Pledge the securities belonging to me/us and held in your Beneficiary Owner's Account towards the further exposure and/or settlement obligations of NSE/BSE/MCX-SX in respective segments.

Accordingly I/We do hereby irrevocably authorize you to Pledge the securities belonging to me/us, held in your Beneficiary Account, for margin/settlement obligations and/or for any other reason whatsoever, without any reference to me/us.

In case of Non-individual sign with stamp 

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

**RUNNING ACCOUNT AUTHORISATION**

To,

**INTEGRATED MASTER SECURITIES (P) LTD.**

303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

I/We have been/shall be dealing through you as my/our broker on Capital Market and/or Futures & Options Segments/ Currency Derivatives Segments, Mutual Funds. I/We further authorize you to follow these instructions across exchanges & across segments in which I/we have already opened accounts with you or I may open account in future. As my/our broker i.e. agent I/we direct and authorize you to carry out trading dealings on my/our behalf as per instructions given below:

I/We am/are aware that you and I/we have the option to deliver securities/make payments of funds to each other for settlement of dealings as per the schedule in force at the relevant time pursuant to directives/regulations/circulars, issued by exchange/regulatory authorities. However, I/we find it difficult to carry out repeated pay-in of funds and securities. Further, I/we also desire to use my/our securities and monies as margin/collateral without which I/We cannot deal/trade.

Therefore, I/we hereby direct and authorize you to maintain running account(s) for me/us and from time to time debit these securities and funds from running accounts and make pay-in of securities and funds to exchange/clearing corporations/other receiving party(ies) to settle my/our trades/dealings. Similarly, where I/We have to receive securities/funds in settlement of trades/dealings please keep the securities and monies with you and make credit entries for the same in running accounts of securities and funds maintained by you. Further, the funds & securities can be transferred from one segment to other and from one exchange to another as per the requirements. Further subject to your discretion and valuation please treat my/our securities and funds lying to my/our credit in running accounts as margin/collateral for my/our dealings/ trading. You are authorized to do these acts across all exchanges & segments in which I/We have been/shall be dealing with you.

In the event I/We have outstanding obligations on the settlement date, you may retain the requisite securities/funds towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the exchanges. While settling the account please send a 'statement of accounts' containing an extract from ledger for funds and an extract from client demat ledger (register of securities) displaying all receipts/deliveries of funds/securities. Please explain in the statement(s) being sent the retention of funds/securities and the details of the pledge, if any. I agree that if I/we fail to bring any dispute arising from the statement of accounts or settlement so made to your notice within reasonable time from the date of receipt funds/securities or statement, as the case may be in writing by delivery at your corporate office then in that event the statement of accounts or settlement so made shall attain finality. You may do the periodic settlement of running account referred to above for funds given by me/us towards collaterals/margin in the form of bank guarantee (BG)/Fixed Deposit Receipts (FDR) after retaining the desired margin.

Please note that I am entitled to revoke this authorisation at any time, which will be effective from the date of physical delivery of revocation letter at your registered office.

My/Our preference for actual settlement of funds and securities is at least:

- Once in a Calendar Quarter
- Once in a Calendar Month

Thanking you,

Yours faithfully,

Signature 

Client Name

Date

[ Note: To be signed by person himself/herself not to be signed by his/her attorney/ authorised person etc.]

**AUTHORISATION FOR ELECTRONIC CONTRACT NOTES**

**INTEGRATED MASTER SECURITIES (P) LTD.**

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

303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

**Sub. : Digitally Signed Electronic Contract Notes / Account / Ledger Statements**

This is to inform you that I/we am/are desirous of receiving contract notes for the dealings carried out by me/us through electronic mode of delivery and accordingly request you to provide me/us Digitally Signed Contract Notes through email on my/our email address provided below.

I/we further hereby irrevocably authorize and give consent to you to send the following information at my/our designated email address as mentioned below and the delivery of information so made shall be effective and deemed delivery to meet the requirement 0 providing the said information such as the following

Copy of my/our executed KYC kit

Digitally signed contract notes/bills,

Statement of Accounts / Ledgers

Statement of Funds and Securities

Margin statement relating to my account

Any other important notice, Circular or communications including changes in the terms and conditions of service.

My/Our email ID for above purpose is as follows

My/Our Email ID is \_\_\_\_\_

(please write clearly)

I declare that the aforesaid email-id belongs to :

me or  my family (spouse, dependent children and dependent parents)

I/We understand that any change in the above email ID can be made by you only against a physical letter personally signed by me/us, or alternatively if the request is made through the password protected secured access as provided on your website.

I/We undertake to check the electronic contract notes regularly and bring the discrepancies, if any to Integrated Master Securities (P) Ltd. notice within 24 hours of issuance of such digital contract notes.

I/We also understand that Non-Bouncing of the Electronic Contract Notes (ECN) shall be construed as a valid deemed delivery of digital contract notes and other electronic documents sent to me/us, and you shall send physical contract notes to me/us only in case any ECN's bounced back to you from my email ID. Failure on my/our part to check/verify the contract notes on regular basis shall no a reason for disputing the digital contract note at any time and the payment obligations and transactions and trades shall be adhere and cleared by me/us.

Thanking you,

Yours faithfully,



In case of Non-individual sign with stamp

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

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

**VERBAL ORDER ACCEPTANCE AUTHORISATION**

To,  
**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

I/We have been / shall be dealing through you as my / our broker on the Capital Market, Mutual Fund and/or Futures & Options Segments / Currency Derivative Segments. This instruction is applicable for all the exchanges/ segments in which I/ We have opted to open the account with you. As my / our broker i.e. agent I /We direct and authorize you to carry out trading / dealings on my / our behalf as per instructions given below.

I/We agree and acknowledge that it is advised and preferred by you that I/We give instructions for order placement/ modification and cancellation in writing to avoid disputes, I/we must give instructions in writing and take signatures of your duly authorised officers at the branch along with your company stamp on the carbon/photocopy of the instructions in acknowledgement of receipt of my/our instructions.

As I/We shall be dealing by ordering over phone and even if we visit your office, the fluctuations in market are so rapid that it is not practical to give written instructions for order placement/modification and cancellation, I/We hereby authorize you to accept my / my authorised representative's verbal instructions for order placement/modification and cancellation in person or over phone (fixed line or mobile phone) and execute the same. I/We understand the risk associated with verbal orders and accept the same, and agree that I/We shall not be entitled to disown orders and consequent trades (if any) under the plea that same were not under mine/our instructions. I/We agree that I/We will not have the right to shift the burden of proof by asking you to prove the placement of orders through telephone recording or otherwise.

I/We shall be liable for all losses, damages and actions which may arise as a consequence of your adhering to and carrying out my / our directions given above.

Thanking you,

Yours faithfully,

Signature



Client Name

Date

-  -

[ Note: To be signed by person himself/herself not to be signed by his/her attorney/ authorised person etc.]

**AUTHORIZATION FOR ADJUSTMENT BETWEEN DIFFERENT SEGMENTS & EXCHANGES**

To,  
**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

I/we understand that the regulations governing the Capital Market do not encourage adjustment of balances arising out of dealings of Clients in different segments or exchanges.

However while appreciating the above, I/we would like to avoid inconvenience of making and receiving multiple payments and also make potential use of my funds, in my/our opinion, this optimization is possible, if I/we can deal with my/our account with you on a consolidated basis.

I/we therefore request & voluntarily authorize you to consider my/our account on a consolidated basis, accordingly you may adjust Inter-Exchange or Inter-Segment, Debit & Credit balances with each other, without reference to me/us, the same shall not be objected to by me/us.

Further, notwithstanding anything contrary contained in the agreement between us, I/We hereby inform you that I/We have executed/ desire to execute an agreement with your company for trading in various segments on Exchanges of which they are a member.

You are further authorized to transfer, make adjustments and/or to set off a part or whole of the securities placed as margin and/or any surplus funds in any of my/our account(s) maintained with you against the outstanding dues payable if any, by me/us in any of my/our account(s) maintained with Integrated Master Securities (P) Ltd.

You shall have the right of lien on the credit balance in any of my/our accounts. Any entries passed by you in accordance with this authorization shall be binding on me / us.

Thanking you

Yours faithfully,

In case of Non-individual sign with stamp



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

**UNDERTAKING FOR COMMON MOBILE NUMBER / EMAIL ID FOR TRADING AND DEMAT ACCOUNTS**

**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dated : \_\_\_\_\_

**SUB. : UNDERTAKING OF COMMON MOBILE NUMBER / EMAIL ID FOR TRADING AND DEMAT ACCOUNT**

Dear Sir,

I am your registered client having trading code as \_\_\_\_\_ and demat account number \_\_\_\_\_ The Email Id and Mobile No. associated with my Account is \_\_\_\_\_ and \_\_\_\_\_ respectively.

Upon understanding that my mobile number/email ID is registered with some of the clients who have trading and/or demat accounts with you, I have to state that this is in my full knowledge and I have consented to the below mentioned clients who is / are members of my family, to state my mobile number/email id in their KYCs to which I have no objection:-

S.L. No.	Name	Client Code	Demant Account	Relation	Signature

You are requested to take it on your record and oblige.

Thanking you.

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NOTE : \* 'Family for this purpose would mean self, spouse, dependent children and dependent parents.

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

To,  
**INTEGRATED MASTER SECURITIES (P) LTD.**  
303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

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

Dear Sir,

This has reference to my/our Trading & Beneficiary accounts opened with Integrated Master Securities (P) Ltd., the particulars of which are as under.

Beneficiary Client ID	
Trading Account Code	

With regard to these accounts, and for the sake of my/our operating convenience, I/we request and authorize you to debit the bills raised by you, pertaining to the depository services, provided to me/us to my/our trading account only. Any such sum debited to my/our Trading account shall be binding on me/us, and shall not be objected to.

Kindly do the needful as requested.



In case of Non-individual sign with stamp

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

**Integrated Master Securities Pvt. Ltd.**



## RIGHT TO EXERCISE SET-OFF/LIEN AND SHARING OF INFORMATION

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

### INTEGRATED MASTER SECURITIES (P) LTD.

303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

With respect to the member client Agreement executed between us, we authorise you as under:

#### Right to exercise Set-Off / Lien and sharing of information

Mr./Ms./M/s. \_\_\_\_\_ an Individual / a sole proprietary concern / HUF / a partnership firm / a body corporate, registered / incorporated, under the provisions of the Indian Partnership Act, 1932 / the Companies Act, 1956/2013, having his / her / its residence / registered office at \_\_\_\_\_ (hereinafter called "the client")

That I/We, am/are a Client of Integrated Master Securities (P) Ltd. and have executed a Member - Client Agreement with the aforesaid company for investing / trading in securities / permitted for dealing on the respective Exchanges and also for investing/trading in those contracts admitted/permitted for dealing on the Derivatives Market segment of the respective Exchanges.

That in respect to the aforesaid agreements, I/We hereby authorise IMSPL to exercise the right to set off the balances in my/our accounts with IMSPL in any segment/exchange with respect to monies and commodities, securities or other property, which IMSPL may hold on my/our account, shall be held subject to a general lien for the discharge of my/our obligations to IMSPL under these agreements. The right of lien and set-off conferred to IMSPL by me/us are as follows:

1. All securities in the demat account opened (if any) with the depository Participant (namely IMSPL), and in beneficiary Alc. shall be subject to lien for the discharge of any or all payments due to IMSPL from me/us or any other obligations to IMSPL and may be held by IMSPL as a security against default by me/us in respect of the services already availed of by me/us from IMSPL.
2. The enforcement of the lien aforementioned shall be at the sole and complete discretion of IMSPL.
3. I/We agree that IMSPL shall have the right of set-off amongst all trading account/(s) maintained by me/us with IMSPL.
4. The right of set-off as aforesaid shall extend to my/our trading accounts with respect to all broking transactions with associated concerns, affiliates or sister concerns of IMSPL as though such accounts are maintained with IMSPL.
5. In case of debit balance in my account, it is not paid by me as per the settlement schedules you are authorized to sell/pledge at any point of time the securities purchased by me in previous settlements. If Loss/Profit occurs on this transaction it will be treated as normal sale or purchase, and I am agreeing to pay the balance amount if any.
6. I/We agree that IMSPL may share the information provided by me/us pertaining to my trading and demat account to its sister concerns/group concerns/associates as and when required.

Furthermore, the aforesaid lien / set-off conferred on IMSPL shall subsist even after the termination of the aforesaid Member-Client Agreements with IMSPL until all obligations under the said agreements are satisfied fully by me/us.

Thanking you

Yours faithfully,

In case of Non-individual sign with stamp



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

## AUTHORISATION

To,

### INTEGRATED MASTER SECURITIES (P) LTD.

303, New Delhi House, 27 Barakhamba Road,  
New Delhi-110001

Dear Sir,

I/We understand that in case, of my/our failure to make the funds pay in or delivery of securities for my/our deals/trading by designated day, you are entitled to sell off in the market the securities received in payout and/or deem our position closed out at applicable rates; or I/We do hereby request you not to carry out such sell off in the market of the securities received in payout and/or deem my/our positions closed out and I/We shall in consideration thereof pay the opportunity cost/interest on such non sold off securities and/or non closed out position without demur or protest at such opportunity cost and/or interest as you shall determine entirely at your discretion.

I/We do hereby indemnify and agree to compensate for any losses, penalties you may suffer for agreeing to this direction.

Thanking you,

Yours faithfully,

Signature



Client Name

\_\_\_\_\_

Date

\_\_\_\_ - \_\_\_\_ - \_\_\_\_

[ Note: To be signed by person himself/herself not to be signed by his/her attorney/ authorised person etc.]