

# Trading Account Opening Form

## Aldan Investments Private Limited

**SEBI Registration Number:** INZ000279438

**CIN Number:** U67120MH1995PTC084811

**GST Number:** 27AAACA8911D1Z0

**Email:** [info@aldaninvestments.com](mailto:info@aldaninvestments.com)  
[meet@aldaninvestments.com](mailto:meet@aldaninvestments.com)

**Registered address:** 701 Heritage Plaza, Opp. Indian Oil Nagar, JP Road, Andheri West, Mumbai 400053, Maharashtra, India

**Telephone:** +912266707878

Client Name						
Trading/UCC Code						

## Grievance/Dispute Redressal

For grievance or dispute pertaining to your commercial transactions with Aldan Investments Pvt Ltd, please contact them at the emails/phone/physical office address mentioned above.

If you do not receive a response within 30 calendar days, you may contact:

**Bombay Stock Exchange Ltd** at [is@bseindia.com](mailto:is@bseindia.com) and +912222728097

**National Stock Exchange of India Ltd** at [ignse@nse.co.in](mailto:ignse@nse.co.in) and +912226598190

**Aldan Investments Private Limited**

701 Heritage Plaza, Opp. Indian Oil Nagar  
JP Road, Andheri (W), Mumbai 400053

**In-person verification**

	Documents verified with originals				Client interviewed by				In-person verification done by								
Name																	
Designation		Employee						Authorized person									
Date		D	D	M	M	Y	Y	Y	Y	Signature							

I/We undertake that I/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.

Date		D	D	M	M	Y	Y	Y	Y	Signature							
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**For Office use only**

UCC Code											
Back-office code											

**DECLARATION**

We have given/sent him copies of all the KYC documents. 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. We also undertake that any change in the 'Rights and Obligations' and RDD would be made available on our website, if any, for the information of the clients.

For **Aldan Investments Pvt Ltd**

Authorized signatory

Date	D	D	M	M	Y	Y	Y	Y
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**RISK ASSESSMENT OF CLIENT in terms of Prevention of Money Laundering Act 2002**

Type of client	Low risk	Medium risk	High risk	CSC (client of special category)
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At the time of opening the account on D D M M Y Y Y Y

Categorization of the client would be changed only if there is change based on risk assessment of the client during his/her dealings with Aldan Investments Pvt Ltd.

## Instructions/check list for filling KYC form

### 1. Important points

- a. 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.
- b. 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.
- c. If any proof of identity or address is in a foreign language, then translation into English is required.
- d. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
- e. If correspondence & permanent address are different, then proofs for both have to be submitted.
- f. Sole proprietor must make the application in his individual name & capacity.
- g. 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.
- h. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
- i. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted.
- j. 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.
- k. 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.

### 2. Proof of Identity (POI): *List of documents admissible as Proof of Identity*

- a. Unique Identification Number (UID)/Aadhaar/ Passport/ Voter ID card/ Driving license.
- b. PAN card with photograph.
- c. 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.

### 3. Proof of Address (POA): *List of documents admissibly as Proof of Address*

*Documents having an expiry date must be valid at the time of submission*

- a. Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.
- b. Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
- c. Bank Account Statement/Passbook — Not more than 3 months old.
- d. Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts.
- e. 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.
- f. 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.

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- g. For FII/sub account, Power of Attorney given by FII/sub-account to the Custodians (which are duly notarized and/or apostilled or consularised) that gives the registered address should be taken.
- h. The proof of address in the name of the spouse may be accepted.

#### 4. Exemptions/clarifications to PAN *Sufficient documentary evidence in support of such claims to be collected*

- a. 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.
- b. Investors residing in the state of Sikkim.
- c. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
- d. SIP of Mutual Funds up to Rs 50,000/- p.a.
- e. 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.

#### 5. List of people authorized to attest the documents

- a. 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).
- b. In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy /Consulate General in the country where the client resides are permitted to attest the documents.

## Instructions/check list for additional documents for trading in Derivatives segment

#### 1. Any one of the following documents

Copy of ITR acknowledgement	Copy of Annual accounts for last 3 years
For salaried income – Salary slip, copy of Form 16	Net worth certificate
Copy of DEMAT account holding statement	Bank account statement for last 6 months
Other relevant documents substantiating ownership of assets	Self-declaration with relevant supporting documents

*\* Documents as per risk management requirements of the broker must be provided by the client from time-to-time*

- 2. Copy of cancelled cheque leaf/passbook/bank statement specifying name of the constituent, MICR code or/and IFSC code of the bank
- 3. DEMAT master or recent holding statement issued by the DP bearing name of the client
- 4. **For Non-individuals**
  - a. Form needs to be initialized by all the authorized signatories
  - b. Copy of board resolution or declaration (on the company letterhead) naming the persons authorized to deal in securities on behalf of the company/firm/others and their specimen signatures

## List of additional documents to be procured from non-individuals, over and above Power-of-Attorney and Proof-of-Identity

Type of entity	Documentary requirements
Corporate	<ol style="list-style-type: none"> <li>1. Copies of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>2. 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>3. Photograph, POI, POA, PAN and DIN numbers of whole-time directors/ two directors in charge of day-to-day operations.</li> <li>4. Photograph, POI, POA, PAN of individual promoters holding control either directly or indirectly.</li> <li>5. Copies of the Memorandum and Articles of Association and certificate of incorporation.</li> <li>6. Copy of the Board Resolution for investment in securities market.</li> <li>7. Authorized signatories list with specimen signatures.</li> </ol>
Partnership firm	<ol style="list-style-type: none"> <li>1. Copies of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>2. Certificate of registration (for registered partnership firms only).</li> <li>3. Copy of partnership deed.</li> <li>4. Authorized signatories list with specimen signatures.</li> <li>5. Photograph, POI, POA, PAN of Partners.</li> </ol>
Trust	<ol style="list-style-type: none"> <li>1. Copies of the balance sheets for the last 2 financial years (to be submitted every year).</li> <li>2. Certificate of registration (for registered trust only).</li> <li>3. Copy of Trust deed.</li> <li>4. List of trustees certified by managing trustees/CA.</li> <li>5. Photograph, POI, POA, PAN of Trustees.</li> </ol>
HUF	<ol style="list-style-type: none"> <li>1. PAN of HUF.</li> <li>2. Deed of declaration of HUF/ List of coparceners.</li> <li>3. Bank passbook/bank statement in the name of HUF.</li> <li>4. Photograph, POI, POA, PAN of Karta.</li> </ol>
Unincorporated association or a body of individuals	<ol style="list-style-type: none"> <li>1. Proof of Existence/Constitution document.</li> <li>2. Resolution of the managing body &amp; Power of Attorney granted to transact business on its behalf.</li> <li>3. Authorized signatories list with specimen signatures.</li> </ol>
Banks/Institutional Investors	<ol style="list-style-type: none"> <li>1. Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years.</li> <li>2. Authorized signatories list with specimen signatures.</li> </ol>
Foreign Institutional Investors (FII)	<ol style="list-style-type: none"> <li>1. Copy of SEBI registration certificate.</li> <li>2. Authorized signatories list with specimen signatures.</li> </ol>
Army/ Government Bodies	<ol style="list-style-type: none"> <li>1. Self-certification on letterhead.</li> <li>2. Authorized signatories list with specimen signatures.</li> </ol>
Registered Society	<ol style="list-style-type: none"> <li>1. Copy of Registration Certificate under Societies Registration Act.</li> <li>2. List of Managing Committee members.</li> <li>3. Committee resolution for persons authorized to act as authorized signatories with specimen signatures.</li> <li>4. True copy of Society Rules and Bye Laws certified by the Chairman/Secretary</li> </ol>

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**Trading account related details**

<b>Bank account(s) details</b>			
Particulars	Bank 1	Bank 2	Bank 3
Bank name			
Bank address			
Telephone number			
Account type <i>savings/current/NRE/NRO</i>			
Account number			
MICR Number			
IFSC Number			
<b>Depository account(s) details</b>			
Particulars	DP 1	DP 2	DP 3
Depository name	<b>CDSL</b>		
DP Name	<b>Aldan investments Private Limited</b>		
DP Address	<b>701 Heritage Plaza Opp. Indian Oil Nagar JP Road Andheri (W) Mumbai 400053</b>		
DP ID	<b>12040600</b>		
Client ID			
Jt. Holder's Name			
<b>Trading preferences*</b>			
Segment	BSE	NSE	
Equity			
Derivatives			

*\*Sign in the relevant boxes where you wish to trade. The segment not chosen should be struck off by the client. If in the future, the client wants to trade on any new segment/exchange, separate authorization letter should be provided to Aldan Investments Private Limited*

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Other details													
Educational qualification		Graduate					Post-graduate						
		Professional					Others ( <i>specify below</i> )						
Gross Annual Income		Up to INR 1,00,000					INR 1,00,000 to 5,00,000						
		INR 5,00,000 to 10,00,000				A	INR 10,00,000 to 25,00,000						
		More than INR 25,00,000											
Net worth	INR					Dt	D	D	M	M	Y	Y	Y
Occupation		Private sector			Public sector			Government service				Business	
		Student			Professional			Agriculturist				Retired	
		Housewife			Others								
Please tick, if applicable		Politically exposed person (PEP)					Related to politically exposed person						
Past actions													
Details of any action/proceedings initiated/pending/ taken by SEBI/ Stock exchange/any other authority against the applicant/constituent or its Partners/promoters/whole time directors/authorized persons in charge of dealing in securities during the last 3 years:													
Dealings through Authorized persons and other stockbrokers													
<i>If client is dealing through the authorized person(s), provide the following details</i>													
Authorized person's name													
SEBI registration number													
Registered office address													
Phone		Fax		Website									
Whether dealing with any other stockbroker/associated person (if case dealing with multiple stockbrokers/associated person(s), provide details of all)													
Name of the stockbroker													
Name of associated person if any													
Client code						Exchange							
Details of disputes/dues pending from/to such stockbrokers/associations													
Additional details													
Whether you wish to receive physical contract note or Electronic Contract Note (ECN) ( <i>specify</i> )													
Email address ( <i>in block letters</i> )													
Whether you wish to avail of the facility of internet trading/wireless technology ( <i>specify</i> )													
Name of years of investing/trading experience													
Any other information													

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<b>Introducer details</b>																		
Name																		
Status		Authorized person								Existing client								
		Others ( <i>specify</i> )																
Address																		
Phone								PAN										
Email address								Signature of introducer										
<b>Nomination details (for individuals only)</b>																		
		I/We wish to nominate											I/We do not wish to nominate					
Name																		
Relationship		PAN											Phone					
Date of birth				Address														
<i>If the nominee is a minor, details of the guardian (photos of guardian and the minor nominee to be attached)</i>																		
Name																		
Relationship		PAN											Phone					
Address																		
<b>WITNESSES (only applicable in case the account holder has made a nomination)</b>																		
Name						Name												
Signature						Signature												
Address						Address												
<b>DECLARATION</b>																		
<p>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</p> <p>2. I/We confirm having received, read/been explained, and understood the contents of the document on policy and procedures of the stockbroker and the tariff sheet</p> <p>3. I/We further confirm having received, read, and understood the contents of the 'Rights and Obligations' document(s) and 'Risk Disclosure Document' and 'Guidance Note-Do's &amp; Don'ts Documents'. 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 stockbroker's designated website, if any</p>																		
Place								Date			D	D	M	M	Y	Y	Y	Y
Client/authorized signatory signature																		





## **RIGHTS & OBLIGATIONS of stockbrokers, authorized persons and clients as prescribed by SEBI and the 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 stockbroker, authorized person 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 stockbroker to deal in securities and/or deal in derivatives contracts and wishes to execute its orders through the stockbroker and the client shall from time to time continue to satisfy itself of such capability of the stockbroker before executing orders through the stockbroker.
4. The stockbroker 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 stockbroker shall take steps to make the client aware of the precise nature of the Stockbroker's liability for business to be conducted, including any limitations, the liability and the capacity in which the stockbroker acts.
6. The authorized person shall provide necessary assistance and co-operate with the stockbroker in all its dealings with the client(s).

### **CLIENT INFORMATION**

7. The client shall furnish all such details in full as are required by the stockbroker 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 stockbroker shall be non- mandatory, as per terms & conditions accepted by the client.
9. The client shall immediately notify the stockbroker 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 stockbroker on a periodic basis.
10. The stockbroker and authorized person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stockbroker 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 stockbroker 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 stockbroker is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or SEBI) and the client shall be obliged to pay such margins within the stipulated time.
12. The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

### **TRANSACTIONS AND SETTLEMENTS**

13. The client shall give any order for buy or sell of a security/derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the stockbroker. The stockbroker shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.
14. The stockbroker shall inform the client and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.
15. The stockbroker 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 stockbroker 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, stockbroker 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 stockbroker 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 stockbroker renders to the Client. The stockbroker shall not charge brokerage more than the maximum brokerage permissible as per the rules, regulations and byelaws of the relevant stock exchanges and/or rules and regulations of SEBI.

**LIQUIDATION AND CLOSE OUT OF POSITION**

19. Without prejudice to the stockbroker's other rights (including the right to refer a matter to arbitration), the client understands that the stockbroker 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, stockbroker 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 stockbroker against the legal heir.
21. The stockbroker 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 stockbroker to the relevant Exchange(s).

**DISPUTE RESOLUTION**

22. The stockbroker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
23. The stockbroker 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 stockbroker 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 stockbroker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
26. The client/stockbroker understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/stockbroker shall be binding on the client/stockbroker in accordance with the letter authorizing the said representative to deal on behalf of the said client/stockbroker.

**TERMINATION OF RELATIONSHIP**

27. This relationship between the stockbroker and the client shall be terminated; if the stockbroker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stockbroker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.
28. The stockbroker, authorized person and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities, and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives, or successors, as the case may be.



29. In the event of demise/insolvency of the authorized person or the cancellation of his/its registration with the Board or/withdrawal of recognition of the authorized person by the stock exchange and/or termination of the agreement with the sub broker by the stockbroker, 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 stockbroker and all clauses in the 'Rights and Obligations' document(s) governing the stockbroker, authorized person and client shall continue to be in force as it is, unless the client intimates to the stockbroker 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 stockbroker 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 stockbroker 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 stockbroker 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 stockbroker 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 stockbroker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stockbroker 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 Stockbroker.
35. The stockbroker 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 stockbroker 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 stockbroker. The client shall communicate to the stockbroker 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 stockbroker 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-tamper able.
39. The client shall note that non-receipt of bounced mail notification by the stockbroker shall amount to delivery of the contract note at the e-mail ID of the client.
40. The stockbroker shall retain ECN and acknowledgement of the e-mail in a soft and non-tamper able 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 stockbroker 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 stockbroker 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 stockbroker 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 stockbroker 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 stockbroker shall simultaneously publish the ECN on his designated website, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique username and password to the client, with an option to the client to save the contract note electronically and/or take a printout of the same.

**LAW AND JURISDICTION**

43. In addition to the specific rights set out in this document, the stockbroker, authorized person and the client shall be entitled to exercise any other rights which the stockbroker or the client may have under the Rules, Byelaws 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 stockbroker 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 stockbroker should not be in contravention with rules/regulations/notices/circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Byelaws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document



## **Internet & wireless technology-based trading facility provided by stockbrokers 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. Stockbroker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stockbroker 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 Stockbroker shall provide the Stockbroker's IBT Service to the Client, and the Client shall avail of the Stockbroker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stockbroker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.
3. The stockbroker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stockbroker.
4. The stockbroker shall make the client aware that the Stockbroker'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 whosoever through the Stockbroker'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 stockbroker
6. The Client shall immediately notify the Stockbroker in writing if he forgets his password, discovers security flaw in Stockbroker'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 stockbroker 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 stockbroker 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 Stockbroker and the Exchange do not make any representation or warranty that the Stockbroker'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 Stockbroker on account of any suspension, interruption, non-availability or malfunctioning of the Stockbroker'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/Stockbrokers/Exchange end for any reason beyond the control of the stockbroker/ Exchanges.





## **Risk disclosure document for capital market and derivatives segments**

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

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

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

You must know and appreciate that trading in Equity shares, derivatives contracts or other instruments traded on the Stock Exchange, which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on Stock exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and Stock exchanges/its Clearing Corporation and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned stockbroker. 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 stockbroker shall be subject to your fulfilling certain formalities set out by the stockbroker, 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 stockbroker 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**

#### 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.



**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.

- 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.

**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.

**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.

- 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.
- 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.
- 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.

**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.

**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.

**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.

- 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.



- 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.

#### 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.

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

#### 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 considering 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.

- 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.
- If you fail to deposit the additional amount by the deadline or if an outstanding debt occurs in your account, the stockbroker 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.
- 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.
- 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.
- 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.

#### Currency specific risks

- 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.
- 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.
- 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 marketplace. 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.





**Risk of Option holders**

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.

The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

**Risks of Option Writers**

If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.

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.

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.

**2. TRADING THROUGH WIRELESS TECHNOLOGY/ SMART ORDER ROUTING OR ANY OTHER TECHNOLOGY**

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. Hence trading through wireless technology/smart order routing or any other technology is subject to 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.

**3. GENERAL**

The term 'constituent' shall mean and include a client, a customer, or an investor, who deals with a stockbroker for the purpose of acquiring and/or selling of securities/derivatives contracts through the mechanism provided by the Exchanges.

The term 'stockbroker' shall mean and include a stockbroker, a broker, or an authorized person, who has been admitted as such by the Exchanges and who holds a registration certificate from SEBI.



## **GUIDANCE NOTE – DOs and DON'Ts for trading on the exchanges for investors**

### **BEFORE YOU BEGIN TO TRADE**

- 1 Ensure that you deal with and through only SEBI registered intermediaries. You may check their SEBI registration certificate number from the list available on the Stock exchanges [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com), [www.mcx-sx.com](http://www.mcx-sx.com), [www.useindia.com](http://www.useindia.com) and SEBI website [www.sebi.gov.in](http://www.sebi.gov.in).
- 2 Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
- 3 Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stockbroker.
- 4 Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stockbroker. Note that the clauses as agreed between you and the stockbroker 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 stockbroker free of charge.
- 7 In case you wish to execute Power of Attorney (POA) in favor of the Stockbroker, 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 stockbroker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email ID to the stockbroker 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 stockbroker.
- 11 Make the payments by account payee cheque in favor of the stockbroker. Don't issue cheques in the name of authorized person. Ensure that you have a documentary proof of your payment/deposit of securities with the stockbroker, 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, 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 stockbroker may maintain a 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 stockbroker, at least once in a calendar quarter or month, depending on your preference. While settling the account, the stockbroker 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 stockbroker 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 stockbroker 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 stockbroker 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 stockbroker. 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 stockbroker, 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 stockbroker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges gives a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.
- 17 Familiarize yourself with the protection accorded to the money and/or securities you may deposit with your stockbroker, particularly in the event of a default or the stockbroker'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 stockbrokers are displayed on the website of the relevant Stock exchange.
- 19 In case your issue/problem/grievance is not being sorted out by concerned stockbroker/authorized person 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 stockbroker/authorized persons 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.



## Document on Policies and Procedures

### 1. Trading in penny stocks

Aldan Investments Pvt. Ltd, discourages/restricts trading in penny stocks by the clients, as they are susceptible to manipulation and also risky for the clients as well as Aldan Investments Pvt. Ltd. The client is, therefore, required to exercise due diligence while dealing with penny stocks. Aldan Investments Pvt. Ltd, shall be at liberty to refuse the orders placed by the clients for purchase/sale of penny stocks. It is to be noted that trading in such penny stocks is being continuously monitored. Aldan Investments Pvt. Ltd, reserves the right to suspend the client account, without giving any notice therefor, if it is found that the client is indulging in trading activities only in penny stocks.

"Penny Stocks" for this purpose shall include the following:

- i. All illiquid securities as notified every month by BSE/NSE;
- ii. All stocks which are highly illiquid and have a low market capitalization;
- iii. All stocks which are restricted for trading by SEBI and/or the Exchanges; and
- iv. Any other securities, which may be restricted for trading by Aldan Investments Pvt. Ltd, based on its internal valuation.

### 2. Client's exposure limits

The client wise exposure limit will be set by Aldan Investments Pvt. Ltd, after taking into consideration the credit balance in the ledger, margin money (in excess of the Var Margin and M2M payable by the client), deposits, the value of shares of the client which are lying with Aldan Investments Pvt. Ltd, and client profile/financial status. Aldan Investments Pvt. Ltd, shall have the right to fix/change the rates of the applicable haircut while determining the value of the shares of the client, against which the exposure limits are given to the clients. It is to be noted that if the client has taken exposure in violation of various position limits prescribed by the Exchanges, the penalty, if any, levied by the Exchanges will be passed on to the client.

### 3. Brokerage rates applicable

The client is required to pay brokerage as per the rate mutually agreed between the Client and Aldan Investments Pvt. Ltd, at the time of opening the trading account. However, any subsequent change in the brokerage rate will be effected only with the mutual consent of the client and Aldan Investments Pvt. Ltd. It is to be noted that all other statutory levies and transaction & clearing charges and other charges levied by the Exchanges/Depositories/Regulatory Bodies would be recovered separately from the client.

### 4. Penalty/Delayed Payment Charges

The clients are required to settle the pay-in/provide margin within the time limits prescribed by the Exchanges/SEBI/ Aldan Investments Pvt. Ltd. In case the client fails to provide the same within the prescribed time limits, Aldan Investments Pvt. Ltd, reserves the right to levy Delayed Payment Charges (DPC) on a daily basis from the settlement date on all outstanding obligations. Such DPC shall be debited directly to the client's account at the end of every month. It is to be noted that such DPC will be deterrent in nature & as such cannot be assumed to be financing/funding the client's settlement obligations. Aldan Investments Pvt. Ltd, reserves its right to charge the Penalty/DPC @ 18% p.a. from the defaulting clients.

Aldan Investments Pvt. Ltd, reserves its right to pass on any penalty charged by SEBI/Exchanges as a result of any violation or non-compliance committed by the client with respect to submitting wrong KYC information, indulging in price rigging & abnormal & circular trades, creating artificial market, doing financial transactions using trading systems of Exchanges etc. Aldan Investments Pvt. Ltd, reserves its right to levy penalty/charges on the clients for instances such as bouncing of cheques, wrong information resulting in client code modification etc., at the rates as may be decided from time to time.



## Aldan Investments Private Limited

701 Heritage Plaza, Opp. Indian Oil Nagar  
JP Road, Andheri (W), Mumbai 400053



### 5. Non-payment of dues by the client, and consequences thereof

In case of purchases on behalf of clients, Aldan Investments Pvt. Ltd, shall be at liberty to close out the transactions by selling the securities, without giving notice to the client, in case the client fails to make the full payment to Aldan Investments Pvt. Ltd, for the execution of the contract within two days of contract note having been delivered for shares or before pay-in day (as fixed by Stock Exchange for the concerned settlement period), whichever is earlier; unless the client already has an equivalent credit with Aldan Investments Pvt. Ltd. The loss, if any, incurred in this regard, shall be borne by the client and will be met from the margin money/deposit of that client lying with Aldan Investments Pvt. Ltd. The close out/selling/squaring-off will be only to the extent of combined shortfalls in Margins/MTM/ settlement obligations on all segments of Exchanges.

### 6. Closure of the existing position of a client

Aldan Investments Pvt. Ltd, shall have the right to refuse to execute the trades/allow the client to take further position and/or close out the existing position of the client, under the following circumstances:

- i. If there is any order to that effect from any regulatory/statutory authority;
- ii. If there is any enquiry/investigation by any regulatory/statutory authority into the affairs of the client;
- iii. Non-receipt of funds/securities and/or bouncing of cheques received from the client towards the obligations/margin /ledger balances;
- iv. In case of breach of the limits set out by the Exchanges/SEBI/ Aldan Investments Pvt. Ltd; and
- v. Due to any force majeure event beyond the control of Aldan Investments Pvt. Ltd.

### 7. Shortages in obligations arising out of internal netting of trades

Internal Shortage arises when the buyer and the seller of a scrip (other than T or BE Group scrips) are clients of Aldan Investments Pvt. Ltd, and the seller fails to deliver the scrip to fulfill his settlement obligation. The internal shortages are marked against the client randomly at the sole discretion of Aldan Investments Pvt. Ltd, taking in to account the delivery obligations through Exchanges. The short delivering client (seller) is provisionally debited by an amount equivalent to the closing price of that scrip on the trade day (T Day). The scrip delivered short is then, purchased from the market on T+ 2 Day. On T+3 day, an Auction Bill, as per the Exchange Rules, is raised on the seller for the standard rate or auction rate Provided by the Exchange, whichever is higher, along with the reversal entry of provisional amount debited earlier. Once the payout of that scrip is received from Exchange (on T+ 4 Day), the same will be transferred to the DEMAT account of original buyer client.

### 8. Temporary Suspension/Closure of the client's account

Aldan Investments Pvt. Ltd, shall keep the client's account suspended/closed for a temporary period of time at the specific written request, 15 days in advance, of the client, under certain circumstances such as the client going out of the town/country, undergoing medical treatment requiring his hospitalization etc., However, such suspension/closure will be effected, subject to clearance of all dues and settlement obligations by the client. During the period of such temporary suspension, trading in the client's account shall not be permitted. Notwithstanding any such suspension/closure, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to such closure/suspension shall continue to subsist and binding on the client. The client's account shall be reactivated only at the specific written request of the client.

### 9. Deregistering a client

The client is required to give details of action, if any, taken against him by SEBI or any other regulatory authorities in the KYC/Client Registration Form. Aldan Investments Pvt. Ltd, shall have the right to deregister the client, if it is found, later on, that the client's name appears in the list of entities debarred by SEBI or any other regulatory authority. Aldan Investments Pvt. Ltd, shall have the right to deregister a client, if the client breaches the terms and conditions mentioned in the "Rights and Obligations" document or provides any false information or declarations or is found to be indulging in any of the activities in violation of the applicable Rules and Regulations.



## Aldan Investments Private Limited

701 Heritage Plaza, Opp. Indian Oil Nagar  
JP Road, Andheri (W), Mumbai 400053



### 10. Inactive Trading Accounts

Aldan Investments Pvt. Ltd, shall treat those clients' accounts as inactive/dormant, if there is no trading in such accounts continuously for six months or more. If there are any funds/securities/deposits with Aldan Investments Pvt Ltd, the same will be released to client before declaring the client as dormant client. Such inactive/dormant accounts will be reactivated only on the request made by such clients.

Signature

### TARIFF Sheet

#### Brokerage applicable

Client Code					
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Particulars	Minimum %		Minimum value	
	One side	Both sides	One side	Both sides
Intra-day				
Delivery				
Futures				
Options				

#### Notes:

- Brokerage mentioned above are excluding any taxes and/or levies
- All other government, exchange(s) and relevant regulatory body charges applicable shall be billed at actuals
- Government, exchange(s) and regulatory body charges are subject to change without prior notice at the discretion of relevant authorities

Signature

Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai - 400053

Dear Sirs,

**Subject: Letter of Authority for maintaining a Running Account for me/us in Cash/F&O Segments for NSE/BSE**

I/we have been regularly trading and investing, or plan to do so, with you at Bombay Stock Exchange Ltd (Cash/Futures & Options Segment) and National Stock Exchange of India Ltd (Cash/Futures & Options Segment). To facilitate ease of operations, I/we request and authorize you as under:

**Authority:**

1. To maintain a running account for all my/our trades through all the Exchanges, instead of a settlement-to-settlement clearance of dues and/or delivery of securities to me/us. I agree that no interest shall be payable by you on the credit balances that may arise from time to time in my/our account.
2. To retain any/all the deliveries of shares purchased by me/us and/or the credit amounts due to me/us, beyond the pay - out date and the time interval specified by the relevant authorities, so as to use the same towards margin deposit, inter settlement adjustment of my/our present and future obligations and also retain the funds expected to be required to meet my/our margin obligations for next 5 trading days, calculated in the manner specified by the Exchanges and or inter-Exchange adjustment of my/our obligations or up to such time that I/we ask you to transfer/release the same to my/our account.
3. To retain, in addition to what is mentioned at point 2 above, funds/securities/margin to the extent of value of transactions executed in the cash market segment on the day of settlement for next day's transactions in the cash market segment.
4. To retain/hold any/all of our funds available with you on our account, till such time that I/we request you to release the same.

**Declaration/undertaking:**

1. I/We undertake to reconcile our accounts, both financial and securities, with you and carry out the actual settlement of funds & securities at least once in every financial quarter/month.
2. I/We also state that dispute, if any, arising from the statement of account or statement of securities or settlement so made as hereinabove, shall be brought to your notice preferably within 7 working days from the date of receipt of funds/securities or statement, as the case may be.
3. I/We state that I/we may revoke the above authorization at any time. I also undertake to clear all my dues to you before serving revocation of this authorization; else all my dues in my ledger will be recovered by you before effecting revocation.

Thanking you

*(To be signed by client and not by POA)*

Client name	
Client ID	

Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai - 400053

Dear Sirs,

**Subject: Letter of Authority - Capital Market and Derivatives Segment (F&O) of NSE/BSE**

I/We have been regularly trading and investing, or plan to do so, through you on either/all of the Exchanges i.e. BSE, NSE & MCX-SX. To facilitate and ease of the accounting operations I/we expressly authorize you as under:

1. To accept any/all of my/our orders for purchase/sale of shares & securities which shall be given on telephonic or orally during my/our personal visit to your office.
2. To avoid unnecessary and cumbersome paper - work, I/we authorize you not to provide me/us any order confirmation/modification/cancellation slips and/or trade confirmation slips as the required details are available from contracts issued by you.
3. 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 account(s) maintained with you against the outstanding dues payable if any, by me/us in any of my/our account(s) maintained with you. I/We also confirm that you will have the right of lien on the credit balance in any of my/our accounts for any dues, and accordingly, any entries passed by you shall be binding on me/us.
4. To tape-record the conversation by me over telephone or in person at the time of placing/modification/cancellation of orders by me and use such recordings to resolve disputes, if any, in connection with trading transactions.
5. To send SMS alerts with regard to account opening, ledger balances, margin, corporate benefits, products and related services on my mobile number mentioned in the KYC form.

Thanking you

*(To be signed by client and not by POA)*

Client name	
Client code	
Client address	



Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai - 400053

Dear Sirs,

**Subject: Authority to send digitally signed contract notes/bills etc., by email**

Client code	
BO ID w/ Aldan	

With reference to my/our dealings with you as your client, I/we hereby authorize you to send the digitally signed Contract Notes/Bills/Ledger Accounts/Margin Statements/Securities Register/DEMAT Transactions Statement-cum-Bill/DEMAT Holding Statements/other relevant documents pertaining to my trading account/DEMAT account maintained with you, at my/our email-id mentioned below:

Mobile	+	9	1										
Email ( <i>in BLOCK letters</i> )													

I/we confirm that:

1. Dispatch of the said documents at the aforesaid email-ids shall constitute full and absolute discharge of your obligation under the mandatory and non-mandatory client registration documents execute between you and me, to provide me with the aforesaid documents.
2. Non-receipt of bounced mail at your end shall amount to delivery of the aforesaid documents sent to me at the email-ids mentioned above.
3. AIPL shall not be responsible for non-delivery of the aforesaid documents, due to problems related to network, internet or any other reason, whatsoever.
4. I will intimate you preferably within 24 hours thereof, about the non-receipt of any of the aforesaid documents by email.
5. If no such intimation is received by you from my/our end and also if you do not receive any bounce email, it shall be presumed that the aforesaid documents have been properly delivered.

I/we further reserve my/our right to receive the physical copies of the aforesaid documents, if such a demand is made in writing on you.

In case of any change in my/our aforesaid email ID, I/we hereby undertake to intimate the same to you in writing.

In case of any discrepancy/query, I/We shall intimate the same to you preferably within 24 hours thereof at your designated email id.

Thanking you

First/sole holder	Signature of first/sole holder
Second holder	Signature of second holder
Third holder	Signature of third holder

*If the DEMAT account is held jointly, the authorization must be signed by all joint account holders*

## Format of declaration by Sole Proprietorship Firm (To be printed on letterhead)

Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai - 400053

Dear Sirs,

I refer to the trading account opened with you in the name of \_\_\_\_\_ and declare and authorize you as under:

I recognize that a beneficiary account cannot be opened with a depository participant in the name of a sole proprietorship form as per regulations. To facilitate the operation of the above trading account with you and for the purpose of completing the share transfer obligations pursuant to the trading operations, I authorize you to recognize the beneficiary account no. \_\_\_\_\_ with depository \_\_\_\_\_ opened in the name the undersigned who is the sole proprietor of the firm.

I agree that the obligation for shares purchased and/or sold by the firm will be handled and completed through transfers to from the above-mentioned account. I recognize and accept transfers made by you in respect of trades executed in the above trading account of the firm.

Signature	Company stamp
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## Format for HUF Declaration (To be printed on HUF letterhead)

Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai – 400053

**Subject: Declaration by the co-parceners of the HUF authorizing the Karta to trade on their behalf**

I/We, the members of \_\_\_\_\_ do not have any objection to open a trading account with Aldan Investments Private Limited, and authorize \_\_\_\_\_ to trade on our behalf.

Name of HUF member	Relation w/ Karta	Date of birth	Signature

Thanking You  
For \_\_\_\_\_ (name of the HUF)

\_\_\_\_\_  
(To be signed by the Karta on behalf of the HUF)

# Format of declaration by Partnership Firm

## (To be printed on letterhead)

Date	D	D	M	M	Y	Y	Y	Y
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To  
Aldan Investments Pvt. Ltd  
701 Heritage Plaza  
Opp. Indian Oil Nagar, JP Road  
Andheri (W), Mumbai – 400053

Dear Sir

In reference to our present/proposed dealings with your as our constituent, we declare and authorize you as under:

1. We hereby authorize Mr./Ms. \_\_\_\_\_ or Mr./Ms. \_\_\_\_\_  
partners the firm singly to execute/ sign and submit various papers and documents and to sell, purchase, transfer, endorse and negotiate and do all other things that may be necessary to engage in business with .Aldan Investments Pvt. Ltd, Members of BSE,NSE,CDSL & MCX-SX at cash & derivatives segment, currency derivative segment, depository services, debentures, debts and other products on behalf of the firm and to sign the authority letter for acceptance on my/our behalf.
2. We recognize that a beneficiary account cannot be opened with a depository participant in the name of a partnership firm as per law. To facilitate the completion of securities transfer obligations pursuant to dealings with you, we authorize you to recognize the beneficiary account no. \_\_\_\_\_ with depository participant \_\_\_\_\_ (DP ID) opened as a joint account in the names of the partners of the firm.  
We recognize and accept transfers made by you to the said beneficiary account as complete discharge of obligations by you in respect of our dealings with you.
3. However, we agree that all partners have implied authority to act on behalf of the firm and actions of any other partner will be binding on the firm.

Thanking You

Name of the partners	Signature

# Format of Board Resolution in case of Corporates/Trusts

## *(To be printed on letterhead)*

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS/TRUSTEES OF \_\_\_\_\_ LIMITED/TRUST AND HAVING ITS REGISTERED OFFICE AT \_\_\_\_\_ HELD ON ddmmyyyy AT hh:mm AM/PM.

"RESOLVED THAT the Company/Trust be registered as Client with Aldan Investments Pvt. Ltd, Members of Central Depository Services (I) Ltd. (CDSL) for Depository services and Bombay Stock Exchange Ltd, (BSE), National Stock Exchange of India Ltd. (NSE) at Cash & Derivatives Segments, for the purpose of dealing in equities, derivatives, debentures, debts and other products and the said Member be and is hereby authorized to honor instructions oral or written, given on behalf of the Company/ Trust by any of the following Director/Authorized signatories

Sr No	Designation	Signature

who are authorized to sell, purchase, transfer, endorse, negotiate and/ or otherwise deal with/through Aldan Investments Pvt. Ltd, on behalf of the Company/Trust.

RESOLVED FURTHER THAT Mr. \_\_\_\_\_ and/ or Mr.

Directors/Trustees of the Company/Trust be and are hereby authorized to sign, execute and submit such applications, undertakings, agreements and other requisite documents, writings and deeds as may be deemed necessary or expedient to give effect to this resolution.

RESOLVED FURTHER THAT all the Directors would have authority to act on behalf of the Company and actions of any directors will be binding on the Company.

RESOLVED FURTHER THAT the Common Seal of the Company be affixed, wherever necessary, in the presence of single/multiple Directors of the Company and Company Secretary who shall sign the same in token of their presence."

Certified true copy

For and on behalf of

\_\_\_\_\_  
Chairman/All Trustees

**Aldan Investments Private Limited**

701 Heritage Plaza, Opp. Indian Oil Nagar  
JP Road, Andheri (W), Mumbai 400053



Date	D	D	M	M	Y	Y	Y	Y
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Particulars	Details
Member code (NSE)	12599
Member code (BSE)	181
Name (as per PAN)	
UCC	

**Subject: Trading preference on segments****Reference: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/95**

With reference to above mentioned details, we provide consent to trade in the segments mentioned below:

Exchange	Date of consent	Client signature
NSE – Futures & Options		
NSE – Equity		
BSE – Equity		