

Application No. **Coimbatore Capital Limited**

All columns are to be filled in by the client and relevant supporting documents need to be attached by the client. If any question is not applicable, please write 'NA' in the space provided. Any correction or overwriting should also be authenticated by the client signature besides such correction. Please do not use correction fluid.

All proofs should be in the name of the client with the spelling matching exactly with the application. Client should produce the originals of the supporting documents for verification at the time of submitting the application.

**ACCOUNT OPENING KIT****Index\***

(Documents required as per SEBI Circular No. CIR/MIRSD/16/2011 and NSE Circular No. NSE/INSP/2011/121 dated August 22, 2011)

Sl. No.	Name of the Document	Brief significance of the Document	Page No. / Ref. Nos.
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**DOCKET A****MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & Exchanges**

1.	Account Opening Form (AOF)	Document captures additional information about the constituent relevant to trading account. (Ref. F of instruction/check list).	3-7 Annexure-1
2.	Rights and Obligations*	Document stating the Rights & Obligations of Coimbatore Capital Limited and client for trading on Stock broker (including additional rights & obligations in case of internet / wireless technology based trading)	8-12 Annexure-2
3.	Risk Disclosure Document (RDD) *	Document detailing risks associated with dealing in the securities market.	13-16 Annexure-3
4.	Guidance Note *	Document detailing do's and don'ts for trading on Exchange for the education of the investors.	16-17 Annexure-4
5.	Policies and Procedures *	Document describing significant policies and procedures of Coimbatore Capital Limited.	18-23 Annexure-5
6.	Tariff Sheet *	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on Stock exchanges.	24 Annexure-6

**DOCKET B****DOCUMENTS AS PROVIDED BY COIMBATORE CAPITAL LIMITED****(Additional / Non-Mandatory)**

7.	Additional Account Opening Form	Document captures additional information about the constituent.	25-26 Annexure-7
8.	Additional Rights and Obligations *	Documents stating the additional Rights and Obligations of Coimbatore Capital Limited & Client for trading on exchanges.	27-31 Annexure-8
9.	Dematerialised Shares Credit Authorisation	Authorisation for receiving credits of the shares to the client's demat account	33 Annexure-9
10.	Intimation of E-Mail ID for electronic delivery	Helps the client to receive documents in electronic form	33 Annexure-10
11.	Running Account Authorisation	Helps the client to enjoy exposures linked to the credit in the trading account	34 Annexure-11
12.	Inter Segment Transfer of Funds - Standing Instruction	Helps the client to transfer his/her funds between the segment(s) registered with CCap	35 Annexure-12

Sl. No.	Name of the Document	Brief significance of the Document	Page / Ref. Nos.
13	Updation for alerts by exchanges.	Help the client to received SMS & email alerts by exchanges for his/her transactions in the Trading Account	35 Annexure-13
14	Client Defaulter Declaration	Declaration by client that he/she is not associated in terrorist activities or is debarred by the regulators	36 Annexure-14
15	Declaration regarding voluntary requirements	Declaration regarding the execution of non-mandatory documents for the smooth conduct of business	36 Annexure-15
16	Declaration of common Email ID & Mobile number	Declaration to use common mobile number & Email ID for family account	36 Annexure-16
17	Disclosure proprietary trading	Declaration for disclosure of details about Proprietary Trading.	37 Annexure-17
18	Declaration for Electronic Contract Note - MCX	Declaration for Electronic Contract Note - MCX	38 Annexure-18
19	Declaration for MITC	Declaration for Most Important Terms & Conditions	39 Annexure-19

**20 Client authorisation to operate his/her trading account through another person**

20a	Authorised Representative Form	To be submitted along with Special Power of Attorney with Passport size photo of the client and the authorised person pasted and cross signed.	Available separately with CCap
20b	Special Power of Attorney	Special Power of Attorney executed on Rs. 100 non-judicial stamp paper as per the format provided by C Cap to be submitted along with the application	Available separately with CCap

\* Standard set of Documents given to the constituent.

**Contact Details**

Name of stock broker/trading member/ clearing member	<b>Coimbatore Capital Limited</b>
SEBI Registration No.	INZ000195231
Registered/Correspondence office address	COINDIA Building, 1st Floor, 342, Peelamedu - Avarampalayam Road, Coimbatore - 641006. Tel: (0422) 262 6771, 496 2291. Email : <a href="mailto:ccap@coimbatorecapital.net">ccap@coimbatorecapital.net</a> Website: <a href="http://www.coimbatorecapital.com">www.coimbatorecapital.com</a>
Compliance Officer	N. Vijayakumar Mobile : 93454 04440 Email: <a href="mailto:complianceofficer@coimbatorecapital.net">complianceofficer@coimbatorecapital.net</a>
Chief Executive Officer (CEO)	Mr D. Ramesh Mobile : 93621 38738 Email: <a href="mailto:dramesh@coimbatorecapital.in">dramesh@coimbatorecapital.in</a>

**For any grievance/dispute please contact**

Coimbatore Capital Limited (CCap) at the above address or email id [igrc@coimbatorecapital.net](mailto:igrc@coimbatorecapital.net)

**In case not satisfied with the response, please contact**

National Stock Exchange of India Limited (NSE) at [ignse@nse.co.in](mailto:ignse@nse.co.in) and Phone No.91-022-26598190 and Fax No. 91-022-26598190

Multi Commodity Exchange of India Limited (MCX) at [grievance@mcxindia.com](mailto:grievance@mcxindia.com) and Phone No : 91-22-66494070

Bombay Stock Exchange Limited (BSE) at [is@bseindia.co.in](mailto:is@bseindia.co.in) and Phone No. 022 - 22728016 and 022 - 22724355

Securities Exchange Board of India (SEBI) at [sebisro@sebi.gov.in](mailto:sebisro@sebi.gov.in) and Phone No.91-44-24674000 / 24674150 and Fax No. 91-44-24674001

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

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).
7. 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.
8. The client shall provide/update the financial information to the stock broker on a periodic basis.
9. 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.
10. The stock broker and sub-broker shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the stock broker may so disclose information about his client to any person or authority with the express permission of the client.

**MARGINS**

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

**CLIENT INFORMATION**

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

**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 appraisal about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.

15. The stock broker shall ensure that the money/securities deposited by the client shall be kept in a separate account, distinct from his/its own account or account of any other client and shall not be used by the stock broker for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, Regulations, circulars, notices, guidelines of SEBI and/or Rules, Regulations, Bye-laws, circulars and notices of Exchange.
16. Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, stock broker shall be entitled to cancel the respective contract(s) with client(s).
17. The transactions executed on the Exchange are subject to Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Regulations of the Exchanges and the circulars/notices issued thereunder.

#### **BROKERAGE**

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

#### **LIQUIDATION AND CLOSE OUT OF POSITION**

19. Without prejudice to the stock broker's other rights (including the right to refer a matter to arbitration), the client understands that the stock broker shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. and adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.
20. In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought

or sold, stock broker may close out the transaction of the client and claim losses, if any, against the estate of the client. The client or his nominees, successors, heirs and assignee shall be entitled to any surplus which may result there from. The client shall note that transfer of funds/securities in favor of a Nominee shall be valid discharge by the stock broker against the legal heir.

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

#### **DISPUTE RESOLUTION**

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

#### **TERMINATION OF RELATIONSHIP**

27. This relationship between the stock broker and the client shall be terminated; if the stock broker for any reason ceases to be a member of the stock exchange including cessation of membership by reason of the stock broker's default, death, resignation or expulsion or if the certificate is cancelled by the Board.

28. The stock broker, sub-broker and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
29. In the event of demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or/withdrawal of recognition of the sub-broker by the stock exchange and/or termination of the agreement with the sub broker by the stock broker, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the stock broker and all clauses in the 'Rights and Obligations' document(s) governing the stock broker, sub-broker and client shall continue to be in force as it is, unless the client intimates to the stock broker his/its intention to terminate their relationship by giving a notice in writing of not less than one month.
30. The stock broker shall ensure due protection to the client regarding client's rights to dividends, rights or bonus shares, etc. in respect of transactions routed through it and it shall not do anything which is likely to harm the interest of the client with whom and for whom they may have had transactions in securities.
31. The stock broker and client shall reconcile and settle their accounts from time to time as per the Rules, Regulations, Bye Laws, Circulars, Notices and Guidelines issued by SEBI and the relevant Exchanges where the trade is executed.
32. The stock broker shall issue a contract note to his constituents for trades executed in such format as may be prescribed by the Exchange from time to time containing records of all transactions including details of order number, trade number, trade time, trade price, trade quantity, details of the derivatives contract, client code, brokerage, all charges levied etc. and with all other relevant details as required therein to be filled in and issued in such manner and within such time as prescribed by the Exchange. The stock broker shall send contract notes to the investors within one working day of the execution of the trades in hard copy and/or in electronic form using digital signature.
33. The stock broker shall make pay out of funds or delivery of securities, as the case may be, to the Client within one working day of receipt of the payout from the relevant Exchange where the trade is executed unless otherwise specified by the client and subject to such terms and conditions as may be prescribed by the relevant Exchange from time to time where the trade is executed.
34. The stock broker shall send a complete 'Statement of Accounts' for both funds and securities in respect of each of its clients in such periodicity and format within such time, as may be prescribed by the relevant Exchange, from time to time, where the trade is executed. The Statement shall also state that the client shall report errors, if any, in the Statement within such time as may be prescribed by the relevant Exchange from time to time where the trade was executed, from the receipt thereof to the Stock broker.
35. The stock broker shall send daily margin statements to the clients. Daily Margin statement should include, inter-alia, details of collateral deposited, collateral utilized and collateral status (available balance/due from client) with break up in terms of cash, Fixed Deposit Receipts (FDRs), Bank Guarantee and securities.
36. The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with stock broker and is capable of performing his obligations and undertakings hereunder. All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into shall be completed by the Client prior to such transaction being entered into.

## **ADDITIONAL RIGHTS AND OBLIGATIONS**

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.

## **ELECTRONIC CONTRACT NOTES (ECN)**

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.
43. In addition to the specific rights set out in this document, the stock broker, sub-broker and the client shall be entitled to exercise any other rights which the stock broker or the client may have under the Rules, Bye-laws and Regulations of the Exchanges in which the client chooses to trade and circulars/notices issued thereunder or Rules and Regulations of SEBI.
44. The provisions of this document shall always be subject to Government notifications, any rules, regulations, guidelines and circulars/notices issued by SEBI and Rules, Regulations and Bye laws of the relevant stock exchanges, where the trade is executed, that may be in force from time to time.
45. The stock broker and the client shall abide by any award passed by the Arbitrator(s) under the Arbitration and Conciliation Act, 1996. However, there is also a provision of appeal within the stock exchanges, if either party is not satisfied with the arbitration award.
46. Words and expressions which are used in this document but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Byelaws and Regulations and circulars/notices issued thereunder of the Exchanges/SEBI.
47. All additional voluntary clauses/document added by the stock broker should not be in contravention with rules/regulations/notices/circulars of Exchanges/SEBI. Any changes in such voluntary clauses/document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/SEBI shall also be brought to the notice of the clients.
48. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Bye-laws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

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

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

**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.
1. Stock broker is eligible for providing Internet based trading (IBT) and securities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The stock broker shall comply with all requirements applicable to internet based trading/securities trading using wireless technology as may be specified by SEBI & the Exchanges from time to time.
2. The client is desirous of investing/trading in securities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for securities trading through use of wireless technology. The Stock broker shall provide the Stock broker's IBT Service to the Client, and the Client shall avail of the Stock

broker's IBT Service, on and subject to SEBI/Exchanges Provisions and the terms and conditions specified on the Stock broker's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/SEBI.

3. The stock broker shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with securities trading through wireless technology/internet/smart order routing or any other technology should be brought to the notice of the client by the stock broker.
  4. The stock broker shall make the client aware that the Stock Broker's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/SEBI.
  5. The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever 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.
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## Annexure - 3

**RISK DISCLOSURE DOCUMENT FOR  
CAPITAL MARKET AND DERIVATIVES SEGMENTS**

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

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

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

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

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

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

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

**1. BASIC RISKS:****1.1 Risk of Higher Volatility:**

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

**1.2 Risk of Lower Liquidity:**

Liquidity refers to the ability of market participants to buy and/or sell securities / derivatives contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / derivatives contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / derivatives contracts purchased or sold. There may be a risk of lower liquidity in some securities / derivatives contracts as compared to active securities / derivatives contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.



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

### 1.3 Risk of Wider Spreads:

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

### 1.4 Risk-reducing orders:

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

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

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

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

### 1.5 Risk of News Announcements:

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

### 1.6 Risk of Rumors:

Rumors about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should beware 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.

**Annexure -4**

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

**TRANSACTIONS AND SETTLEMENTS**

8. The stock broker may issue electronic contract notes (ECN) if specifically authorized by you in writing. You should provide your email id to the stock broker for the same. Don't opt for ECN if you are not familiar with computers.
9. Don't share your internet trading account's password with anyone.
10. Don't make any payment in cash to the stock broker.
11. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of sub-broker. Ensure that you have a documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ demat account such money or securities deposited and from which bank/ demat account.
12. Note that facility of Trade Verification is available on stock exchanges' websites, where details of trade as mentioned in the contract note may be verified. Where trade details on the website do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of the relevant Stock exchange.
13. In case you have given specific authorization for maintaining running account, payout of funds or delivery of securities (as the case may be), may not be made to you within one working day from the receipt of payout from the Exchange. Thus, the

stock broker shall maintain running account for you subject to the following conditions:

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

15. Please register your mobile number and email id with the stock broker, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.

#### **IN CASE OF TERMINATION OF TRADING MEMBERSHIP**

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

#### **DISPUTES/COMPLAINTS**

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

**Policies and Procedures**

Addendum to the Rights & Obligations executed by the Client at the time of opening of account. This document is forming part of the Mandatory Documents in accordance with the Securities and Exchange Board of India (SEBI) Circular Nos. MIRSD/SE/Cir-19/2009 dated 03-12-2009 and CIR/MIRSD/16/2011 dated 22-08-2011.

Coimbatore Capital Limited (CCap) as a SEBI registered stock broker is mandated to follow the rules, Bye-laws, regulations and the circulars / notices of National Stock Exchange of India (NSE) and SEBI issued from time to time and operates through well defined procedures and policies.

The following policies have been mandated by SEBI to be made available to the clients. It should not be construed that these are the only policies followed by CCap.

**A. Illiquid Securities / Penny Stocks :**

1. CCap does not encourage trades in penny stock / illiquid securities.
2. Penny stocks are the securities which have a very low value and may or may not be illiquid. Most times there would be very few buyers /sellers for such securities. NSE releases a list of such securities and they are termed as illiquid securities. CCap retains the right to term a particular security as illiquid/penny stock based on the parameters it deems fit. These parameters may include, the past volume of the security, volatility in the security among others, whether trading in a particular security falls within the purview of fraudulent trades or trades deemed to be fraudulent as per the Rules, Regulations, Bye-Laws of NSE and Regulations of SEBI.
3. CCap reserves the right to facilitate clients for placing orders with regard to the penny stocks or illiquid securities as described above. CCap is not under any obligation to accept orders which are in the nature of penny stocks/ illiquid securities.
4. CCap may permit trades in a penny or illiquid security subject to certain conditions, such conditions may include:
  - Submission of a declaration by the client stating the reasons for entering into the said transaction and the client has abided by all the relevant regulations.
  - In case of a buy transaction the client may be asked to deposit the full value of the security which the client intends to purchase, in case of sale transaction, the security should necessarily be transferred to CCap's margin account prior to placing the sale order.

- Assessment of the past trading pattern or records of the client prior to giving permission
  - Conducting in person verification of the said client to establish the genuineness of the intended trade.
5. CCap reserves the right to refuse to place order whether or not the client fulfills the aforementioned conditions.

**B. Exposure Limits and Margin**

1. Margin is collected upfront from the clients i.e prior to executing any trade. Based on the margin available with CCap, exposure is given to the client. The applicable margin may vary and the client may be asked to replenish the margin by depositing additional funds or securities.
2. Client is liable to pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Exchange.
3. Further CCap at it's discretion may collect additional margin or reduce the margin whether or not required by the Exchange.
4. Exposure is allowed to the clients based on the margin available in form of funds or approved securities valued after deducting an appropriate haircut.
5. Clients have to maintain sufficient balance with CCap pretrade depending on the channel through which they trade. CCap may levy additional margins or relax the margins imposed based on factors such as, client level position, volatility in a particular security or the market in general.
6. CCap at its sole discretion will accept any one or combination of the following margin deposit viz Cash, Securities & Bank Guarantee (as per the format specified by NSE from time-to-time) from its clients.
7. CCap will accept funds or and securities (at its discretion) towards margin only from the respective Client's account.
8. CCap will deposit the collaterals accepted from the clients towards margin with NSE towards additional base capital only with the written consent of the respective Client.
9. Though it shall be CCap's endeavor to ensure that a proper notice is sent to the clients, with regard to margin this may not always be possible taking into consideration the market scenario.
10. Exposure allowed to clients may vary, based on the client's past trading performance, quality of collateral, market circumstances/dynamics and other related factors.
11. CCap do not pledge client's Securities for raising funds.

12. Clients may trade themselves through the internet/mobile network or may trade through the branch. For clients who trade through the internet/mobile network, the exposure limit may be ascertained by them on the respective trading portal (such as nowonline) of CCap. Clients executing trades through branches may check their exposure with the respective Branch.

13. CCap shall not be responsible for any variation, reduction or imposition or the Client's inability to route any order through any of the CCap's trading terminal or website on account of any such variation, reduction or imposition of limits.

14. CCap may at any time, at its sole discretion and without prior notice, prohibit or restrict the Clients ability to place orders or trade in securities based on certain risk parameters and/or regulatory compliance/any other reason which it may deem appropriate. In such circumstances CCap will not be responsible for the loss, if any on account of such refusal or delay in executing the orders due to the time taken in doing such review.

15. CCap may square off positions in securities without notice to the Client when the market is volatile in its opinion and/or there is a sudden spurt in the price of the security that may result in huge loss/margin liability to the Client.

### **C. Brokerage & other Charges**

1. The brokerage applicable shall be as agreed upon from time to time.

2. In addition to the brokerage applicable the client agrees to pay to CCap, exchange related charges, statutory levies and any other charges (including but not limited to security handling charges on settlement) as are prevailing and vary from time to time and as they apply to the client's account, transactions and to the services that CCap renders to the client.

3. CCap does not charge brokerage more than the maximum brokerage permissible as per the rules and regulations and bye laws of the Exchanges/SEBI. However the minimum brokerage, if any, as stipulated by the exchanges will be levied.

4. The brokerage shall be charged as a percentage of the value of the trade or as a flat fee or otherwise, together with the statutory levies as may be applicable from time to time on the same. In addition to the brokerage the following charges will also be levied (as agreed by the client)

Schedule of charges:

- a. SEBI turnover fees as applicable
- b. Exchange Transaction charges as applicable
- c. Securities Transaction Tax (STT)\* (STT rates may vary with regard to trades done on delivery basis, non delivery basis and trades done in the derivative segment).
- d. Goods and Service tax(GST) \*

e. Education Cess and higher Education Cess \*

f. CCap shall debit the DP charges to the trading account of the Client if the client had executed Power-of-Attorney for his DP account.

g. CCap shall debit the Client's Trading Account for the charges under PoA for transfer of shares, releasing securities from retention account / inter-settlement transfer.

h. Bank charges or any other charges levied by the exchange or any other authority for any violation by the client.

i. In case the brokerage levied as a percentage on the value of the shares/ contract is less than the minimum brokerage payable per share/contract. the client will be charged such minimum brokerage per share instead of the percentage as approved by the Exchange.

j. CCap will debit the courier charges for sending the physical contract note to clients who did not opt for electronic contract note.

*\* These are government levies and are subject to change from time to time and will be charged in addition to the brokerage as applicable.*

All the above charges would be subject to change from time to time. Such changes and any other levies by SEBI / Exchange / CCap shall be displayed on the website or such other URL used by CCap for displaying changes from time to time.

5. CCap at its sole discretion and also depending upon the volume of trading and clearance of dues by the client, may alter the rate of brokerage from time to time.

### **D. Delayed Payment - Effects/Charges and Penalties**

1. Delayed payment charges are levied to the clients for non-payment or delay in payment of their funds obligation in time which may be due on account of Settlement obligation, charges, margins or any other sum due to CCap.

2. Clients are required to pay margin before placing order. Clients are allowed to place margin in the form of funds or securities. Exposure is given to the client based on the securities funds deposited by the client towards margin. Appropriate haircut is applied on such securities. Clients have to make the full payment for the purchase on the settlement day.

3. In case of a debit balance in the client's account, the same shall be liable for delayed payment charges. The calculation of these charges is an automated process. Maximum 2% per month will be charged as delayed payment charges. The Client hereby authorizes the Member to debit the delayed payment charges to the ledger account of the client.

4. In case of any penalty / charges /fees / taxes etc. of whatever nature, is levied on CCap by NSE/SEBI or by any regulatory authority on account of trades or orders placed by the clients, such penalty /charges /fees / taxes etc. shall be debited to the client's account.

**E. Right to sell client's securities or close client's positions or pending orders, without giving notice to the client on account of non-payment of client's dues or any other reasons**

1. For Mark To Market (MTM) shortfall the MTM position of the Client would be monitored by the Risk Management department at Head Office (HO). If the Client's MTM loss reaches 50% of the margin, the Risk Management Department would intimate the concerned branch office and Relationship department, about the amount of shortfall.

CCap will inform the clients through the Branch Heads/Executives or the concerned Relationship Manager to deposit additional margin over phone to the extent feasible or in other feasible mode. If the client does not fulfill the margin requirement, and the MTM loss reaches 70% of the initial margin requirement, the position will be squared-off by the Risk Management department. Further, all pending orders of the client will also be cancelled by CCap. Exceptions at the discretion of the CCap will be allowed.

In exceptional circumstances, i.e., on the days of very high volatility, the Risk Management department may liquidate the open position without intimating the Client. In such cases, the client will be informed subsequently.

2. For Intra-Day trades :

Risk Management department will start squaring off all the margin position from 3:00 p.m or if the Client reaches the blow out percentage of 70% of the initial margin whichever is earlier.

On reaching the above said time limit or margin shortage Clients with large open positions will be squared off first. Before squaring off the Clients' position., all the pending orders of the Clients will be cancelled by CCap. No fresh purchase positions will be allowed to the Client and all open position of the said Client will be squared off.

CCap reserves the right to exempt certain clients from policy/rule no. E (1) & (2) as it may deem fit.

3. CCap without prejudice to its other rights (including the right to refer the matter to arbitration proceedings of NSE), shall be entitled to liquidate/close out all or any of the client's position without giving notice to the client for non-payment of margins or other obligations including the pay-in, outstanding debts etc. and adjust the proceeds of such liquidation/close out, against the client's liabilities/obligations in accordance with the Rights and Obligations.

4. The client agrees to pay for the securities purchased through CCap before the funds pay-in date to enable CCap to make the requisite pay-in to the exchange. In case the client fails to make the payment, CCap may liquidate the securities in the client's account in order to ensure that the credit is received to set off the dues

for the securities purchased. This sale of securities will be done on or after the settlement day.

5. The client also agrees to maintain adequate margin for the positions taken in any segment. However in case the credit available is lower than the minimum margin required, the client's positions would be liquidated in a manner that there is no shortfall of margin.
6. CCap shall endeavor to ensure that adequate prior information is given to the client for such liquidation. It shall inform the client through the mobile number and or email id (if any) updated with CCap. For clients to whom a login and password is given to access their account on the website of CCap, or such other URL that may be provided by CCap from time to time, where they are required to login and check the limit statement uploaded therein. It shall be the clients' responsibility to ensure that adequate credit balance is available in the account.
7. The above guidelines may be changed at the discretion of CCap in line with the market conditions. In case where the market is volatile and sudden spurt in the price of a security or increase in price and/or volume, volatility CCap may square off position without any notice due to the paucity of time and other such circumstances.
8. Whenever CCap endeavors that the positions are to be liquidated, it shall not be responsible for any liabilities in case the same cannot be liquidated. The priority of the positions to be squared off, i.e. which positions to be squared off first, would be at the discretion of CCap.
9. CCap may follow the following priority for squaring-off positions :-
  - a) Securities attracting higher margins (cash/futures) from NSE will be squared off first.
  - b) Futures position will be squared off
  - c) Option sale position will be squared off
  - d) In case where there is a position in cash and derivative segment, futures positions would be squared off first then cash positions would be squared off and options long positions will be squared off/exercised in case shortfall still exist.
10. The Client shall bear the loss arising out of the closeout/square-off for the reasons stated above and shall be liable for the penalties/charges levied by the exchange.

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

Internal short deliveries are not covered by the auction conducted by NSE. CCap will close-out internal shortages as follows:

1. The client may not receive the securities bought on T+2 in case there is an internal shortage situation within CCap, i.e. the buyer and seller are both CCap clients and the seller defaults in delivery due to which the buyer may not receive the shares.

2. Internal shortages are closed-out as follows:

At the highest price prevailing in the NSE/BSE from the day of the trading till the T + 1 day (or) 10 % above the official closing price on the T+1 day, whichever is higher.

**G. Temporarily suspending or closing a Client's account at the Client's request**

1. Upon receipt of written request or request through the registered mail id the client account will be suspended or activated as requested.
2. During the period in which client account is suspended, market transaction in the client account will not be permitted. However delivery of securities to the client and payment of ledger balance can be effected.
3. Upon receipt of the request from the client in writing, the client account will be closed provided the client's ledger balance is Nil (no credit/debit balance). If the client wants to reopen the account the client should give a letter and complete the Account Opening requirements again. Reactivation request through e-mail will not be accepted by CCap.
4. The request for suspending/ closing the Client's account will only be accepted if the same is provided in the form prescribed by CCap. Such requests need to be routed through the corresponding branch to which the client is attached. No request for closure by e-mail would be accepted. On receipt of the account closure request form, if the same is in order, the account would be closed within 2 working days after the settlement of dues.

**H. Conditions under which a client may not be allowed to take further position or the broker may close existing position of a client /temporarily suspending or close a client's account and deregistering a client.**

1. Notwithstanding anything to the contrary stated in the Rights and Obligations, CCap shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:
  - a) In the event where overall position in any scrip or derivative contract has reached the limit prescribed by regulators or exchange.
  - b) If the action of the client is prima facie illegal/improper or such as to manipulate the price of any securities or disturb the normal/proper functioning of securities or disturb the normal / proper functioning of the market, either alone or in conjunction with others.
  - c) If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with CCap;
  - d) If there is reasonable apprehension that the Client is unable to pay his/her/its debts or the Client has admitted its inability to pay his/her/its debts, as they become payable;

- e) If the Client has made any material misinterpretation of facts, including (without limitation) in relation to his financial position;
- f) If the client fails to update CCap of his/her/its financial status by providing networth certificate/copy of IT returns /Balance Sheets and other financial statements/documents including failure to provide a fresh Account Opening form at the request of CCap.
- g) CCap has the right to stop or block the client from trade in case where there is a debit balance in his/her/its account.
- h) CCap retains the right to stop or block the client to take position in certain specified securities based on the risk management system of CCap.
- i) In case where CCap is apprehensive the client to be an entity debarred by any regulatory authority, it retains the right to stop trading activities for such client(s).
- j) In case where CCap perceives risk with regard to any regulatory action or with regard to delay or non-payment of margin or any other obligation, CCap may temporarily block or suspend the trades of such clients.
- k) In case where suspicious transactions are observed, including but not limited to off market transactions/cash transactions etc.,
- l) In case where the clients are not reachable at their contact details mentioned in the client registration form or any subsequent change of address filed by the client.
- m) In case where unprofessional, or unruly behavior of the client is observed.
- n) In case of any ongoing dispute with the client, CCap may not permit the client to take further positions and may even close out his open positions.
- o) If the Client is in breach of any terms, conditions or covenant of the Rights and Obligations entered with CCap;
- p) Further in case of clients breaching the risk parameters mentioned in point (E) above, CCap may close the clients' positions and/or cancel all pending orders without any intimation.

In the event of death or insolvency of the client, winding up or liquidation or the client otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, the CCap may close out the transaction of the client and the client or his legal representative would be liable for any losses, costs and be entitled to any surplus which may result there from.

**I. Failure of Trading System**

1. Trading systems are connected through VSAT / Leased lines / ISDN and VPN/INTERNET.
2. As there is a possibility of communication failure or



system problem or delayed response, trading halt or any break down in the back office/ front end system, or any other problem due to which the client could not access the trading system/network which may result in delay in processing or not processing buy/sell orders either in part or in full which may be beyond the control of CCap, the client shall be liable and responsible for the obligation if any arising out of the transactions.

**J. Inactive Client**

1. A Client who did not transact for a period of twelve months will be classified as inactive client by CCap.
2. CCap at its sole discretion may place restriction on the trading or deactivate the trading facility.
3. Inactive account will be activated only after sufficient due diligence (including IPV) and obtaining the updated information related to KYC from the concerned client. To submit proof of documents, if there is any change in KYC data such as Address/ Mobile number/ E-mail /Bank account/ Demat account etc.

If necessary, fresh application to be obtained as required by the Exchange/SEBI.

**K. Corporate Benefits**

CCap will not apply for any corporate benefits (Dividend, Bonus, Rights, Scheme of arrangement, Merger, Demerger, Scheme of Amalgamation, Tender- Offers under Takeovers, Buy Back and Delisting, Stock Split, Consolidation of Shares, Capital Reduction) and any other corporate benefits on behalf of the clients. If any client's shares remain in retention/margin account of CCap for any segment, client should move the shares to their account before the record date/book closure date on paying dues if any to avail the corporate benefit/corporate actions. CCap will not be responsible for any loss arising due to non applying of any corporate benefits. CCap will transfer the securities payout to the clients account on the next day of receipt of shares from NSE/NSCC.

**Corporate Benefits - Rights Issue**

CCap will not apply for rights issue under corporate benefits on behalf of clients, if any client's securities remain in Pool/Retention/Margin account of CCap for any segment. Clients have to move the said securities to their account well before the Record Date (RD) / Book Closure (BC) on paying dues if any. CCap will not be responsible for any loss arising due to non-applying of rights issue for said securities.

- L. BTST – Buy Today and Sell Tomorrow** - CCap will not entertain buy shares today and sell shares tomorrow (BTST) before receiving delivery of the shares. If they do so, loss if any arising out of the said transactions should be borne by the client. Clients will

also be liable to pay the dues arising out of auction/square off /penalties/charges levied by the Exchange.

**M. Offer for Sale:**

Offer for Sale (OFS) of shares will be accepted in accordance with Exchange circular NSE/CMTR/3177 dated 19.02.2016. The Announcement/Notice containing the details of the OFS of Shares will be intimated by the Stock Exchanges. Only trading clients of Coimbatore Capital (CCap) can participate in OFS through CCap. Separate Settlement number will be allotted by NSE for OFS. CCap will intimate the OFS to branches well in advance before offer opens. Orders will be accepted only from the clients who have sufficient balance of margin/credit i.e. 100% upfront margin of the order value in cash. The bids at “Cut-off” shall be margined at the Cut-off price. CCap to keep adequate margin with NSE for proposed order value on the opening day of OFS. Clients to intimate CCap before 04.00 pm the day prior to opening of OFS the number of shares to be bid with the available client's credit balance. The allocation shall be done by the designated stock exchange. The method of allocation would be a single price or multiple price as specified by the seller. The settlement of funds and securities shall be effected through the existing settlement bank accounts and securities pool accounts of capital market segment. There shall be no netting of settlement. Intimation of allotment will be sent to the clients through ‘Contract Note’ on the date of settlement announced by the Exchange. Brokerage and all other statutory charges will be as applicable for normal transaction.

**N. Procedure for offers under Buyback, Takeovers, Delisting**

Company which intends to buy its shares fixes the record date for buyback. On record date who have shares in their demat account are eligible to receive Letter of Offer and Tender Form from the company to participate in the proposed buyback offer. Clients who have received the Letter of Offer and Tender form from the company should read the contents thoroughly. In the Letter of Offer, the designated Stock Exchange will be mentioned as NSE or BSE. Trading clients of CCap can participate in the buy back if only the designated exchange is NSE. Client should fill in DIS, Market Type as: Buy Back and separate settlement number will be allotted by NSE for buy back. Intimation will be sent to all branches when offer opens. Clients who have availed Power of Attorney facility should also send DIS. Tender Form should be sent to Coimbatore Capital – Head office, through the branch office. Tender Form should be filled and signed by the client (including all the joint holders) and sent to HO along with filled DIS.

On acceptance of the order for offer, Transaction Registration Slip (TRS) generated by CCap will be sent to the client through the respective branches. Client has to send the TRS to the company along with acknowledged Tender Form by the member of the Stock Exchange. Sufficient time required for the above said process and clients are requested to send the said documents to CCap well in advance at least 2 days before the closing of Buy Back. Intimation for acceptance of offer will be sent to clients through 'Contract Note' on the date of settlement announced by the Exchange. Excess shares/ Non accepted shares will be returned to the client's demat account. Payment for the Buy Back accepted will be credited to client's bank account directly as per details available in clients depositories account on date of settlement. Clients are requested to update their active bank account details with the depositories for seamless transfer of funds payout to their bank accounts. Brokerage and all other statutory charges will be applicable as usual. Kindly note that no settlement guarantee shall be provided by clearing corporation for 'Tender Offer Facility'.

**O. Physical Settlement in Equity Derivatives:**

Unsettled open position of securities listed in **"physical settlement in equity derivatives"** extended by NSE on the day of expiry in Futures and Options Segment will result in delivery. Client will have to close all the open position in the said securities 2 days before the expiry day. If the client fails to close the open position, CCap will close the position without intimation to the clients. In case the clients wish to take delivery, they should inform head office/branch office and keep the **amount of contract**

**value of the open position /Full value of underlying asset** in their trading account 2 days before the expiry day. If the client fails to maintain full contract value, Head office will close the position well in advance before the expiry day without intimation to the client. CCap will not be responsible for the loss arising out of the above transactions and clients are liable to settle the dues/loss.

**P. Client Acceptance of Policies and Procedures stated here in above:**

1. I have fully understood the above mandatory clauses 'A to O' forming part of the mandatory Rights and Obligations and hereby sign the same and agree not to call into or question the validity, enforceability and applicability of any provision/clauses of this document on any circumstances what so ever.
2. These Policies and Procedures may be amended / changed unilaterally by CCap provided the change is informed to me through any one or more mode of communication. I agree not to challenge the same on any grounds including delayed receipt / non receipt or any other reasons whatsoever.
3. These Policies and Procedures shall be read as part and parcel of the mandatory Rights and Obligations and shall be compulsorily referred to while deciding any dispute / difference or claim between me and CCap before any court of law/judiciary/ adjudicating authority including arbitrator / mediator etc.

© .....

Annexure -6

**TARIFF SHEET**

CCap does not charge brokerage more than the maximum brokerage permissible as per the rules and regulations and bye laws of the exchange / SEBI.

In addition to the brokerage the following charges will also be levied (as agreed by the client)

**Schedule of charges:**

- a. SEBI turnover fees as applicable
- b. Exchange Transaction charges as applicable
- c. Securities Transaction Tax (STT)\* (STT rates may vary with regard to trades done on delivery basis, non delivery basis and trades done in the derivative segment).
- d. Goods and Service tax (GST)\*
- e. Education Cess and higher Education Cess \*
- f. CCap shall debit the DP charges to the trading account of the Client if the client had executed Power-of-Attorney for his/her DP account.

g. Bank charges or any other charges levied by the exchange or any other authority for any violation by the client.

h. In case the brokerage levied as a percentage on the value of the shares/ contract is less than the minimum brokerage payable per share/contract. the client will be charged such minimum brokerage per share instead of the percentage as approved by the Exchange.

*\* These are government levies and are subject to change from time to time and will be charged in addition to the brokerage as applicable.*

All the above charges would be subject to change from time to time. Such changes and any other levies by SEBI / Exchange / CCap shall be displayed on the website or such other URL used by CCap for displaying changes from time to time.

**ADDITIONAL**  
**RIGHTS AND OBLIGATIONS OF CCap and CLIENTS**  
(as required by CCap)

**1. Terms of Document**

**Client Registration Form**

- 1.1 The Client shall execute a power of attorney for the operation of his Depository Account authorising CCap to enable the transfer of relevant securities to the account of CCap directly for settlement of his transactions, and/or as margin for his transaction and/or collateral for its dues to C Cap through the issue of necessary delivery instructions duly signed on behalf of the Client.
- 1.2 The Client shall provide, if required, to CCap, a power of attorney authorising CCap to debit / credit / block depository accounts to the extent of the transaction conducted by the said Client, through CCap.

**Trading & Settlement System**

- 1.3 The Client shall keep himself/herself apprised of the trading and settlement cycles, and all circulars issued by NSE / SEBI / CCap particularly, Corporate Action / Stock Split / Rights / Bonus / Scheme of Amalgamation / Merger / De-Merger etc., and changes in them through the websites of NSE / SEBI / CCap and the notices at the offices of CCap and comply with them.
- 1.4 The Client shall keep himself/ herself apprised of the banned scrips and market lot in Futures & Options (F&O) Segment and changes in them through the website of NSE and comply with them.
- 1.5 CCap shall directly credit the demat account of the Client with the designated depository participant the purchases of the securities by the client within one working day of the receipt of the securities from the Exchange on the pay-out day.
- 1.6 However, if any sum is due from the Client, CCap may withhold the release of securities to the said demat account of the Client.
- 1.7 Any sale delivery not already made to CCap must be made at least one working day prior to the pay-in time in respect of the settlement in which such sale is made. Losses, if any, that may accrue in the event of a default in completing the delivery to the Exchange by the CCap resultant of a delay in the delivery by the Client, shall be borne solely and completely by the Client. Losses for the purposes of this Clause shall include auction debits, and close-out premiums/ penalties, if any, incurred or arising as a result of non-delivery of securities on the settlement day of the Exchange.

**Client Deposits**

- 1.8 The Client shall deposit with CCap the monies, securities or other assets, which are required to open and/or maintain the Client's Account.

**Transactions**

- 1.9 The Client confirms that all the transactions are done on his own behalf. The Client further agrees he shall not act as an intermediary.
- 1.10 The Client shall authorise CCap to disclose details of Client's transactions to NSE/NSCCL and others as may be statutorily required.
- 1.11 All orders for the purchase or sale of securities and other assets will be authorised by the Client and executed with the understanding that an actual purchase or sale is intended and that it is the Client's intention and obligation in every case to receive and pay for profits or losses respectively on the Settlement. CCap is the Client's Agent to complete all such transactions and is authorized to make advances and expend monies as are required.

**Orders, Contract Notes and Statement of Accounts**

- 1.12 The Client requests that his telephone or oral orders in person for transactions may be accepted.
- 1.13 CCap shall issue contract notes within one working day of the execution of the trade. Such contract note shall be dispatched by CCap by courier or e-mail or through any other mode specified, to the address mentioned in this rights and obligations or at any other address expressly informed to the CCap by the client.
- 1.14 The Client has specifically requested and CCap has agreed that all the Client orders will be placed on the Trading System only, and none of the Client's orders will be executed by CCap with itself as Principal. Accordingly all the Contracts between Client and CCap will only be in Form A (Contract Note issued by Members Acting for Constituents as Brokers and Agents) and not in Form B (Contract Note issued by Members Dealing with Constituent as Principals).
- 1.15 CCap affirms that the contracts which have the relevant number of Client's orders and trades (Order Number & Trade Number generated by Trading System) will only be the valid contracts.
- 1.16 All purchase or sale of securities instructed by the Client to CCap through telephone will be deemed to have been confirmed by the Client by signing the Contract Note.

- 1.17 The Client signing the Contract Note issued by CCap validates all the transactions contained in the said Contract Note and will not repudiate any of the transactions in the Contract Note, on the premise that CCap is not able to produce written orders from the Client for the said transactions.
- 1.18 The Client shall not repudiate any Financial / Securities / Margin obligations, as determined and conveyed or demanded by CCap, on the premise that CCap is not able to produce written instructions / confirmations of the orders or contract note of the Client which resulted in such obligations.
- 1.19 CCap shall provide the Client a statement of the entries in his/her account, periodically, on request from the Client, or make it available through internet/e-mail.
- 1.20 The Client understands that the Contract Note and the Statement of Accounts issued by an authorised signatory of CCap alone shall be binding on CCap.
- 1.21 The Client will continuously monitor the entries in his account with CCap, and inform CCap promptly of any entries which are not to his transactions; he/she will not repudiate any of his obligations to CCap on the basis that he was not aware of these transactions, or the statement of his accounts was not furnished to him/her, or they were not confirmed by him/her in writing.

**Margins**

- 1.22 The Client agrees to abide by the exposure limits, if any, set by the trading member or by the Exchange or Clearing Corporation or SEBI from time to time.
- 1.23 The Client shall promptly satisfy all margin and maintenance calls.
- 1.24 The Client understands that CCap may, in its sole discretion, prohibit or restrict trading by the Client in any one or all market segments and/or in any security.
- 1.25 The Client clearly understands that, notwithstanding a general policy of giving Clients notice of a margin deficiency, CCap is not obligated to request additional margin from the Client in the event the Client's Account falls below minimum maintenance requirements. More importantly, there may be circumstances where CCap will liquidate securities and/or other assets of the Client available with CCap with or without notice to the Client to ensure that minimum margin maintenance requirements are satisfied.
- 1.26 The Client shall authorise CCap (without prejudice to CCap's other rights - including the right to refer a matter to Arbitration) at its

discretion to buy, sell or close out any part or all the contracts / positions held in the Client's account with CCap to meet the margin requirements or for reducing the margins payable to NSE/ NSCCL. Any and all losses and financial charges on account of such liquidation / closing-out shall be charged to and borne by the Client.

**Liquidations and Covering Positions**

- 1.27 CCap shall have the right in accordance with its general policies regarding Settlement Obligations and Margin requirements to require additional collateral or the liquidations of any securities and other assets whenever in CCap's discretion it considers it necessary for its protection including in the event of but not limited to, the failure of the Client to promptly meet any call for additional margin or collateral; the filing of a petition in bankruptcy by or against the Client; a petition for the appointment of a receiver is filed by or against the Client; an attachment is ordered against any of the Client Accounts or an Account in which the Client has an interest; or the occurrence of any event which in the opinion of CCap, would impair the Client's ability to fulfill his Financial / Securities / Margin obligations to CCap or of the Client's death.
- 1.28 In any such event CCap is authorised to sell any and all securities and other assets in any of the Client Accounts whether carried individually or jointly with others, to buy all securities or other assets which may be short in such Client Account(s), to cancel any open orders and to close any or all outstanding contracts/ positions, all without demand for margin or additional margin, or notice of sale or purchase, or other notice or advertisement each of which is hereby expressly waived by the Client.
- 1.29 Any such sales or purchases may be made at CCap's discretion on NSE or at public auction or private sale, and CCap may be the purchaser or seller for its own account in it. It is understood a prior demand, or call, or prior notice of the time and place of such sale or purchase shall not be considered a waiver of CCap's rights to sell or buy without demand or notice as herein provided.

**Ceiling on number of Contracts**

- 1.30 The Client will not act alone or in concert with others, directly or indirectly, hold and control contracts in securities in excess of the number permitted from time to time by NSE.
- 1.31 The Client will not act alone or in concert with other directly or indirectly place orders or hold positions or exercise positions which aim at and/or result in any manipulations, distortion or cornering in the prices of securities / futures/ options/ currency derivatives.

**Financial Obligations and Confirmations and Statements**

- 1.32 The Client shall keep track of his/her Financial Obligations to CCap. The Client will make necessary arrangement for settling his Financial Obligations by the due date for each transaction. The due date for all such payments will be one business day before the Settlement Date/due date for payment to NSCCL.
- 1.33 The Client shall make all his remittances to CCap only by an Account payee crossed cheque/pay-order/bank demand draft or an instruction for transfer of funds to bank directly to CCap's account, or an instruction to CCap to transfer the credit balances in any other account of him with CCap. The Client confirms that CCap is not responsible for any remittance made otherwise, and in particular cash payments to any employee of CCap.
- 1.34 CCap shall release funds of a settlement pay-out to the Client (i.e. payment relating to transactions, where it is due, less taxes, fees, charges and brokerage), less any amounts due to CCap from the Client relating to all trading days, upto and including the due date. The due date for all such payments will be pay-out day plus one day after the Settlement Date.
- 1.35 Confirmation of transactions through contract notes and statements of accounts for the Client's Account(s) shall be binding upon the Client if the Client does not object, in writing, in case of Contract notes within one working day of receipt of Contract notes and in case of Statement of Accounts within seven days of receipt by the Client. Notice or other communications including margin and maintenance calls delivered or mailed to the address / e-mail id furnished by you in the KYC shall, until CCap has received notice in writing of a different address / e-mail id, be deemed to have been personally delivered to the Client whether actually received or not.

**Satisfaction of Indebtedness**

- 1.36 The Client shall pay to CCap, upon demand, his/her Financial Obligations, any indebtedness, and debit balance remaining when the Client Account is closed, either partially or totally. Client Account may not be closed without CCap first receiving all securities and other assets for which the Account is short, all funds to pay in full for all securities and other assets in which the Client Account is long, all open short/long positions the Client Account has are closed and the funds for all losses are received.

**Interest**

- 1.37 Debit balances of the Client in the Client's

Account shall be charged with interest at the discretion of CCap, at the interest rate not less than 15 % per annum.

**Lien**

- 1.38 All monies, securities or other assets, which CCap may hold on Client's account, or in any other account in which Client has an interest shall be held subject to a general lien for the discharge of Client's Financial Obligations and any indebtedness to CCap.
- 1.39 All Securities and/or other assets in any Account in which the Client has an interest or which at any time are in the possession or under the control of CCap, shall be subject to a lien for the discharge of any and all indebtedness or any other obligation that the Client may owe to CCap.
- 1.40 In enforcing its lien, CCap at its sole discretion may determine which Securities and/or other assets are to be sold or which contracts are to be closed or which contracts are to be enforced, and such sale of Assets / Closure of contracts by CCap shall not require prior notice to the Client.

**Pledge of Securities and Other Assets**

- 1.41 Within the limitations imposed by applicable laws, rules and regulations, all securities and other assets of the Client may be pledged and repledged and hypothecated and rehypothecated by CCap from time to time, without notice to the Client, either separately or in common with such other securities and other assets of other Clients of CCap, for any amount due to CCap in the Client(s) Account(s). CCap may do so without retaining in its possession or under its control for delivery of a like amount of similar securities or other assets.

**Prohibition from investment advice**

- 1.42 The Client also acknowledges that CCap's employees and Sub-brokers/authorised persons/Remisiers, are not authorized to give any investment advice and that the Client will not solicit or rely upon any such advice from CCap or any of its employees or its Sub-brokers / Authorised Persons / Remisiers and further will make no claim on CCap on the basis of acting on any such advice.
- 1.43 CCap and its officers, directors, employees, sub-brokers, authorised persons, remisiers and agents will have no liability with respect to transactions in or for the Client's Account and the Client's investment decisions.
- 1.44 Any information or recommendations provided by any services of CCap ancillary, in addition to, or as part of the service must not be construed as investment advice given to the Client.
- 1.45 Client shall be wholly responsible for all his/her investment decisions and trades.

## 2. Applicable Rules and Regulations

- 2.1 This Document shall be governed by and construed in all respects in accordance with the laws of the Republic of India.
- 2.2 All transactions in the Client's Account with CCap shall be subject to the constitution, rules, regulations, customs and usages of NSE and NSCCL. Also, where applicable, the transactions shall be subject to the provisions of (1) the Securities Contract (Regulation) Act of 1956, as amended, (2) the provisions and the Rules and Regulations made under the Securities and Exchange Board of India Act, 1992 and (3) SEBI (Ombudsman) Regulations, 2004 as amended.
- 2.3 The trading member and the Client shall abide by any award passed by the Ombudsman under the SEBI (Ombudsman) Regulations, 2003.

## 3. Document Contains Entire Understanding/ Assignment

- 3.1. This Document contains the entire understanding between the Client and CCap concerning the subject matter of this Document. Client may not assign the rights and obligations hereunder without first obtaining the prior written consent of CCap.

## 4. Severability

If any provision of this Document is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, or any change in the SEBI/NSE regulations, that determination shall not affect the validity of the remaining provisions of this Document.

## 5. Waiver

Except as specifically permitted in this Document, no provision of this Document can be, nor be deemed to be, waived, altered, modified or amended unless such is agreed to in a writing signed by CCap.

## 6. Furnishing of Information and Documentation

- 6.1 The Client shall complete any further documentation as may be required by NSE, NSCCL, SEBI and other regulatory authorities or under the CCap policies from time to time.
- 6.2 The Client shall furnish the details of changes if any, in the information furnished in the Account opening Form, such as change in (a) address (permanent / temporary / employment address), (b) Bank account, (c) email - id, (d) telephone / mobile numbers etc, with necessary proof, to CCap as and when such changes occur on an ongoing basis.

- 6.3 The Client shall also furnish the financial details as prescribed in the Account Opening Form every year without fail on or before 31st July of every year for the purpose of monitoring trading activity of the client in pursuance of NSE Circular No. NSE/INVG/2006/31 dated 03.03.2006.

## 7. Extraordinary Events

- 7.1. CCap and/or its agents will not be liable for losses caused directly or indirectly by government restriction, SEBI/NSE regulations, NSE/NSCCL rulings, suspension of/from trading, any difficulty in accessing the facilities of CCap by the Client, computer, communication or telephone failure, war, earthquakes flood, accident, power failure, equipment or software malfunction, strikes, failure of any of other service providers such as banks, courier etc., or any other conditions beyond CCap's control.

## 8. Indemnities

- 8.1. CCap will not be liable for any incidental, consequential, special or indirect damages including but not limited to lost profits, trading losses, or damages that result from inconvenience, delay or loss in the use of the service even if CCap has been advised of the possibility of such damages.
- 8.2 CCap shall not be liable or responsible for non-execution of orders placed in the Trading System due to the failure of any system or communication link or due to any other reason whatsoever.
- 8.3 The Client shall indemnify and hold CCap harmless from and against any and all claims, losses, liability, costs, expenses arising out of the Client's violation of this Agreement or any third party's rights arising out of the services.
- 8.4 The Client shall fully indemnify CCap for any loss arising from execution of incorrect/ambiguous/fraudulent instructions provided by the Client and/or his authorised representative(s).

## 9. Termination of Accounts

- 9.1 CCap may suspend its service in whole or in part, at any time without prior notice if the Client does not comply with any of the terms and conditions of this Document.
- 9.2 CCap shall not be bound to release the margin deposit requirement until all outstanding trades on termination of this Document has been fully squared off or settled.

## 10. Notices

- 10.1 Any notice to be given by any party to this Document shall be in writing and shall be deemed duly served if delivered personally or sent by prepaid registered post or courier to the addressee at the address given in

To CCap at

Name of the person concerned: D. Ramesh

Address : Coimbatore Capital Limited  
COINDIA Building, 1<sup>st</sup> Floor,  
342, Peelamedu - Avarampalayam Road,  
Coimbatore - 641006.

To the Client at :

Name of the person concerned: .....

Address : .....  
 .....  
 .....

or at such other address for the purposes of this Document.

10.2 Any notice served by prepaid registered post or courier shall be deemed served within one working day after posting to an address in Coimbatore or 2 (two) days after posting to an address outside Coimbatore. In proving a service of any notice, it will be sufficient to prove in the case of a letter that such letter was properly stamped, addressed and placed in the post or delivered or left at the current address if delivered personally to the addressee given above or subsequently notified for the purposes of this Document.

**11. Capacity to Contract, Client Affiliation**

11.1 By signing this Document, the Client represents that he/she is of legal age, and that he/she is not an employee of NSE, or of any corporation of which NSE owns a controlling interest, or of a member of NSE, or an employee of a member firm or individual member registered on NSE, and that the Client will promptly notify CCap in writing if the Client becomes so employed. The Client also represents that no one except the Client has an interest in the Account or Accounts of the Client with Ccap.

**12. Power of Attorney/Demat Debit and Pledge Instruction**

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

**13. Jurisdiction**

13.1 In respect of any disputes as between CCap and Client to which NSE is not a party, the Courts of Coimbatore, India shall be the Court of Competent Jurisdiction to the exclusion of all other courts.

Note: All references to the specific quantity/rate/fee mentioned in this Document are subject to change from time to time, as so in writing between the parties.



**DEFINITIONS COMMON TO RIGHTS AND OBLIGATIONS**

1. “Available Funds” means the sum of credit balances in the Client Account, plus funds receivable from Settled Transactions (hereinafter defined), minus the net effect of unsettled transactions, minus all margin amounts due to CCap and any uncleared deposits of cheques/ Demand Drafts made by the client.
2. “Business Day” means any day on which trading in NSE’s trading is operational.
3. “Client Account” means Client’s Account in the name of the Client on CCap records and shall include the bank account and/or a depository account(s) in which the cash or Securities of the Client are deposited.
4. “Account Opening Form” means the application submitted by the Client to CCap to open a Trading Account for Client’s transactions.
5. “Rights and Obligations” means the Rights and Obligations of CCap and the Client for the trading account, as amended from time to time.
6. “Client’s Transactions” means any purchase, sale, purchase and sale, sale and purchase, exercise and assignment of securities and consequent actions on purchase or sale until the transactions are settled.
7. “Financial Obligations to CCap” means, any amount payable by the Client to CCap which includes, but not limited to, any funds pay-in due for purchase of securities, the loss incurred by the Client in trading in securities, the margin payable to CCap, charge/fee/ penalty/liability/statutory dues payable to SEBI/NSE/NSDL/Government of India/State Government and interest payable by the Client in case of partial fulfillment/delayed fulfillment/failure in fulfillment of his obligations by the Client. The amount payable is that the amounts that are claimed by C Cap as payable to CCap by the Client, whether or not the client agrees to such claims.
8. Capital Market Segment, Futures & Options Segment, Retail Debt Market Segment, Currency Derivatives Segment and any other segments are as defined by NSE regulations
9. “Trading System” includes National Exchange for Automated Trading (NEAT) System of the NSE and any other Computer-to-Computer Link (CTCL) software facility used by CCap to access the NEAT Trading System.
- 10 “Securities and/or Other Assets” means, but is not limited to, Cash, Credit balances, Shares, Stock, Bonds, Contracts on Futures & Options, Mutual funds & Money funds, Fixed deposits, Financial instruments and related contracts, whether for present or future delivery. This definition includes securities or other assets currently or hereinafter held, carried or maintained by CCap in CCap’s possession or control, for any purpose, in and for any of the Client’s account(s) now or hereinafter opened, including any Account in which the Client may have an interest.
11. “Settled Transactions” means completed purchase/sales transactions either by way of delivery or auction or close-out or expiration or exercise or by executing an offsetting transaction.
12. “Settlement Date” means the date on which relevant transactions are settled by National Stock Exchange of India Limited (NSE)/National Securities Clearing Corporation Limited (NSCCL).
13. “SEBI Regulations” means the Regulations, Circulars, Notifications, Guidelines and Orders of SEBI.
14. “NSE Regulations” means Bye-laws, Rules and Regulations and Circulars of National Stock Exchange of India Limited.
15. “NSCCL Regulations” means Bye-laws, Rules, Regulations and circulars of National Securities Clearing Corporation Ltd.
16. In this Document, the headings are used for convenience and ease of reference and are not to be construed as limiting in the construction or interpretation of any provision of this Document.
17. The definitions ascribed to terms in this Document apply equally to both the singular and plural forms of such terms. Whenever the context may require, any pronoun shall be deemed to include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be interpreted as if followed by the phrase “without limitation”. References to any document, including this Document, shall be deemed to include any references to such document as amended, supplemented or replaced from time to time in accordance with its terms and (where applicable) subject to compliance with the requirements set forth therein and herein. References to a statute, ordinance, code or other law shall be deemed to include rules, regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them.

## Investor Charter – Stock Brokers

### VISION

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

### MISSION

- i) To provide high quality and dependable service through innovation, capacity enhancement and use of technology.
- ii) To establish and maintain a relationship of trust and ethics with the investors.
- iii) To observe highest standard of compliances and transparency.
- iv) To always keep ‘protection of investors’ interest’ as goal while providing service.

### Services provided to Investors

- Execution of trades on behalf of investors.
- Issuance of Contract Notes.
- Issuance of intimations regarding margin due payments.
- Facilitate execution of early pay-in obligation instructions.
- Settlement of client’s funds.
- Intimation of securities held in Client Unpaid Securities Account (CUSA) Account.
- Issuance of retention statement of funds.
- Risk management systems to mitigate operational and market risk.

- Facilitate client profile changes in the system as instructed by the client.
- Information sharing with the client w.r.t. exchange circulars.
- Redressal of Investor’s grievances.

### Rights of Investors

- Ask for and receive information from a firm about the work history and background of the person handling your account, as well as information about the firm itself.
- Receive complete information about the risks, obligations, and costs of any investment before investing.
- Receive recommendations consistent with your financial needs and investment objectives.
- Receive a copy of all completed account forms and agreements.
- Receive account statements that are accurate and understandable.
- Understand the terms and conditions of transactions you undertake.
- Access your funds in a timely manner and receive information about any restrictions or limitations on access.
- Receive complete information about maintenance or service charges, transaction or redemption fees, and penalties.
- Discuss your grievances with compliance officer of the firm and receive prompt attention to and fair consideration of your concerns.

### Various activities of Stock Brokers with timelines

S.No.	Activities	Expected Timelines
1.	KYC entered into KRA System and CKYCR	10 days of account opening
2.	Client Onboarding	Immediate, but not later than one week
3.	Order execution	Immediate on receipt of order, but not later than the same day
4.	Allocation of Unique Client Code	Before trading
5.	Copy of duly completed Client Registration Documents to clients	7 days from the date of upload of Unique Client Code to the Exchange by the trading member
6.	Issuance of contract notes	24 hours of execution of trades
7.	Collection of upfront margin from client	Before initiation of trade
8.	Issuance of intimations regarding other margin due payments	At the end of the T day

**Various activities of Stock Brokers with timelines**

9.	Settlement of client funds	30 days / 90 days for running account settlement (RAS) as per the preference of client.If consent not given for RAS within 24 hours of pay-out
10.	'Statement of Accounts' for Funds, Securities and Commodities	Weekly basis (Within four trading days of following week)
11.	Issuance of retention statement of funds/commodities	5 days from the date of settlement
12.	Issuance of Annual Global Statement	30 days from the end of the financial year
13.	Investor grievances redressal	30 days from the receipt of the complaint

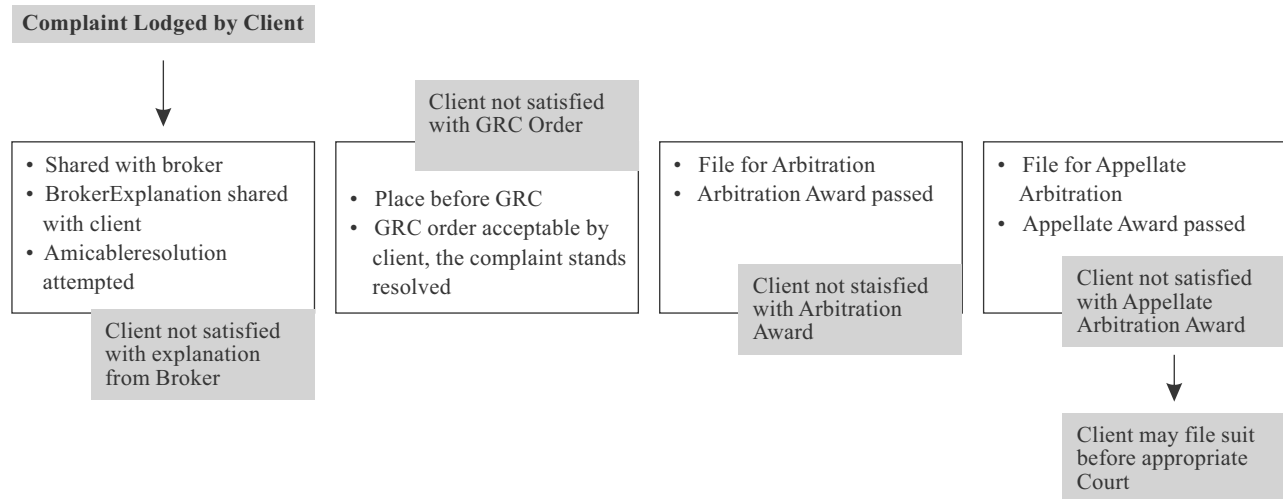
**DOs and DON'Ts for Investors**

<b>DOs</b>	<b>DON'Ts</b>
<ol style="list-style-type: none"> <li>1. Read all documents and conditions being agreed before signing the account opening form.</li> <li>2. Receive a copy of KYC, copy of account opening documents and Unique Client Code.</li> <li>3. Read the product / operational framework / timelines related to various Trading and Clearing &amp; Settlement processes.</li> <li>4. Receive all information about brokerage, fees and other charges levied.</li> <li>5. Register your mobile number and email ID in your trading, demat and bank accounts to get regular alerts on your transactions.</li> <li>6. If executed, receive a copy of Power of Attorney. However, Power of Attorney is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting Power of Attorney, carefully examine the scope and implications of powers being granted.</li> <li>7. Receive contract notes for trades executed, showing transaction price, brokerage, GST and STT etc. as applicable, separately, within 24 hours of execution of trades.</li> <li>8. Receive funds and securities / commodities on time within 24 hours from pay-out.</li> <li>9. Verify details of trades, contract notes and statement of account and approach relevant authority for any discrepancies. Verify trade details on the Exchange websites from the trade verification facility provided by the Exchanges.</li> <li>10. Receive statement of accounts periodically. If opted for running account settlement, account has to be settled by the stock broker as per the option given by the client (30 or 90 days).</li> <li>11. In case of any grievances, approach stock broker or Stock Exchange or SEBI for getting the same resolved within prescribed timelines.</li> </ol>	<ol style="list-style-type: none"> <li>1. Do not deal with unregistered stock broker</li> <li>2. Do not forget to strike off blanks in your account opening and KYC.</li> <li>3. Do not submit an incomplete account opening and KYC form.</li> <li>4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system.</li> <li>5. Do not transfer funds, for the purposes of trading to anyone other than a stock broker. No payment should be made in name of employee of stock broker.</li> <li>6. Do not ignore any emails / SMSs received with regards to trades done, from the Stock Exchange and raise a concern, if discrepancy is observed.</li> <li>7. Do not opt for digital contracts, if not familiar with computers.</li> <li>8. Do not share trading password.</li> <li>9. Do not fall prey to fixed / guaranteed returns schemes.</li> <li>10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits.</li> <li>11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments.</li> </ol>

## Grievance Redressal Mechanism

**Level 1** – Approach the Stock Broker at the designated Investor Grievance e-mail ID of the stock broker. The Stock Broker will strive to redress the grievance immediately, but not later than 30 days of the receipt of the grievance.

**Level 2** – Approach the Stock Exchange using the grievance mechanism mentioned at the website of the respective exchange. Complaints Resolution Process at Stock Exchange explained graphically:



## Timelines for complaint resolution process at Stock Exchanges against stock brokers

S.No.	Type of Activity	Timelines for activity
1.	Receipt of Complaint	Day of complaint © Day).
2.	Additional information sought from the investor, if any, and provisionally forwarded to stock broker.	C + 7 Working days.
3.	Registration of the complaint and forwarding to the stock broker.	C+8 Working Days i.e. T day.
4.	Amicable Resolution.	T+15 Working Days.
5.	Refer to Grievance Redressal Committee (GRC), in case of no amicable resolution.	T+16 Working Days.
6.	Complete resolution process post GRC.	T + 30 Working Days.
7.	In case where the GRC Member requires additional information, GRC order shall be completed within.	T + 45 Working Days.
8.	Implementation of GRC Order.	On receipt of GRC Order, if the order is in favour of the investor, debit the funds of the stock broker. Order for debit is issued immediately or as per the directions given in GRC order.
9.	In case the stock broker is aggrieved by the GRC order, will provide intention to avail arbitration	Within 7 days from receipt of order

10.	If intention from stock broker is received and the GRC order amount is upto Rs.20 lakhs	Investor is eligible for interim relief from Investor Protection Fund (IPF).The interim relief will be 50% of the GRC order amount or Rs.2 lakhs whichever is less. The same shall be provided after obtaining an Undertaking from the investor.
11.	Stock Broker shall file for arbitration	Within 6 months from the date of GRC recommendation
12.	In case the stock broker does not file for arbitration within 6 months	The GRC order amount shall be released to the investor after adjusting the amount released as interim relief, if any.

**Handling of Investor’s claims / complaints in case of default of a Trading Member / Clearing Member (TM/CM)**

**Default of TM/CM**

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

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

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

- Norms for eligibility of claims for compensation from IPF.
- Claim form for lodging claim against defaulter stock broker.
- FAQ on processing of investors’ claims against Defaulter stock broker.
- Provision to check online status of client’s claim.

**Level 3** – The complaint not redressed at Stock Broker / Stock Exchange level, may be lodged with SEBI on SCORES (a web based centralized grievance redressal system of SEBI)  
@ <https://scores.gov.in/scores/Welcome.html>

## **Rights and Obligations of Beneficial Owner and Depository Participant as prescribed by SEBI and Depositories**

### **General Clause**

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

### **Beneficial Owner information**

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

### **Fees/Charges/Tariff**

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

### **Dematerialization**

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

### **Separate Accounts**

9. The DP shall open separate accounts in the name of each of the beneficial owners and securities of each

beneficial owner shall be segregated and shall not be mixed up with the securities of other beneficial owners and/or DP's own securities held in dematerialized form.

10. The DP shall not facilitate the Beneficial Owner to create or permit any pledge and/or hypothecation or any other interest or encumbrance over all or any of such securities submitted for dematerialization and/or held in demat account except in the form and manner prescribed in the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 1996 and Bye-Laws/Operating Instructions / Business Rules of the Depositories.

### **Transfer of Securities**

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

### **Statement of account**

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

### **Manner of Closure of Demat account**

17. The DP shall have the right to close the demat account of the Beneficial Owner, for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the Beneficial Owner as well as to the Depository. Similarly, the Beneficial Owner shall have the right to close his/her demat account held with the DP provided no charges are payable by him/her to the DP. In such an

event, the Beneficial Owner shall specify whether the balances in their demat account should be transferred to another demat account of the Beneficial Owner held with another DP or to rematerialize the security balances held.

18. Based on the instructions of the Beneficial Owner, the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of thirty days as per procedure specified from time to time by the depository. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the Beneficial Owner or the DP and shall continue to bind the parties to their satisfactory completion.

#### **Default in payment of charges**

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

#### **Liability of the Depository**

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

#### **Freezing/ Defreezing of accounts**

22. The Beneficial Owner may exercise the right to freeze/defreeze his/her demat account maintained with the DP in accordance with the procedure and subject to the restrictions laid down under the Bye Laws and Business Rules/Operating Instructions.
23. The DP or the Depository shall have the right to freeze/defreeze the accounts of the Beneficial Owners on receipt of instructions received from any regulator or court or any statutory authority.

#### **Redressal of Investor grievance**

#### **Additional Rights and Obligations**

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

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

#### **Authorized representative**

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

#### **Law and Jurisdiction**

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