

Branch Code :

Client Code :

(for Office use only)

Client Name :

CLIENT REGISTRATION KIT (KNOW YOUR CLIENT)



Name : _____

Address : _____

Tel : _____

Fax : _____

E-mail : _____



Name of the Member	BHARTIA BROTHERS	
Registered Office Address Phone, E-Mail & Website	SHAKTI TOWER, EN-60, 2nd FLOOR, SALT LAKE CITY, SECTOR-V, KOLKATA-700091 Ph: 033-40661066, E-Mail: jitendra@bhartia.in Website: www.bhartia.in	
Corporate Office Address Phone, E-Mail & Website	SHAKTI TOWER, EN-60, 2nd FLOOR, SALT LAKE CITY, SECTOR-V, KOLKATA-700091 Ph: 033-40661066, E-Mail: jitendra@bhartia.in Website: www.bhartia.in	
Branch Office Phone, E-Mail		
	Cash	F&O
SEBI Registration No. Date	INB031166318 Dated: 21-11-2001	
Compliance Officer	Name: JITENDRA BHARTIA Ph: 033-40661066 E-Mail: jitendra@bhartia.in	
Director / Proprietor/ Partner / MD / CEO	Name: JITENDRA BHARTIA Ph: 033-40661066 E-Mail: jitendra@bhartia.in	

For any grievance/dispute please contact **JITENDRA BHARTIA** at the above address or email ID - jitendra@bhartia.in and Phone No. **033-40661066**

In case not satisfied with the response, please contact Officer In Charge, Investor Service Cell, The Calcutta Stock Exchange Ltd. , Tel.: 033-40253015, E-mail: cseisc@cse-india.com

Contacts	THE CALCUTTA STOCK EXCHANGE LTD (CSE) Tel: (033) 40253000 Email Id: cseadm@cse-india.com
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ACCOUNT OPENING KIT

I N D E X

S.No.	Name of the Document	Brief Significance of the Document	Page No
MANDATORY DOCUMENTS AS PRESCRIBED BY SEBI & EXCHANGES			
1.	Account Opening Form	A. KYC form - Document captures the basic information about the constituent and an instruction/check list.	3-8
		B. Document captures the additional information about the constituent relevant to trading account and an Instruction / Check list.	9-12
2.	Rights and Obligations	Document stating the Rights & Obligations of stock broker trading member, sub-broker and client for trading on exchanges (including additional rights & obligations in case of internet/wireless technology based trading).	13-14
3.	Policies and Procedures	Document describing significant policies and procedures of _____.	15-16
4.	Risk Disclosure Document (RDD)	Document detailing risks associated with dealing in the securities market.	17-19
5.	Running Account Letter	Document dealing with an option given to client to settle his obligations towards funds and securities on a running basis & settle the same at monthly/quarterly interval at his discretion)	20
6.	AML Literature	Document dealing with information about what is Money Laundering, its objective, its effect on economy and society, and legal regulations to fight money laundering	21-23
7.	DO's & DON'Ts	Document describing various DO's and DON'Ts those Investors should follow for their smooth operation of the A/c.	24
7.	Tariff sheet	Document detailing the rate/amount of brokerage and other charges levied on the client for trading on the stock exchange(s)	25
8.	Disclosure of Proprietary Trading	Disclosure of the member about its dealing in proprietary Accounts in accordance with rules & regulations of SEBI & Exchanges.	27
9.	Acknowledgement		27

KNOW YOUR CLIENT (KYC) APPLICATION FORM

For Individuals

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

Please fill this form in ENGLISH and in BLOCK LETTERS.

A. IDENTITY DETAILS

1. Name of the Applicant: _____
2. Father's / Spouse Name: _____
3. a. Gender: Male/ Female b. Marital status: Single/ Married c. Date of birth: _____ (dd/mm/yyyy)
4. a. Nationality: _____ b. Status: Resident Individual / Non Resident / Foreign National
5. a. PAN: _____ b. Aadhaar Number, if any: _____
6. Specify the proof of Identity submitted: _____

B. ADDRESS DETAILS

1. Residence Address: _____
City/town/village: _____ Pin Code: _____ State: _____ Country: _____
2. Contact Details: Tel. (Off.) _____ Tel. (Res.) _____ Mobile No.: _____ Fax: _____ Email id: _____
3. Specify the proof of address submitted for correspondence address: _____
4. Permanent Address (if different from above or overseas address, mandatory for Non-Resident Applicant): _____
City/town/village: _____ Pin Code: _____ State: _____ Country: _____

DECLARATION

I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting, I am aware that I may be held liable for it.

Signature of the Applicant

Date: _____ (dd/mm/yyyy)

FOR OFFICE USE ONLY

Original verified and Self-Attested Document copies received

(.....)
Name & Signature of the Authorised Signatory

Date

Seal/Stamp of the intermediary

INSTRUCTIONS / CHECK LIST FOR FILLING KYC FORM

A. IMPORTANT POINTS:

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

B. PROOF OF IDENTITY (POI): - List of documents admissible as Proof of Identity:

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

C. PROOF OF ADDRESS (POA): - List of documents admissible as Proof of Address:

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

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

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

D. EXEMPTIONS/CLARIFICATIONS TO PAN

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

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

E. LIST OF PEOPLE AUTHORIZED TO ATTEST THE DOCUMENTS:

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

TRADING ACCOUNT RELATED DETAILS
For Individuals & Non-Individuals

A. BANK ACCOUNT DETAILS (Through which transactions will generally be routed)

	First Bank details	Second Bank details
Bank Name		
Branch		
Address		
Bank A/c No.		
A/c Type	<input type="checkbox"/> SB <input type="checkbox"/> CA <input type="checkbox"/> Others-in-case of NRI/NRE/NRO	<input type="checkbox"/> SB <input type="checkbox"/> CA <input type="checkbox"/> Others-in-case of NRI/NRE/NRO
MICR No.		
IFSC Code		

In case of more than two accounts, give details in additional sheet.

(Copy of a cancelled Cheque leaf / Pass Book / Bank Statement containing name of the constituent should be submitted).

B. DEPOSITORY ACCOUNT(S) DETAILS (Through which the transactions will generally be routed)

	First Demat A/c details	Second Demat A/c details
DP Name		
DP	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
Beneficiary Name		
DP ID		
Beneficiary ID / BO ID		

In case of more than two accounts, give details in additional sheet.

(Copy of proof of Demat A/c containing the name of the Client, Client ID, DP ID should be submitted)

C. TRADING PREFERENCE

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

1. National Stock Exchange of India Ltd. (NSE) - CM	<input type="checkbox"/>	_____
- F&O	<input type="checkbox"/>	_____
2. Bombay Stock Exchange Ltd. (BSE) - CM	<input type="checkbox"/>	_____
- F&O	<input type="checkbox"/>	_____
3. The Calcutta Stock Exchange Ltd. (CSE) - CM	<input type="checkbox"/>	_____

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

D. PAST ACTIONS

Details of any action/proceedings initiated/pending/taken by SEBI/ Stock exchange/any other authority against the applicant/constituent or its Partners/promoters/whole time directors/authorized persons in charge of dealing in securities during the last 3 years:

E. DEALINGS THROUGH SUB-BROKERS AND OTHER STOCK BROKERS

• If client is dealing through the sub-broker, provide the following details:

Sub-broker's Name

SEBI Registration number

Registered office address

Ph:

Fax

Website

• Whether dealing with any other stock broker/sub-broker (if case dealing with multiple stock brokers / sub-brokers, provide details of all)

Name of stock broker

Name of Sub-Broker, if any

Client Code

Exchange

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

F. ADDITIONAL DETAILS

• Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify):
Specify your Email id, if applicable

E-mail ID _____

• Whether you wish to avail of the facility of internet trading/ wireless technology (please specify):

Yes

No

• Number of years of Investment/Trading Experience

No Prior Experience

Years in Cash Segment/Stock

Years in Derivatives

Years in any other investment related field

• In case of non-individuals, name, designation, PAN, UID, signature, residential address and photographs of persons authorized to deal in securities on behalf of company/firm/others

See Annexure B

Any other information

G. INTRODUCER DETAILS (optional)

Name of the Introducer			
	(Surname)	(Name)	(Middle Name)
Status of Introducer	<input type="checkbox"/> Sub-Broker	<input type="checkbox"/> Remisier	<input type="checkbox"/> Authorised Person
	<input type="checkbox"/> Existing Client	<input type="checkbox"/> Other(please specify) _____	
Address of the Introducer			
PAN of Introducer, if any		Phone No.	
Signature			
Attach Photocopy of Passport / Voter ID / PAN Card / Driving Licence of the Introducer.			

H. NOMINATION DETAILS (for individuals only)

<input type="checkbox"/> I/We wish to nominate		<input type="checkbox"/> I/We do not wish to nominate		Photograph of Nominee/Guardian
Name of the Nominee				
Relationship with the Nominee		DOB of Nominee		
PAN of Nominee				
Address & ph. no. of the Nominee				
IF NOMINEE IS A MINOR, DETAILS OF GUARDIAN:				
Name of guardian				
Address and phone no. of Guardian				
Signature of guardian			PAN of Guardian	
Phone (Res.)		Mobile No.		E-mail ID
WITNESSES (Only applicable in case the account holder has made nomination)				
Name _____			Name _____	
Signature _____			Signature _____	
Address _____			Address _____	

DECLARATION

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

Place _____

Date _____

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

FOR OFFICE USE ONLY

UCC Code allotted to the Client: _____

	Documents verified with Originals	Client Interviewed By	In-Person Verification done by
Name of the Employee			
Employee Code			
Designation of the employee			
Date			
Signature			

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

Client's Signature _____

For

Date

Signature of the Authorised Signatory

INSTRUCTIONS / CHECK LIST

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

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

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

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

INVESTORS' RIGHTS AND OBLIGATIONS

- 1.1 You should familiarise yourself with the protection accorded to the money or other property you may deposit with your trading member, particularly in the event of a default in the Cash and F&O market or the broking firm's insolvency or bankruptcy.
 - 1.1.1 Please ensure that you have a documentary proof of your having made deposit of such money or property with the trading member, stating towards which account such money or property deposited.
 - 1.1.2 Further, it may be noted that the extent to which you may recover such money or property may be governed by the Bye-laws and Regulations of and / or any other Stock Exchange with which CSE has an arrangement and the scheme of the Investors' Protection Fund in force from time to time.
 - 1.1.3 Any dispute with the trading member with respect to deposits, margin money, etc., and producing an appropriate proof thereof, shall be subject to arbitration as per the Rules, Byelaws/ Regulations of and / or any other Stock Exchange with which CSE has an arrangement or its Clearing Corporation/Clearing House.
- 1.2 Before you begin to trade, you should obtain a clear idea from your trading member of all brokerage, commissions, fees and other charges which will be levied on you for trading. These charges will affect your net cash inflow or outflow.
- 1.3 You should exercise due diligence and comply with the following requirements of the and / or any other Stock Exchange with which CSE has an arrangement and/or SEBI:
 - 1.3.1 Please deal only with and through SEBI registered trading members who are members of the Stock Exchange and are enabled to trade on the Exchange(s). All SEBI registered trading members are given a registration no., which may be verified from SEBI. The details of all members of CSE and whether they are enabled to trade may be verified from CSE website (www.cse-india.com).
 - 1.3.2 Demand any such information, details and documents from the trading member, for the purpose of verification, as you may find it necessary to satisfy yourself about his credentials.
 - 1.3.3 Furnish all such details in full as are required by the trading member as required in "Know your client" form, which may also include details of PAN or Passport or Driving Licence or Voters Id, or Ration Card, bank account and depository account, any such details made mandatory by CSE/SEBI at any time as is available with the investor.
 - 1.3.4 Give any order for buy or sell of a security in writing or in such form or manner, as may be mutually agreed. Giving instructions in writing ensures that you have proof of your intent, in case of disputes with the member.
 - 1.3.5 Ensure that a contract note is issued to you by the trading member which contains minute records of every transaction. Verify that the contract note contains details of order no., trade number, trade time, trade price, trade quantity, name of security, client code allotted to you and showing the brokerage separately. Contract notes are required to be given/sent by the trading member to the investors latest on the next working day of the trade. Contract note can be issued by the trading members either in electronic form using digital signature as required, or in hard copy. In case you do not receive a contract note on the next working day or at a mutually agreed time, please get in touch with the Investors Grievance Cell of CSE without delaying.
 - 1.3.6 Facility of Trade Verification is available on BSE website (www.bseindia.com), CSE website (www.cse-india.com) and NSE website (www.nseindia.com), where details of trade as mentioned in the contract note may be verified from the trade date, as per the terms and conditions of the respective exchange. 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 CSE.
 - 1.3.7 Ensure that payment of funds against settlement is given to the concerned trading member within one working day prior to the date of pay-in announced by CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement or it's Clearing Corporation. Payments should be made only by account payee cheque in favour of

Client's Signature

the firm/company of the trading member and a receipt or acknowledgement towards what such payment is made be obtained from the trading member.

- 1.3.8** In case pay-out of fund, is not received on the next working day after date of pay-out announced by CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement or its Clearing Corporation, please follow-up with the concerned member for its receipt. In case pay-out of funds is not received as above from the member within five working days, ensure that you lodge a complaint immediately with the Investors' Grievance Cell of CSE.
- 1.3.9** Every member is required to send a complete 'Statement of Accounts', for both funds and securities settlement and margin, to each of its constituents, at such periodicity as may be prescribed from time to time. You should report errors, if any, in the Statement immediately, but not later than 30 calendar days of receipt thereof, to the trading member. In case the error is not rectified or there is a dispute, ensure that you refer such matter to the Investors' Grievance Cell of CSE without delaying.
- 1.3.10** In case of a complaint against a trading member/registered sub-broker, you should address the complaint to the Office as may be specified by CSE from time to time.
- 1.4** In case where a trading member surrenders his trading membership, CSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of CSE, ensure that you lodge a claim with CSE/Clearing House within the stipulated period and with the supporting documents.
- 1.5** In case where a trading member is expelled from trading membership or declared a defaulter, CSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of CSE, ensure that you lodge a claim with CSE within the stipulated period and with the supporting documents.
- 1.6** Claims against a defaulter/expelled member found to be valid as prescribed in the relevant Rules/ Bye-laws and the scheme under the Investors' Protection Fund (IPF) may be payable as prescribed by SEBI.

Notes:

1. The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a trading member of CSE for the purpose of acquiring and / or selling of securities/F&O Contract through the mechanism provided by CSE.
2. The term 'trading member' shall mean and include a member or a broker or a stock broker, who has been admitted as such by CSE and who holds a registration certificate as a stock broker from SEBI.
3. The term 'Contract' refers to a F&O Contract and the term underlying refers to the underlined index/Stock of such contract.
4. CSE may be substituted with the relevant exchanges wherever applicable.

Client's Signature : _____

Client's Name : _____

Dated : _____

POLICIES & PROCEDURES

A) Refusal of Orders for penny stocks :

Penny stocks are thinly traded shares of small companies which are traded infrequently and having very low volume. It may be difficult to buy/sell Penny stocks. Penny stocks include the shares which form part of list of illiquid securities, given by stock exchanges from time to time.

For Dealing in penny stock following procedures is being followed:

1. Authorization of the Senior Officer is to be taken if any client wants to invest in penny stocks.
2. The valid reason of the client to trade in penny stock is taken.
3. The financial position, background of the client is reviewed.

The order of a client shall be refused by the Member when it appears that

1. If the dealing amounts to manipulation of the price of the security.
2. If the dealing creates false or misleading appearance of trading in the securities market.
3. If the dealing in the security is not intended to effect transfer of beneficial ownership but intended to operate only as a device to inflate, depress or cause fluctuations in the price of the penny stock for wrongful gain or avoidance of loss.

B) Setting up client's exposure limits :

At the time of entering into agreement with the clients and branches we require them to agree to abide by the exposure limits set by us from time to time subject to the availability of funds in their accounts. Client exposure is settled on the basis of financial soundness (such as high, medium or low net worth client) and turnover position of the client.

There are two types of exposures :

1. **Gross Exposure:-** Gross Exposure is calculated considering clients open positions and pending positions. On every order entry Gross Exposure is increased and on trade confirmation Gross Exposure is decreased.
2. **Net Exposure:-** When a trade confirmation is received then Clients Net Exposure is calculated based on the amount, which is traded. Net Exposure is increased on Trade Confirmation but if a Square off order gets traded then Net Exposure is decreased.

C) Applicable Brokerage Rate :

The Brokerage Rate applicable to the clients vary from client to client depending on the category of the client i.e. HNI, Institutional, low, medium and high risk client. At the time of induction of a new client, the financial stability of the client is assessed/ measured and the expected volume is also determined and the brokerage is fixed with the mutual consent of the client. However the brokerage rate charged from the clients does not exceed the maximum brokerage specified by the Exchange. If any mismatch in brokerage rate is found with agreed rate, the same can be brought to our notice.

D) Imposition of penalty/delayed payment charges :

Any amount which is overdue from the client towards trading either in the cash or derivative segments is charged with delayed payment charges at a particular rate of interest for a specified period of time.

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

- a) Even after regular reminders, if client fails to make the payment of the margin money or pay-in amount, then we would square off his/her/their position and before taking such action in this direction, we telephonically/ vide e.mail explain all the details to the client about our proposed action in this regard.
- b) Principally, company follows the practice of giving reasonable opportunity of being heard and gives a verbal show cause notice to such clients. Thereafter, if company finds after giving reasonable time that the client has failed to pay the money due from him, we square off his / her / their position. However, in exceptional cases, like in case of those clients with whom company has a long term bonding and there is reassurance from the concerned client

that they will make the payment in due course of time, in such circumstances, company may consider allowing them to continue with their positions. Further, this shall be limited to the extent of settlement / margin obligations.

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

A client is not allowed to take further position or the existing position of a client is closed on the following conditions:

1. If the ledger of a client shows continuous debit balances.
2. If the margin deposited by the client is not according to the exposure of the client.
3. If the dues are not settled by the client.
4. If the exchange is not allowing any further position in that scrip.
5. If broker's limit of taking exposure in that particular scrip comes to an end.

G) Temporarily suspending or closing a client's account at the client's request :

The account of the client shall be suspended/ closed on receipt of written request from the client specifying the reasons to close the account. If the reasons given are justified then the account of that client is suspended after effecting the settlement of the account. For accounts suspended on client's request, the same can be reactivated only after receiving a written request from the client.

H) De-registration of a client :

A client shall be de-registered upon fulfillment of the following conditions :

- a) On receipt of the specific request from the client to de-register himself and to close his accounts.
- b) On account of breach of terms and conditions of the agreement by the client.
- c) On account of any action taken by SEBI/ Stock Exchange/ any other authority against the constituents or its partners/promoters/directors/ authorized persons or that they are debarred from accessing the securities market.

On the happening of the above, the account of a client is de-registered after effecting full and final settlement of the accounts and securities of the client.

Customer Signature (with rubber stamp)

(If Partner, Corporate, or other Signatory, then attest with company seal.)

Date :

COMBINED RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET / CASH SEGMENT AND FUTURE & OPTION SEGMENT

This document is issued by the members of The Calcutta Stock Exchange Limited (hereinafter referred to as 'CSE') in co-ordination with the Securities and Exchange Board of India (hereinafter referred to as 'SEBI') and contains important information on trading in the Equities and Future & Option Segment of CSE as also for trades done in BSE/NSE as per the arrangement agreed upon as per the Agreement by & between CSE, BSE & NSE for trading in BSE/NSE from time to time and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges. All prospective constituents should read this document before trading on the relevant segments of that particular Exchange.

CSE/SEBI does neither singly & jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor has CSE/SEBI endorsed or passed any merits of participating in the trading segment. 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 contractual relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that trading in Equity shares, derivative or other instruments traded on the Stock Exchange(s), 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 CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges and suffer adverse consequences or loss, you shall be solely responsible for the same and CSE, its Clearing Corporation, BSE, NSE and/or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges 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 member. 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 security or derivative being traded on CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges.

It must be clearly understood by you that your dealings on CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges through a trading member shall be subject to your fulfilling certain formalities set out by the trading member, which may inter alia include your filling the know your client form, client registration form, execution of an agreement, etc., and are subject to the Rules, Byelaws and Regulations of the relevant Exchanges and its Clearing Corporation, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these Exchanges or its Clearing Corporation and in force from time to time.

CSE 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 trading member and/or sub-broker of CSE 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/investment 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 the following:-

1. BASIC RISKS INVOLVED IN TRADING ON THE STOCK EXCHANGE (EQUITY AND OTHER INSTRUMENTS)

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that securities undergo when trading activity continues on the Stock Exchange(s). Generally, higher the volatility of a security, greater is its price swings. There may be normally greater volatility in thinly traded securities than in active securities. 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 sell securities 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 or sell securities swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be a risk of lower liquidity in some securities as compared to active securities. 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/selling security and F&O Contract, as part of a day trading strategy, may also result into losses, because in such

Client's Signature

a situation, securities/F&O Contract may have to be sold/purchased at a low/high prices, compared to the expected price levels, so as not to have any open position or obligation to deliver/receive a security/F&O 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 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. This in turn will hamper better price formation.

1.4 Risk-reducing orders:

Most Exchange(s) have a facility for investors to place "limit orders, "stop loss orders" etc". The placing of such 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 order 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/F&O 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/F&O Contract, and such order gets activated if and when the stock 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/F&O 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 stock 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 their Stock/F&O 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/F&O Contract.

1.6 Risk of Rumours:

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

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 due to any action on account of unusual trading activity or security/F&O Contract hitting circuit filters or for any other reason.

1.8 System/Network Congestion:

Trading on CSE, BSE, NSE and / or any other Stock Exchange with which CSE has an arrangement subject to the Agreement agreed by and between CSE and these 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 the control of 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 Futures & Options segment is concerned, please note and get yourself acquainted with the following additional features.

2.1 Effect of 'Leverage' or 'Gearing'

In the Derivative 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 segment 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.

Client's Signature

- A. Futures trading involves daily settlement of all F&O Contract positions. Every day the open positions are marked to market based on the closing level of the index. If the index has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin 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 margin by the deadline or if an outstanding debt occurs in your account, the broker/member 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 change in the margin rate, increase in the cash margin rate or others. There was new measures may be applied to the existing open interests. In such conditions, you will be required to put additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of the derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

2.2 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 loose 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 loose all or a significant part of his investment in the option.
2. The Exchange may impose exercise restrictions and have authority to restrict the exercise of options at certain times in specified circumstances.

2.3 Risk 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. GENERAL

3.1 Commission and other charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

3.2 Deposited cash and property

You should familiarise yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the member, the same shall be subject to arbitration as per the byelaws/regulations of the Exchange.

3.3 For rights and obligations of the clients, please refer to Annexure-1 enclosed with this document.

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

3.5 The term 'member' shall mean and include a trading member, a broker or a stock broker, who has been admitted as such by CSE and who holds a registration certificate as a stock broker from SEBI.

I hereby acknowledge that I have received and understood this risk disclosure statement and Annexure-1 containing my rights and obligations.

Customer Signature (If Partner, Corporate, or other Signatory, then attest with company seal.)

Place : _____ Date : _____

AUTHORITY LETTER FOR RUNNING ACCOUNT OF FUNDS AND SECURITIES

TO

**BHARTIA BROTHERS
SHAKTI TOWER, EN-60, 2ND FLOOR
SALT LAKE CITY, SECTOR-V
KOLKATA-700091**

Date : _____

Dear Sir,

1. With reference to my/our trading account opened with you, I/we request you to maintain a running account for funds and securities on my/our behalf without settling the account on settlement of each transaction. I/We further request you to retain all amounts and securities receivable by me/us until specifically requested by me/us to be settled or to be dealt with in any other manner.
2. I/we understand and agree that no interest will be payable to me/us on the amounts or securities so retained with you.
3. I/we may be trading in derivatives segment & cash segment of various Exchanges and hence have various accounts with you. In this regard I/we hereby authorize the BHARTIA BROTHERS to act at its discretion of adjusting any credit balance under my/ our various accounts against the debit in any account across segments/Exchange, without taking any further instruction from me/us.
4. I/we also confirm that the securities lying in my withhold A/c should be considered as margin deposit / collateral.
5. I/we authorize you to set off a part or whole of the margin deposited by me/us. against any of my / our dues, by appropriating relevant amount of fund or by sale of securities which form part of margin.
6. I/we hereby authorize you to pledge my / our securities deposited as margin or withheld by you as, permitted in the running account and to deposit my / our funds deposited as margin to Exchanges / Clearing Corporation towards margin.
7. I/we agree that this authority letter shall be renewed at least once a year and shall be dated.
8. I/we may revoke the authorisation at any time giving a written notice.
9. I/we also agree that the actual settlement of fund and securities shall be done by us, at least once in a calendar quarter or month and the statement of account for the same will be provided to me by BHARTIA BROTHERS
10. I/we shall bring any dispute arising from the statement of account or settlement so made to the notice of BHARTIA BROTHERS within 7 working days from the date of receipt of statement.
11. I/we agree that there shall be no inter-client adjustment for the purpose of settlement of the 'running account'.
12. For the clients having outstanding obligations on the settlement date, the stock broker may retain the requisite securities/ funds towards such obligations and may also retain the funds expected to be required to meet margin obligations for next 5 trading days, calculated in the manner specified by the exchanges.
13. Such periodic settlement of running account may not be necessary :
 - i. for clients availing margin trading facility as per SEBI circular
 - ii. for funds received from the clients towards collaterals/margin in the form of bank guarantee (BG)/Fixed Deposit receipts (FDR).

Preference of Client for Settlement of Running Account (Funds & Securities)

Settlement Preference

Monthly

Quarterly

Thanking you,

Yours truly,

Signature of the Client

ANTI-MONEY LAUNDERING (AML) - COMBATING FINANCING OF TERRORISM (CFT) WHAT YOU MUST KNOW - FAQs

Help us in preventing money laundering/terrorist financing. Your assistance really matters to us.

Ever wondered why the broker is asking you certain personal information which has hitherto never been called for? Such information can include documents evidencing source of funds/ income tax returns/ bank records etc. by providing this information to the broker, at the time of account opening and subsequently as and when required, you are actually assisting the efforts in prevention of money laundering / terrorist financing. Here are the details, presented in the form of frequently asked question (FAQs) to let you know how.

What is Money Laundering?

Money Laundering is the process by which criminals attempt to hide and disguise the true origin and ownership of the proceeds of their criminal activities, thereby avoiding prosecution, conviction and confiscation of the criminal funds. The term Money Laundering is also used when the funds are used for terrorist financing, though the origins of the funds may be legitimate.

Money Laundering has required a global character that not only threatens security, but also compromises the stability, transparency, and efficiency of financial systems. Money Laundering techniques are becoming more sophisticated and complex with each passing day.

The objective of AML & CFT Program is to prevent financial intermediaries from being used as a tool for the purpose of money laundering and terrorist financing and to preserve the integrity of the Financial System.

In response to mounting concern over Money Laundering, the Financial Action Task Force on Money Laundering (FATF) was established by the G-7 summit in Paris in 1989 to develop a co-ordinated international response. One of the first tasks of the FATF was to develop Recommendations, 40 in all, which set out the measures national governments should take to implement effective anti-money laundering programmes.

How much money is laundered per year?

The IMF has stated in 1996 that the aggregate size of money laundering in the world could be somewhere between two and five percent of the world's gross domestic product.

Using 1996 statistics, these percentages would indicate that money laundering ranged between USD 590 billion and USD 1.5 trillion. However it must be said that overall it is absolutely impossible to produce a reliable estimate of the amount of money laundered and therefore the FATF does not publish any figures in this regard.

How is Money Laundered?

In the initial - or placement - stage of money laundering, the launderer introduces his illegal profits into the financial system. This might be done by breaking up large amounts of cash into less conspicuous smaller sums that are then deposited directly into a bank account, or by purchasing a series of monetary instruments (cheques, money orders etc.) that are then collected and deposited into accounts at another location.

After the funds have entered the financial systems, the second - or layering - stage takes place. In this phase, the launderer engages in a series of conversions or movements of the funds to distance them from their source. The funds might be channeled through the purchase and sale of investment instruments, or the launderer might simply wire the funds through a series of accounts at various banks across the globe. This use of widely scattered accounts for laundering is especially prevalent in those jurisdictions that do not co-operate in anti-money laundering investigations. In some instances, the launderer might disguise the transfers as payments for goods or services, thus giving them a legitimate appearance.

Having successfully processed his criminal profits through the first two phases the launderer then moves them to the third stage - integration - in which the funds re-enter the legitimate economy. The launderer might choose to invest the funds into real estate, luxury assets or business ventures.

Where does money laundering occur?

Money laundering can occur practically anywhere in the world. Generally, Money Laundering tend to seek out countries or sectors in which there is a low risk of detection due to weak or ineffective anti-money laundering programmes.

How does money laundering affect business, economic development & society at large?

Money Laundering damages the integrity of the financial institution, entire society and undermines democracy and the rule of the law as it rewards corruption and crime.

There is a damping effect on foreign direct investment when a country's commercial and financial sectors are perceived to be subject to the control and influence of organised crime. Fighting Money Laundering and terrorist financing is therefore a part of creating a business friendly environment which is a precondition for lasting economic development.

The possible social and political costs of money laundering, if left unchecked or dealt with ineffectively, are serious. Organised crime can infiltrate financial institutions, acquire control of large sectors of the economy through investment, or offers bribes to public officials and indeed governments.

The economic and political influence of criminal organisations can weaken the social fabric, collective ethical standards, and ultimately the democratic institutions of society.

How does fighting money laundering help fight crime?

Targeting the money laundering aspect of criminal activity and depriving the criminal of his ill-gotten gains means hitting him where he is vulnerable. Without a usable profit, the criminal activity will not continue.

What should individual governments be doing about it?

A great deal can be done to fight money laundering, and indeed, many government have already established comprehensive anti-money laundering regimes. These regimes aim to increase awareness of the phenomenon - both within government and the private business sector - and then to provide the necessary legal or regulatory tools to the authorities charged with combating the problem.

Some of these tools include making the act of money laundering a crime; giving investigative agencies the authority to trace, seize & ultimately confiscate criminally derived assets; and building the necessary frameworks for permitting the agencies involved to exchange information among themselves and with counterparts in the countries.

What are local regulations on AML/CFT?

- a) Prevention of Money Laundering Act, 2002 (PMLA) came in to force with effect from July 01, 2005 read with the prevention of Money Laundering (Amendment) Act, 2009.
- b) SEBI Guidelines on PMLA vide circular issued in January, 2006 followed by latest Master circular issued in February, 2010.
- c) Exchanges have also issued Guidelines on PMLA to be followed by all registered intermediary.

How is Money Laundering defined under PMLA 2002?

Section 3 of the Prevention of Money Laundering Act (PMLA) 2002 defines the „Offence of Money Laundering, as: “Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is party or is actually involved in any process or activity connected with the **proceeds of crime** and projecting it as untainted property shall be guilty of the offence of money laundering.”

“**Proceeds of crime**” has been defined in Section 2 of the PMLA as the property derived or obtained directly or indirectly by any person, as a result of criminal activity relating to a scheduled offence or the value of such property.

“**Scheduled Offences**”, as per section 2 of PMLA, are specified in two parts of the schedule to PMLA. The value involved in offences specified in Part B should be Rs.30 lakhs or more.

Why KYC/AML Policy for Market/Intermediary?

SEBI has instructed all Market Intermediary to adopt a KYC/AML Policy

- a. To prevent criminal elements from using the Capital Market for money laundering activities
- b. To enable the Broker to know/understand the customers and their financial dealings better, which in turn would help the Broker to manage risks prudently.
- c. To put in place appropriate controls for detection and reporting of suspicious activities in accordance with applicable laws/laid down procedures.
- d. To comply with applicable laws and regulatory guidelines.
- e. To take necessary-steps to ensure that the concerned staff is adequately trained in KYC/AML procedures.

What are the obligations of Market Intermediary under PMLA 2002?

Section 12 of PML Act 2002, places certain obligations on every banking company, financial institution and intermediary, which include:

- a. Maintaining a record of prescribed transactions.
- b. Furnishing information of prescribed transactions to the specified authority (Financial Intelligence Unit-India (FIU-IND)).
- c. Verifying and maintaining records of the identity of its clients.
- d. Preserving records in respect of a, b, c above, for a period of 10 years from the date of cessation of transactions with the clients.

What is Financial Intelligence Unit-India (FIU-IND)?

Financial Intelligence Unit-India (FIU-IND) is a **central**, national agency, set up by Government of India on 18th November, 2004, responsible for receiving (and as permitted, requesting), **analyzing** and **disseminating** to the competent authorities, disclosures of financial information: (i) Concerning suspected proceeds of crime and potential financing of terrorism, or (ii) Required by national legislation or regulation, in order to combat **money laundering and terrorist financing**.

What are the transactions to be reported by Market Intermediary to Financial Intelligence Unit-India (FIU-IND)?

- a. All cash transactions of the value of more than Rs.10 lakhs or its equivalent in foreign currency.
- b. All series of cash transactions integrally connected to each other, which have been valued below Rs.10 lakhs or its equivalent in foreign currency (excluding individual transactions below Rs.50,000/- in the reporting) where such series of transactions have taken place within a month and the aggregate value of such transactions exceeds Rs.10 lakhs.
- c. Counterfeit currency transactions.
- d. Suspicious transactions.

What are suspicious transactions?

Rule 2(l)(g) of PMLA-2002 defines suspicious transactions as:

A transaction whether or not made in cash which, to a person acting in good faith-

- a. gives rise to a reasonable ground of suspicion that it may involve the **proceeds of crime**; or
- b. appears to be made in circumstances of unusual or unjustified complexity; or
- c. appears to have no economic rationale or bonafide purpose; or
- d. gives rise to a reasonable ground of suspicion that it may involve **financing of activities relating to terrorism**.

POLICY / DECLARATION ON AML / CFL

1. AML Policy	We have in place written policy & procedure as per guidelines issued by SEBI.
2. Know Your Customer (KYC)	We have in place system for identification of our clients including KYC documentation.
3. Maintenance of Records	We update the client profile on a regular basis.
4. Screening against negative lists	We have in place record maintenance and retention procedures as prescribed. We screen the client database to ensure that it is not held by or linked to anyone included in the specified list.
5. Risk Assessment	We have in place system to place clients into high, medium & low risk category and apply enhanced due diligence for clients that pose a higher risk.
6. Clients of Special Category	We have in place policy to place clients of special category such as persons with political link, non-residents, Trusts, NGOs, closely held Companies, etc. in high risk category.
7. Monitoring, Identification & Reporting of Suspicious Transactions	We have in place, systems and procedures for monitoring, detection and reporting of suspicious transactions to the relevant authorities.
8. Audit	We are subject to inspection by SEBI/Exchange. Additionally we are periodically audited by an independent internal auditor that assesses AML policies and procedures too.
9. Principal Officer	Designated Principal Officer:

DO's

- Be aware that value of your investments is subject to ups and downs of the market. They do not offer guaranteed returns like bank deposits
- Read the Offer Document (OD) before investing
- Use Application Supported by Blocked Amount (ASBA) for equity issues -
- Be aware that investor complaints against listed companies are displayed on the websites of Stock Exchange (SE)
- Approach SEBI, if your grievance is not resolved
- Deal only with SEBI registered brokers / Depository Participant (DP)
- Ensure you have PAN card and Bank account
- Strike off all blank / irrelevant fields / clauses in the agreement(s) executed
- Register your Know Your Customer (KYC)
- Obtain Unique Client Code (UCC) from stock broker
- Get all your trades executed only through your UCC
- Insist that your demat a/c number is preprinted / pre stamped on the Delivery Instruction Slips (DIS)
- Grant Power of Attorney (PoA) only for auto debit of funds / securities for settlement obligation for investment / subscription
- Make payments only through A/c payee cheques / drafts / EFT to the stock broker and not to the sub broker, dealing persons / employees of broker / sub broker
- Keep track of your portfolio in your Demat A/c on a regular basis
- Provide your PAN card details in case of transfer / transmission of shares in physical form
- Be alert to any public announcements on the shares of the companies that you have invested
- If you choose to avail the services of MF distributor, ask for the list of fees and charges applicable, before investing

DON'Ts

- Do not invest with borrowed money
- Do not expect unrealistic / guaranteed returns
- Do not be influenced by advertisement / advices / rumours / unauthentic news promising unrealistic gains and windfall profits in mass media
- Do not be guided by astrological predictions on share prices and market movements
- Do not fall prey to market rumours / 'hot tips' / 'opportunity knocks only once' kind of advice
- Do not be swayed by market sentiments
- Do not participate in unauthorised and illegal trades outside the stock exchange mechanism (dabba trading)
- Do not give wrong / contradictory / incomplete information in the client registration form
- Do not execute PoA in favour of employee / representative of broker / DP
- Do not reveal your trading / demat account passwords to any body
- Do not allow others to trade in your account
- Do not trade in anybody else's account
- Do not entrust management of your money / securities with broker / sub broker
- Do not sign blank forms (account opening forms/ DIS / Demat Request Form (DRF)
- Do not engage in practices that distort demand / prices artificially
- Do not invest in any scheme just because of incentives / gifts / inducements etc. offered
- Be aware that Mutual Funds and Registrar and Share Transfer Agent (RSTA) are required to have a dedicated Email ID for registering your complaints
- Do not mutilate the application form

Tariff Sheet

Dear Client,

Please note the various charges mentioned hereunder payable by you on the execution of trade(s) :

Head of Charges	SEGMENTS					
	EQUITY			DERIVATIVE*		
		BUY SIDE	SALE SIDE		BUY SIDE	SALE SIDE
Brokerage	Delivery %			Future %		
	Delivery Minimum			Future Minimum		
	Intraday %			Option %		
	Intraday Minimum			Option Minimum		
	Transaction Charges					
Securities Transaction Tax		BUY SIDE	SALE SIDE		BUY SIDE	SALE SIDE
	DELIVERY			FUTURE		
	INTRADAY			OPTIONS		
Service Tax	10.3% of the value of brokerage and transaction charge			10.3% of the value of brokerage and transaction charge		
Stamp Duty	0.01% of the traded value on each side			0.01% of the contract value on each side		
Delivery Charges						

NOTE : Option Brokerage is charged on premium.

Please note that the above charges are subject to change from time to time with prior notice.

FOR OFFICE USE

Authorised Signatory

Seal of the Stock Broker

(Non-Mandatory)

Date : _____

To,
Bhartia Brothers
Shakti Tower, EN-60, 2nd Floor
Salt Lake City, Sector -V Kolkata 700 091

Dear Sir,

Ref. : Authorization for Electronic Contract Notes (ECN) and Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents in electronic format

1. I hereby authorized Bhartia Brothers to issue electronic contract notes (ECN) and Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and other documents in electronic form at my e-mail id provided below:

a) _____ (Primary/designated ID)

b) _____ (Addl / optional ID)

2. The authorization for ECN is signed by me only and not by any authorized person on my behalf or holder of any Power of Attorney.

3. I state that the given e-mail id has been created by me and I have provided my own e-mail id which is created by me, to M/s Bhartia Brothers

4. I confirm that any change in my e-mail id shall be communicated by me through a physical letter to M/s Bhartia Brothers

Such ECNs / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents shall be deemed to have been given as if in the paper form and shall be subject to all such terms and conditions as applicable to paper contract notes. This would thus absolve you of all your obligations/responsibilities towards issue of ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents.

I/We further agree :

1) To ensure availability of the above mentioned email id at all the times for your needs.

2) That non-receipt of bounced mails notification by you once ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents are sent to my above mentioned email id can be safely taken to having been received by me.

Thanking You,

Yours Truly

Signature of the Client

Dear Customer,

Thank you very much for opting our offer to send you the ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents in the digital form.

- The digital ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents will be issued in the digital form in compliance with the guidelines issued by SEBI/exchange from time to time.
- ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents will also be available at URL <https://www.bhartia.in> where clients can view the ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents by using the user name and password.
- In case of any failure in the system or errors in ECN / Daily Margin Statement / Quarterly Statement of Funds and Securities / Ledger and Other documents will be issued in physical forms, which shall be binding on the clients.
- Discrepancies, if any, should be sent to us within 24 hours of issuance of ECN and Daily Margin Statement and within 30 days of the receipt of Quarterly Statement of Funds and Securities, / Ledger and Other documents.

DISCLOSURE OF PROPRIETARY TRADING

To
All Clients

In pursuance of the SEBI Circular No. SEBI/MRD/SI/Cir-42/2003 dated November 19, 2003, with a view to increase transparency in the dealings between us as a trading member and you as a Client we do hereby disclose that we, apart from trading on account of our Clients, also do trading on our proprietary account.

You are requested to please take a note of the same.

Yours truly,

For _____

Authorised Signatory

I/We confirm my/our acceptance.

Signature of the Client

Date: _____

ACKNOWLEDGEMENT OF RECEIPT

To
BHARTIA BROTHERS
SHAKTI TOWER, EN-60, 2ND FLOOR
SALT LAKE CITY, SECTOR-V
KOLKATA-700091

Client Name :	
Client Code :	Date :

Dear Sir,

Sub: Acknowledgement of receipt of copy of Client Registration Kit

This has reference to my / our aforesaid trading account with you. In this connection I / we hereby acknowledge the receipt of a copy of Client Registration Kit (including Rights & Obligations, Risk Disclosure Document, Guidance Note - Do's and Dont's, Policies & Procedures and Tariff Sheet) and other Voluntary Documents executed by me / us in favour of **BHARTIA BROTHERS**.

Further, I/we have also agreed and understand all the mandatory and voluntary clauses of the aforesaid documents.

Signature of the Client / Authorised Signatories (all)

Voluntary information provided by the client in relation to the Prevention of Money Laundering Act, 2002

Name of the Client : _____

If Business / Profession : Nature of business : _____

Industry : _____

Details of my/our Relatives, having account with **BHARTIA BROTHERS** :

Name	Relationship	UCC (Client Code)
1.		
2.		
3.		
4.		

Details of the Corporate / Partnership Firm / Trust etc. where I/We am/are affiliated

Name	Entity Type	Nature of Business	Relationship	UCC (Client Code)
1.				
2.				
3.				
4.				

I/We hereby submit and agree to submit every year following documents to **BHARTIA BROTHERS**, before the due date as prescribed by **BHARTIA BROTHERS** Annual Income:

1. Profit and Loss Account & Capital Account
2. Balance Sheet
3. Self attested copy of Income Tax Return (If return not available, I/we will furnish Form 16)
4. Copy of Form 16 in case of Salary Income
5. Any other document providing financial details of the client

I/We confirm that I/We will immediately inform **BHARTIA BROTHERS** in case I/We am/are convicted under any grounds or any action is taken against me/us by any authority(ies).

I/We intend to invest in the stock market with : Own Funds Borrowed Funds
(If Borrowed Funds, then please specify below Sources of funds :)

Sources of Borrowed Funds (if any)	Amount (`)

(Certificated / Opinion Report from the Banker / Financial Institution confirming that there has been no default in the client's account is to be attached, which I/We agree to attach herewith.)

I/We hereby declare that I/We am/are beneficial owner of the Trading / On-line account opened with **BHARTIA BROTHERS**, and that I/We am/are investing my/our own funds with **BHARTIA BROTHERS**

 _____
Client Signature Client's Name

For Office use only :

Risk categorisation of client as per PMLA, 2002 :

High Risk Medium Risk Low Risk

Verified by : _____

Authorised & Approved by : _____

VOLUNTARY

(Non-Mandatory)

CONSENT LETTER FOR EMAIL AND MOBILE ALERT FACILITIES



TO

Date: _____

Bhartia Brothers
Shakti Tower, EN-60, 2nd Floor
Salt Lake City, Sector-v, Kolkata-700091

Sir,

This is with reference to my/our trading account opened with you; I/We request you arrange facility of receiving email and/or mobile alert facility issued by Exchange in compliance with regulation and guidelines issued by concern authorities from time to time.

Email Facility	Service Required – YES <input type="checkbox"/> NO <input type="checkbox"/>
Email ID	
Owned by – Name	
- PAN Number*	
Relationship with Client	
Signature of the Client	
SMS Facility	Service Required – YES <input type="checkbox"/> NO <input type="checkbox"/>
Mobile Number	
Owned by – Name	
-PAN Number*	
Relationship with Client	
Signature of the Client	

* Please specify the Name and PAN detail in case email id and /or Mobile Number is other than that of the client.

In this regards we state the following:

1. This to further confirm that it will be my/our responsibility that my/our Email ID and/ or Mobile Number are active and the relevant Inbox is not full. Further, the trading member will not be held liable for the mails and / or SMS alert not received.
2. I/We undertake that any change in my/our Email ID and or mobile Number shall be communicated to you in writing through a physical letter.
3. I/We agree that this authority shall be valid, until it is revoked by me/us at any time by giving a written notice to **Bhartia Brothers**



Signature of Client

VOLUNTARY

(Non-Mandatory)

Date: _____

Name : _____

Address: _____

To
Bhartia Brothers
Shakti Tower,EN-60,
2nd FloorSalt Lake City,
Sector-v,Kolkata-700091

Sub : Authority to Deliver Contract Notes / Other Documents

Dear Sir,

With reference to my/our registration as your client for trading in NSE /BSE/ USE, I/We hereby authorise Mr. _____, whose signature is appended below, to acknowledge Contract Notes / Confirmation memo on daily basis and to receive any other correspondence on my behalf.

Signature of Authorised Person

Contract Notes /Confirmation Memo or any other correspondence delivered to him will be deemed to be delivered to me and Trading Member will not be liable to for any document lost or misplaced by the aforesaid person.

Thanking you,

Yours Faithfully

Signature of the Client :  _____

Name of the client : _____

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IMPORTANT SITE ADDRESS

Company Name		Website
The Association of National Exchange Members of India	ANMI	http://www.anmi.in
Securities and Exchange Board of India	SEBI	http://www.sebi.gov.in
National Stock Exchange of India	NSE	http://www.nseindia.com
Bombay Stock Exchange Limited	BSE	http://www.bseindia.com
National Securities Depository Ltd.	NSDL	https://nSDL.co.in
Central Depository Services (India) Ltd.	CDSL	http://www.cdslindia.com
Ministry of Finance-Government of India	Finance	http://finmin.nic.in
Ministry of Corporate Affairs-Government of India	MCA	http://www.mca.gov.in
Income Tax Department	IT	http://www.incometaxindia.gov.on
Service Tax Department	ST	http://www.servicetax.gov.in
Reserve Bank of India	RBI	http://www.rbi.org.in
Insurance Regulatory & Development Authority	IRDA	http://www.irdaindia.org
The Association of Mutual Funds in India	AMFI	http://www.amfiindia.com