MANDATORY & VOLUNTARY DOCUMENTS AS PRESCRIBED BY SEBI, EXCHANGES & DEPOSITORY

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MEMBERSHIP DETAILS

Name of Trading Member	Raise Securities Private Limited (formerly Moneylicious Securities Pvt Ltd) Hereinafter referred to as Dhan	
SEBI Registration Number	Stock-Broker (INZ000006031) effective 06.04.2015 Depository Participant (IN-DP-289-2016) effective 19.09.2016	
Exchanges and Segments	NSE	Trading Member Code: 90133 & Clearing Code: M52027 - Cash, F&O, Currenc , Commodities, Debt
	BSE	Trading Member Code: 6593 - Cash, F&O, Currenc , Commodities, Debt
	MCX	Trading Member Code: 56320 & Clearing Code: 7085 - Commodities
	CDSL	Membership: IN-DP-289-2016, DP ID - 83400
Registered Office Address	2201, 22nd Floor, Gold Medal Avenue, S.V. Road, Beside Patel Petrol Pump, Piramal Nagar, Goregaon West, Mumbai - 400104.	
Correspondence Address	2201, 22nd Floor, Gold Medal Avenue, S.V. Road, Beside Patel Petrol Pump, Piramal Nagar, Goregaon West, Mumbai - 400104. Phone: (91) 9987761000 Fax: (91) (22) 4311 6601	
Compliance Officer	Mr. Manish Garg Email Id: complianceofficer@dhan.co Phone: (91) 8655740961	
CEO / Director Details	Mr. Pravin Jadhav & Mr. Jay Prakash Gupta Email Id: founders@dhan.co Phone: (91) 8976718243	
Customer Service	Mr. Jay Khatnani, Head - Customer Service Email: head.customerservice@dhan.co Phone: (91) 9987761000	
CIN	U74999MH2012PTC433549	
Website	www.dhan.co	
For any grievance, please email Dhan on grievance@dhan.co, grievancedp@dhan.co or call us on (91) 9987761000		

RIGHTS & OBLIGATIONS OF STOCK-BROKERS

Rights & Obligations of Stock Brokers, Sub-Brokers, Authorised Person & Clients as prescribed by SEBI & Stock Exchanges

1. The client shall invest / trade in those securities / contracts / other instruments admitted to dealings on the Exchanges as defined in the Rules, Byelaws and Regulations of Exchanges/Securities and Exchange Board of India (SEBI) and circulars/notices issued thereunder 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).

A. Client Information

1. 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.
2. 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.
3. The client shall immediately notify the stock broker in writing if there is any change in the information in the 'account opening form' as provided at the time of account opening and thereafter; including the information on winding up petition/insolvency petition or any litigation which may have material bearing on his capacity. The client shall provide/update the financial information to the stock broker on a periodic basis.
4. 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.

B. Margins

1. 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.
2. 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 The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all.

C. Transactions & Settlement

1. 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.
2. The stock broker shall inform the client and keep him apprised about trading / settlement cycles, delivery /payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the client to comply with such schedules/procedures of the relevant stock exchange where the trade is executed.
3. 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.
4. 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).
5. The transactions executed on the Exchange are subject to Rules, Bye laws 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 Bye Laws and Regulations of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Bye Laws and Regulations of the Exchanges and the circulars/notices issued thereunder.

D. Brokerage

1. 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

E. Liquidation and Close Out of Position:

1. 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..
2. 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 stockbroker against the legal heir.
3. 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).

F. Dispute Resolution:

1. The stock broker shall provide the client with the relevant contact details of the concerned Exchanges and SEBI.
2. The stock broker shall cooperate 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.
3. 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.
4. The stock broker shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-a-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.
5. The client / stockbroker 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.

G. Termination of Relationship:

1. 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.
2. The stock broker, sub-broker & 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 1 month to the other parties. Not with standing 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.
3. 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 stockbroker, for any reason whatsoever, the client shall be informed of such termination and the client shall be deemed to be the direct client of the 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.

H. Additional Rights and Obligations:

1. 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.
2. 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.
3. 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.

4. 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.
5. 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.
6. 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.
7. 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.
8. 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.

I. Electronic Contract Notes (ECN):

1. In case, the client opts to receive the contract note in electronic form, he shall provide an appropriate email 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.
2. The stock broker shall ensure that all ECNs sent through the e-mail shall be digitally signed, encrypted, non-tamperable 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.
3. 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.
4. 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/emails 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.
5. 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.
6. 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 username 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.

J. Law and Jurisdiction:

1. 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.
2. 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.
3. 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.
4. 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.
5. All additional voluntary clauses/documents added by the stock broker should not be in contravention with rules / regulations / notices / circulars of Exchanges/SEBI. Any changes in such voluntary clauses/documents 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.
6. If the rights and obligations of the parties hereto are altered by virtue of change in Rules and regulations of SEBI or Byelaws, Rules and Regulations of the relevant stock Exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

RIGHTS AND OBLIGATIONS OF BENEFICIAL OWNER & DEPOSITORY PARTICIPANT AS PRESCRIBED BY SEBI & STOCK EXCHANGES

A. General Clause:

1. The Beneficial Owner (BO) and the Depository participant (DP) shall be bound by the provisions of the Depositories Act, 1996, SEBI (Depositories and Participants) Regulations, 2018, 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 (BO) in the depository system only after receipt of complete Account opening form, KYC and supporting documents as specified by SEBI from time to time.

B. Beneficial Owner Information:

3. The DP shall maintain all the details of the (BO)(s) as mentioned in the account opening form, supporting documents submitted by them and/or any other information pertaining to the (BO) 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 (BO) 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.

C. Fees/Charges/Tariff:

5. The (BO) 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 (BO) 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 (BO) regarding the same.

D. Dematerialization:

8. The (BO) 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.

E. Separate Accounts:

9. The DP shall open separate accounts in the name of each of the (BO)s and securities of each (BO) shall be segregated and shall not be mixed up with the securities of ther (BO)s and/or DP's own securities held in dematerialized form.
10. The DP shall not facilitate the (BO) 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, 2018 and Bye- Laws/Operating Instructions/Business Rules of the Depositories.

F. Transfer of Securities:

11. The DP shall effect transfer to and from the demat accounts of the (BO) only on the basis of an order, instruction, direction or mandate duly authorized by the (BO) and the DP shall maintain the original documents and the audit trail of such authorizations.
12. The (BO) 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.
13. 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.

G. Statement of Account:

14. The DP shall provide statements of accounts to the (BO) in such form and manner and at such time as agreed with the (BO) and as specified by SEBI/depository in this regard.
15. However, if balance has become Nil during the year, the DP shall send one holding statement annually to such BOs and shall resume sending the transaction statement as and when there is a transaction in the account. In case of accounts with credit balance but no transactions during the year, half yearly statement of holding for the year shall be sent to the BO through email.
16. The DP may provide the services of issuing the statement of demat accounts in an electronic mode if the (BO) so desires. The DP will furnish to the (BO) 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.
17. 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.

H. Manner of Closure of Demat Account:

18. The DP shall have the right to close the demat account of the (BO), for any reasons whatsoever, provided the DP has given a notice in writing of not less than thirty days to the (BO) as well as to the Depository. Similarly, the (BO) 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 (BO) shall specify whether the balances in their demat account should be transferred to another demat account of the (BO) held with another DP or to rematerialize the security balances held.
19. Based on the instructions of the (BO), the DP shall initiate the procedure for transferring such security balances or rematerialize such security balances within a period of 2 working days as per procedure specified from time to time by the depository. incase of no outstanding dues and in case of outstanding dues, shall provide 30 days notice. In case of non-payment of dues, DP shall reject the account closure request and in case the dues are cleared by BO, respective account shall be closed by DP within 2 working days of clearing the dues. Provided further, closure of demat account shall not affect the rights, liabilities and obligations of either the (BO) or the DP and shall continue to bind the parties to their satisfactory completion.

I. Default in Payment of Charges:

20. In event of (BO) 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 (BO), the DP may charge interest at a rate as specified by the Depository from time to time for the period of such default.
21. In case the (BO) 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 (BO) 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.

J. Liability of the Depository:

22. 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 (BO) due to the negligence of the depository or the participant, the depository shall indemnify such (BO).
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.

K. Freezing/ Defreezing of Accounts:

23. The (BO) 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.
24. The DP or the Depository shall have the right to freeze/defreeze the accounts of the (BO)s on receipt of instructions received from any regulator or court or any statutory authority.
25. The Joint holders are aware that in case of any Statutory Order for freezing any one joint holder, the demat account will be frozen and the other joint holders will have to obtain a specific Order for unfreezing their percentage of joint ownership by submitting the relevant documentary proof to the Order issuing authority.
    We have Joint account opening in our plans and will update as soon as there is any further development on this.

L. Redressal of Investor Grievance:

26. DP shall redress all grievances of the (BO) against the DP within a period of thirty days from the date of receipt of the complaint.

M. Redressal of Investor Grievance:

27. If the (BO) 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.

N. Authorized representative

28. If the (BO) 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.

O. Law and Jurisdiction:

29. In addition to the specific rights set out in this document, the DP and the (BO) shall be entitled to exercise any other rights which the DP or the (BO) 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.
30. 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 (BO) maintains his/ her account, that may be in force from time to time.
31. The (BO) and the DP shall abide by the arbitration and conciliation procedure prescribed under the Byelaws of the depository and that such procedure shall be applicable to any disputes between the DP and the (BO).
32. 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
33. 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.
34. 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 (BO) 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.

RIGHTS AND OBLIGATIONS RELATING TO MARGIN TRADING FACILITY PROVIDED BY STOCKBROKER/ TRADING MEMBER TO CLIENTS – (NSE)

Client Rights

1. Client shall receive all communications in a mode mutually agreed between the broker and the client regarding confirmation of orders/trades, margin calls, decision to liquidate the position / security.
2. Client shall be free to take the delivery of the securities at any time by repaying the amounts that was paid by the Stockbroker to the Exchange towards securities after paying all dues.
3. Client has a right to change the securities collateral offered for Margin Trading Facility at any time so long as the securities so offered are approved for margin trading facility.
4. Client may close / terminate the Margin Trading Account at any time after paying the dues.

Client Obligations

1. Client shall, in writing in his own hand or in any irrefutable electronic method, agree to avail of Margin Trading Facility in accordance with the terms and conditions of Margin Trading Facility offered by the broker, method of communication for confirmation of orders/trades, margin calls and calls for liquidation of collateral/security/position.
2. Client shall inform the broker of its intent to shift the identified transaction under Margin Trading Facility within the timelines specified by the broker failing which the transaction will be treated under the normal trading facility.
3. Client shall place the margin amounts as the Stockbroker may specify to the client from time to time.
4. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stockbroker within such time as the Stockbroker may specify.
5. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stockbroker within such time as the Stockbroker may specify.
6. Client shall lodge protest or disagreement with any transaction done under the margin trading facility within the timelines as may be agreed between the client and broker.

Stockbroker Rights

1. Stockbroker and client may agree between themselves the terms and condition including commercial terms if any before commencement of MTF.
2. Stockbroker may set up its own risk management policy that will be applicable to the transactions done under the Margin Trading Facility. Stockbroker may make amendments there to at any time but give effect to such policy after the amendments are duly communicated to the clients registered under the Margin Trading Facility.
3. The broker has a right to retain and/or pledge the securities provided as collateral or the securities bought by the client under the Margin Trading Facility.
4. The broker may liquidate the securities if the client fails to meet the margin call made by the broker as mutually agreed of liquidation terms but not exceeding 5 working days from the day of margin call.

Stockbroker Obligations

1. Stockbroker shall agree with the client the terms and condition before extending Margin Trading Facility to such client. However, for clients who already have existing trading relationship and want to avail of Margin Trading Facility, Stockbroker may take consent in writing in his own hand or in any irrefutable electronic method after Stockbroker has communicated the terms and conditions of Margin Trading Facility to such existing clients.
2. The terms and conditions of Margin Trading Facility shall be identified separately, in a distinct section if given as a part of account opening agreement.
3. The mode of communication of order confirmation, margin calls or liquidation of position/security shall be as agreed between the broker and the client and shall be inwriting in his own hand or in any irrefutable electronic method. Stockbroker shall prescribe and communicate its margin policies on haircuts/ VAR margins subject to minimum requirements specified by SEBI and exchanges from time to time.
4. The Stockbroker shall monitor and review on a continuous basis the client's position with regard to MTF. It is desirable that appropriate alert mechanism is set up through which clients are alerted on possible breach of margin requirements.
5. Any transaction to be considered for exposure to MTF shall be determined as per the policy of the broker provided that such determination shall happen not later than T + 1 day.
6. If the transaction is entered under margin trading account, there will not be any further confirmation that it is margin trading transaction other than contract note.
7. In case the determination happens after the issuance of contract, the broker shall issue appropriate records to communicate to Client the change in status of transaction from Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
8. The Stockbroker shall make a 'margin call' requiring the client to place such margin; any such call shall clearly indicate the additional/deficient margin to be made good.

9. Time period for liquidation of position/security shall be in accordance declared policy of the broker as applicable to all MTF clients consistently. However, the same should not be later than 5 working (trading) days from the day of 'margin call'. If securities are liquidated, the contract note issued for such margin call related transactions shall carry an asterisk or identifier that the transaction has arisen out of margin call.
10. The daily margin statements sent by broker to the client shall identify the margin/collateral for Margin Trading separately.
11. Margin Trading Accounts where there was no transactions for 90 days shall be settled immediately.
12. The stocks deposited as collateral with the Stockbroker for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and there shall not be any comingling for the purpose of computing funding amount.
13. Stockbroker shall close/terminate the account of the client forthwith upon receipt of such request from the client subject to the condition that the client has paid dues under Margin Trading Facility.

Termination of Relationship

1. The margin trading arrangement between the Stockbroker and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to the Stockbroker or the Stockbroker surrenders the facility or the Stockbroker ceases to be a member of the stock exchange.
2. The MTF facility may be withdrawn by the broker, in the event of client committing any breach of any terms or conditions therein or at any time after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without \ assigning any reason. Similarly, client may opt to terminate the margin trading facility in the event of broker committing any breach of \ any terms or conditions therein or for any other reason.
3. In the event of termination of this arrangement, the client shall forthwith settle the dues of the Stockbroker. The Stockbroker shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes the Stockbroker to make such adjustment.
4. After such adjustment, if any further amount is due from the client to the Stockbroker, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to the Stockbroker, the Stockbroker shall release the balance amount to the client.
5. If the client opts to terminate the margin trading facility, broker shall forthwith return to the client all the collaterals provided and funded securities retained on payment of all the dues by clients.

RIGHTS AND OBLIGATIONS RELATING TO MARGIN TRADING FACILITY PROVIDED BY STOCKBROKER/TRADING MEMBER TO CLIENTS – (BSE)

1. Stockbroker/ Trading Member is eligible to provide Margin Trading Facility (MTF) in accordance with SEBI& Exchange Guidelines as specified from time to time.
2. Stockbroker/ Trading Member desirous of extending MTF to their clients is required to obtain prior permission of BSE. Stockbroker/ Trading Member may note that BSE has the right to withdraw the permission at any time.
3. Stockbroker/ Trading Member shall extend the MTF to the client, on such terms and conditions as specified by the Stock Exchange / SEBI from time to time. Stockbroker/Trading Member and the client shall abide by the requirements of the margin trading framework, including rights and obligations, as prescribed by Stock Exchange/ SEBI/Stockbroker/ Trading Member.
4. Stockbroker/ Trading Member shall intimate all the terms and conditions, including maximum allowable exposure, specific stock exposures etc., as well as the rights and obligations to the client desirous of availing MTF.
5. Stockbroker/ Trading Member may, at its sole and absolute discretion, increase the limit of initial and/or maintenance margin, from time to time. The Client shall abide by such revision, and where there is an upward revision of such margin amount, he agrees to make up the shortfall within such time as the Stockbroker/ Trading Member may permit. It may however, be noted that the initial/ maintenance margins shall never be lower than that prescribed by Stock Exchange/ SEBI.
6. Stockbroker/ Trading Member shall provide MTF only in respect of such shares, as maybe permitted by Stock Exchange/ SEBI.
7. Stockbroker/ Trading Member shall liquidate the securities and other collateral, if the client fails to meet the margin call to comply with the margin requirement as specified by Stock Exchange/ SEBI/ Stockbroker/ Trading Member. In this regard, Stockbroker/ Trading Member shall also list down situations/ conditions in the which the securities may be liquidated (Stockbroker/ Trading Member to list down situations/ conditions).
8. Stockbroker/ Trading Member shall not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client.
9. The stocks deposited as collateral with the Stockbroker/ Trading Member for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and no comingling shall be permitted for the purpose of computing funding amount.
10. IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

The rights and obligations prescribed here in above shall be read in conjunction with the rights and obligations as prescribed under SEBI circular no. CIR/ MIRSD/ 16/ 2011 dated August 22, 2011.

TERMS & CONDITIONS OF RAISE SECURITIES PVT. LTD. (hereinafter referred as“Dhan”) FOR MARGIN TRADING FACILITY

The Margin Trading Facility would be available in accordance with the additional terms and condition laid down below:

1. To avail the Margin Trading Facility by client the minimum margin requirement would be higher of requirement as defined by EXCHANGES or DHAN RMS policy.

2. Such margin would be in the form of CASH and/or non-cash collateral (Group 1 stock) as per RMS Policy. Margin utilization will first be made from non-cash & then cash collateral as determined by DHAN RMS policy from time to time.

3. The Client understands that Margin Trading Facility would be extended only for the Stocks as determined by DHAN RMS policy from time to time.

4. No client would be gross funded beyond Rs. 50,00,000/- (Fifty Lakhs Only) which shall subject to RMS policy. Exposure to single stock shall be 20% of the total funded amount.

5. Fees, Charges, Interest & Penalty:

   a) Brokerage of Rs. 20 or 0.03% whichever is less would be applicable per order (on both Buy and Sell Transaction, whether delivery or Intraday or BTST trade) under Margin Trading Facility.
   b) Pledge / Un pledge / Confiscation (Invocation) charges @ Rs. 15 + GST each shall be applicable.
   c) Square off charges @ Rs. 20 shall be levied for every position so squared off by Dhan.
   d) Interest charges* for using Margin Trading Facility would be calculated on a daily net funded amount and will be debited weekly to the trading ledger.

Sr No.	MTF Daily Debit Balance	Interest Rate %
1	Up to ₹5,00,000	12.49% pa
2	₹5,00,000.01 to ₹10,00,000	13.49% pa
3	₹10,00,000.01 to ₹25,00,000	14.49% pa
4	₹25,00,000.01 to ₹50,00,000	15.49% pa
5	Above ₹50,00,000	16.49% pa

   * The charges would be applicable from the date of funds Pay in to the exchanges and till the date of funds payout received from the exchange post square off of the Margin Trading position.

   e) Other statutory charges and taxes shall apply as applicable

6. The Margin Trading position of the client shall always be marked to market on a daily basis. Accordingly, at any point in time, if the holding coverage goes below 20% of the total portfolio, the client position to the extent of shortage would be squared off at the prevailing market rate. Corresponding securities under Margin Funding shall be invoked to meet the pay-in obligations, charges applicable for invoking the shares would be borne by the client.

7. In case there is a shortfall in receipt of securities against the buy position of the client, such shortfall shall be dealt with in the following manner:
   In case there is a securities pay-out shortage(s) (either in part or in full) on the settlement day from the exchange for bought MTF position(s), and the shares are not received in auction settlement, then the corresponding MTF position shall be converted into normal delivery. Corresponding auction closeout shall be credited to the client’s trading ledger.

8. Client shall at all times be fully responsible to make good any dues pending to be paid to Dhan, such dues may not be limited to only funded amount or charges, it may also include statutory charges, Taxes etc.

9. On squaring off any position by client or by Dhan from such sale value the funded amount, applicable taxes, applicable charges and applicable upfront margin would first be reduced and only on the balance amount further exposure shall be granted.

10. If at any point there is any margin shortfall, the client shall be responsible for penalties applicable (if any).

11. The client understands that Dhan shall be reporting to the stock exchanges on a daily basis the details of the client's funded position/collaterals position and such other details as may be required.

12. The client understands that Dhan reserves the right to modify any of the terms in the relation to Margin Trading facility so provided here in the document.

13. The client understands that from the date of signing this document if there are any regulatory / operational changes in the functioning of the Margin Trading Facility, such changes shall apply without any intimation to the client.

14. During the existence of the agreement, if client is found in any breach / fraud of rules and byelaws of exchange Dhan reserves the right to deny providing of the Margin Trading Facility.

15. Dhan also reserves the right to withdraw the Margin Trading facility any time by issuing a notice of not greater than 30 days to its clients. On withdrawal of such a facility, a client would be required to settle its position and clear out any pending dues.

16. The client understands that the service provided here under is through the use of software's and systems. If at any point of time there is any technical failure, Dhan or the exchange shall not be responsible for any loss suffered by the client.

17. Any disputes arising between the client and Dhan in connection with the margin trading facility shall have the same treatment as normal trades and will be covered under the investor grievance redressal mechanism, arbitration mechanism of the stock exchange.

18. In addition to what the client has agreed to the terms and conditions governing the trading and broking services, Dhan may terminate a client with immediate effect, but not limited to the following reasons:\
    a) the death, lunacy or other disability of the Client.
    b) if any instrument for payment of Margin Money / Monies is / are dishonoured
    c) if the Client violates/breach any provision of MTF facility or provides any incorrect or misleading information.
    d) If the client is debarred by SEBI or any other regulatory authority.
    e) As a part of surveillance measure, if a client appears to be indulging in manipulative practices.
    f) Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt.
    g) If the Client is convicted under any criminal law in force;
    h) Default under any other arrangement or facility with any Stockbroker is made by the Client.
    i) If any Asset or any collateral is seized or made subject to any distress, execution, attachment, injunction or other process order or proceeding or is detained or taken into custody for any reason;
    j) there exists any other circumstance, which in the sole opinion of Dhan, is prejudicial to the interests of Dhan or any of its group companies. Order passed by any regulatory, courts, statutory bodies etc.

Rights & Obligations Relating to Margin Trading Facility (MTF) provided to Clients:

1. Dhan whenever permitted, will extend Margin Trading Facility (MTF) to the clients on such terms and conditions as specified by the Stock Exchanges/SEBI from time to time and as mutually agreed by and between Dhan and the Clients. This Rights and Obligation comprises the terms and conditions applicable to MTF and Dhan and clients shall abide by the same and any other requirements of the margin trading framework, including other rights and obligations, if any, prescribed by the Stock Exchange/SEBI/Dhan from time to time. Any modifications to the terms and conditions, other than those prescribed by SEBI/Stock Exchanges, shall be intimated to the Clients giving 15 days' notice in advance.

2. Equity Shares that are classified as 'Group I Security" by SEBI/Exchanges only shall be eligible for MTF. Dhan, at its discretion, may not provide funding under MTF to certain equity shares though classified to be "Group I Security" by SEBI. Equity shares shortlisted by Dhan for margin trading funding (Approved List) shall be as displayed on Dhan's website from time to time.

3. Initial margin, increased margin, margin shortage, margin calls, maximum allowable exposure, maximum stock specific exposure, trade confirmation, square off intimation and such other information in relation to MTF shall be communicated to the Clients electronically to his/her registered email/mobile number and/or website and/or in-app communication.

4. In order to avail of margin facility, the minimum initial margin required to be provided by the Clients, as prescribed by SEBI/Stock Exchanges, is as under and this may be subject to change from time to time:

Category of Stock	Applicable Margin
Group I stocks Category of Stock available for trading in the F&O Segment	VaR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VaR + 5 times of applicable ELM*

*For aforesaid purpose, the applicable VaR and ELM shall be as in the cash segment for a particular stock.

5. Client shall be required to provide the minimum initial margin as applicable for a particular stock to buy that stock under MTF. The margin shall never be lower than that prescribed by the Stock Exchange/SEBI. However, Dhan shall have the right to demand a higher initial margin than the margin prescribed by SEBI/Stock Exchanges.
   Subject to the initial margin as aforesaid, Dhan may, at its sole and absolute discretion, revise and increase from time to time the margin required for any stock permitted to be traded under MTF. Where a client has exposure in the stock in respect of which margin has been revised but does not already have sufficient credit in the account to meet increase in margin, Client shall pay margin found short within the time prescribed for making margin payment.

6. Applicable minimum initial margin, increased margin, margin shortfall, if any, can be paid in the form of cash, cash equivalent (via electronic/digital payment mode only), or Group I equity shares with appropriate hair cut as specified in SEBI Master Circular No. SEBI/HO/MRD/DP/CIR/P/2016/135, DTD. 16/12/2016. Clients shall have the right to change collateral securities provided under the MTF with other collateral securities provided that such other collateral securities are approved and sufficient to meet the margin required.

7. Margin requirement on shares purchased under MTF shall be computed by grossing applicable margin i.e., minimum initial margin plus increased margin, if any, on each stock and shortage computed accordingly by deducting available margin from gross margin. Collateral shares and shares purchased under MTF (Funded Shares) shall be marked to market daily for the purpose of computing the margin/shortage of margin.

8. Applicable minimum initial margin and increased margin, if any, shall be kept supplied at all times by the clients in respect of the stocks purchased under the MTF. Client shall pay any shortage in the required margin immediately on receiving demand (margin call) and in any case not later than 11.00 AM on the trade day following the day of making the margin call (prescribed time) failing which Dhan shall be at liberty to liquidate the funded shares and/or collateral shares to recover the dues outstanding in the account of the Clients.
   In case of extreme volatility in the market, Dhan may demand payment of margin forthwith and prescribed time for making margin payment shall be construed accordingly. Decision of Dhan in relation to market volatility shall be final and binding without Dhan having to provide any reason for the decision to the Client. Clients agree that Dhan reserves the right to liquidate the funded shares and/or collateral shares at any time to meet its obligations arising out of its requirements for settlements/ risk/ liquidity/market volatility.

9. If required margin is not provided within the prescribed time, Client shall be treated as client in margin default. Dhan shall not be obliged to notify the client in margin default of the liquidation of shares, ahead of liquidation. Dhan shall not be obliged to liquidate shares proportionate to the shortage in margin.

10. Client in margin default shall continue to be in margin default, until the required margin is furnished in full to eliminate the shortage. Partial payment of margin or a change in the required margin shall not extend the time stipulated for making margin payment which will run from the time of making margin call to the Client.

11. In case margin is reduced by an amount equal to applicable ELM component of the total margin due to market volatility within a trading day (i.e., available margin becomes equal to or less than applicable VaR margin), Dhan reserves the right to liquidate the collaterals and/or funded shares forthwith without prior notice to the client.

12. MTF Clients purchasing shares not specified in Dhan Approved List of Group 1 securities shall be required to 100% margin upfront for such purchases.

13. If any shares are delisted from Dhan Approved List, Client shall be required to make payment of full purchase consideration against such shares on receiving margin call within the prescribed time, failing which Dhan shall be at liberty to sell such shares without further notice to the Client.

14. If a client is debarred by orders of lawful authority from trading in the securities market, Dhan shall liquidate collateral and funded shares of the client to recover its dues to the full extent forthwith.

15. In case of death of a client, Dhan shall be entitled to liquidate the collateral and funded shares under MTF and recover the unpaid outstanding due.

16. Any loss arising from liquidation of the shares shall be to the account of the Client. Client shall forthwith pay Dhan any unpaid dues outstanding in the account after liquidation of the shares.

17. Dhan reserves the right to withdraw MTF with respect to any Client without assigning any reason after giving a reasonable notice to the Client in which case dues if any outstanding in the account of the Client shall become payable immediately. Failure to make payment of the outstanding dues shall result in liquidation of collateral and/or funded shares held in Client's Account.

18. Client may terminate the MTF account after paying all dues in the MTF account.

19. Dhan shall not use the funds and securities of one client to provide MTF to another client, even on the authority of the client.

20. The stocks deposited as margin collateral and funded stock shall be identifiable separately and no commingling shall be permitted for the purpose of computing funding amount.

21. Dhan may at its option allow client to buy further shares under MTF based on increase in the value of collateral shares, subject to applicable haircut. Further purchase shall not be permitted based on increase in the market value of funded shares.

22. IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

13. If any shares are delisted from Dhan Approved List, Client shall be required to make payment of full purchase consideration against such shares on receiving margin call within the prescribed time, failing which Dhan shall be at liberty to sell such shares without further notice to the Client.

14. If a client is debarred by orders of lawful authority from trading in the securities market, Dhan shall liquidate collateral and funded shares of the client to recover its dues to the full extent forthwith.

15. In case of death of a client, Dhan shall be entitled to liquidate the collateral and funded shares under MTF and recover the unpaid outstanding due.

16. Any loss arising from liquidation of the shares shall be to the account of the Client. Client shall forthwith pay Dhan any unpaid dues outstanding in the account after liquidation of the shares.

17. Dhan reserves the right to withdraw MTF with respect to any Client without assigning any reason after giving a reasonable notice to the Client in which case dues if any outstanding in the account of the Client shall become payable immediately. Failure to make payment of the outstanding dues shall result in liquidation of collateral and/or funded shares held in Client's Account.

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21. Dhan may at its option allow client to buy further shares under MTF based on increase in the value of collateral shares, subject to applicable haircut. Further purchase shall not be permitted based on increase in the market value of funded shares.

22. IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

23. Dhan shall restrict the maximum gross exposure as well as individual stock-wise exposure of a client under the MTF at any point in time according to its internal policies and market views without assigning any reason(s) to the client. Furnishing applicable margin shall not by itself entitle the client to seek exposure beyond the limit restricted by Dhan.

24. Admitting clients for MTF shall be at the discretion of the Stockbroker/Trading Member. Clients' request for admission to MTF may be disallowed without assigning any reason.

25. By agreeing to avail of MTF, the client shall be deemed to have authorized Dhan to retain and/or pledge the shares purchased under MTF (funded shares) and collateral shares provided as margin till the amount due in respect of the purchase and all other dues are paid in full by the Client.

26. All outstanding dues under MTF shall carry interest depending on funding.

27. Outstanding dues shall not be carried in the books beyond 90 days from the date of accrual and in case Client fails to pay up the dues within the said 90 days, collateral and/or funded shares shall be sold to liquidate the dues, even though applicable margin is available in the MTF account of the Client. For this purpose, 90 days shall be computed with respect to each debit entry in respect of purchases under MTF separately and liquidation shall be carried out accordingly. Dhan shall have discretion to sell any stock/stocks to liquidate the outstanding dues older than 90 days.

28. Clients shall be free to take delivery of the shares purchased under MTF anytime, but not later than 90 days, from the date of funding by making full payment of the outstanding dues in relation to the shares purchased.

29. Until full payment of the outstanding dues in the MTF A/c is made by the Client, collateral shares and funded shares, as far as may be required, shall be retained in the Demat A/c of Dhan, separately identified as collateral shares and funded shares.

30. Daily margin statements sent to the MTF clients shall identify margin/collateral for MTF transactions separately.

31. MTF account where there is no transaction under MTF for more than 90 days shall be settled immediately on expiry of said 90 days provided there are no dues outstanding in the MTF account. Dues if any outstanding in the normal trading account shall be first adjusted against the settlement amount and the remainder shall be paid to the Client.

32. Dhan shall declare and communicate to the Client risk management policies that it will follow with respect to MTF transactions. Dhan may amend the policies from time to time according to its risk perceptions and inform the Clients of the amendments made.

33. Any disputes arising between the client and Dhan in connection with the margin trading facility shall be resolved through the investor grievance redressal mechanism and/or arbitration mechanism of the stock exchanges as in the case of normal trades.

34. The Rights and Obligations prescribed hereinabove shall be read in conjunction with the rights and obligations as prescribed under SEBI circular No. CIR/MIRSD/16/2011 dated August 22 , 2011, SEBI Circular No. CIR/MRD/DP/54/2017 Dtd. June 13, 2017, the Circulars relating to MTF issued by the respective Stock Exchanges, any modifications thereto from time to time and the Policies and Procedures prescribed by Dhan and the terms and conditions of client's agreement with Dhan. In case of any inconsistencies between the Rights and Obligations herein and the provisions in the aforesaid SEBI and/or Stock Exchange Circulars, the latter shall prevail to the extent of such inconsistencies.

RISK DISCLOSURE DOCUMENT (RDD)

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

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

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

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

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

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

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

1.6 Risk of Rumors: Rumors about companies / currencies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumors.

1.7 System Risk: High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

1.7.1 During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

1.7.2 Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security / derivatives contract due to any action on account of unusual trading activity or security / derivatives contract hitting circuit filters or for any other reason

1.8 System/Network Congestion: Trading on exchanges is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/ glitch whereby not being able to establish access to the trading system/network, which may be beyond control and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

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

2.1 Effect of Leverage & Gearing In the derivatives market, the amount of margin is small relative to the value of the derivatives contract so the transactions are 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 involves 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 the 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: 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.

2.2.1 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.

2.2.2 Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the marketplace. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisors; 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:

2.3.1 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.

2.3.2 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:

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

2.4.2 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.

2.4.3 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:

3.1 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.

4.2 The term 'stockbroker' 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.

DO's AND DON'T FOR TRADING ON THE EXCHANGES FOR INVESTORS - A GUIDANCE NOTE

A. 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 and SEBI website www.sebi.gov.in.
2. Ensure that you fill the KYC form completely and strike off the blank fields in the KYC form.
3. Ensure that you have read all the mandatory documents viz. Rights and Obligations, Risk Disclosure Document, Policy and Procedure document of the stock broker.
4. Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the stock broker. Note that the clauses as agreed between you and the stock broker cannot be changed without your consent.
5. Get a clear idea about all brokerage, commissions, fees and other charges levied by the broker on you for trading and the relevant provisions/ guidelines specified by SEBI/ Stock exchanges.
6. Obtain a digital 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 depository participant, please refer to the guidelines issued by SEBI/Exchanges in this regard.

B. Transactions and Settlements:

1. 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.
2. Don't share your internet trading account's password with anyone.
3. Don't make any payment in cash to the stock broker.
4. Make the payments by account payee cheque in favour of the stock broker. Don't issue cheques in the name of a sub broker. Ensure that you have documentary proof of your payment/deposit of securities with the stock broker, stating date, scrip, quantity, towards which bank/ depository participant such money or securities deposited and from which bank/ depository participant.
5. Note that the 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.
6. In case you have given specific authorization for maintaining a 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 the 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. 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.
7. In case you have not opted for maintaining a 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.
8. 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.

C. In Case of Termination of Trading Membership:

1. In case, a stock broker surrenders his membership, is expelled from membership or declared a defaulter; Stock exchanges gives a public notice inviting claims relating to only the "transactions executed on the trading system" of Stock exchange, from the investors. Ensure that you lodge a claim with the relevant Stock exchanges within the stipulated period and with the supporting documents.
2. 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.

D. Disputes/complaints:

1. 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.
2. 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.
3. Note that all the stock broker / sub-brokers have been mandated by SEBI to designate an email address of the grievance redressal division / compliance officer exclusively for the purpose of registering complaints.

GENERAL POLICIES AND PROCEDURES APPLICABLE TO YOUR INVESTMENT ACCOUNT ON DHAN

A. Digital Technology Platform for Investing & Trading

1. Dhan is a digital technology platform for investing and trading that is owned, operated and managed by Moneylicious Securities Private Limited. As a user of the platform, you understand that Dhan will be subject to operate as per the guidelines, procedures, processes and regulations set by the SEBI, exchanges, depository and other regulatory, government and statutory organizations and bodies that enable us to operate.
2. Dhan also depends on a lot of third party service providers and organizations that enables us to provide you the products & services - this includes connectivity, infrastructure, data, payment gateways, software and service providers, etc including partnerships that may directly or indirectly provide you or us their products and services.
3. As a user of the platform, you understand that Dhan acts as a platform and will do its best to provide its product & services on the best effort basis.

B. Brokerage Rates, Transaction Fees & Charges

1. The schedule of Brokerage and other fees/charges applied by Dhan on the clients/users are provided under the heading 'Tariff Sheet' in the client account opening form. The current charges applicable will also be displayed on the pricing section of Dhan website.
2. Within the mentioned scale, the brokerage and other charges as agreed by the client is indicated and duly signed by the client in that section.
3. If there is any upward revision of brokerage, the same will be informed to the clients with 15 days prior notice. However, all the brokerage and other charges are subject to the maximum limits as prescribed by SEBI/Exchanges/Government and other Regulatory authorities from time to time.
4. Clients are advised to keep a track of the latest brokerage rates, fees and charges on Dhan website on www.millionshq.co.

C. Refusal of Orders for Penny Stocks, Illiquid Stocks & Scripts, Suspicious Scripts, and Likes

1. Dhan offers trading facility to its clients in all the compulsorily dematerialised stocks which are listed/traded on the Stock Exchanges. However, Dhan discourages/restricts trading in penny stocks by the clients as they are susceptible to manipulation and risky for investors and in turn to Dhan.
2. Definition of Penny Stocks may also include illiquid, suspicious stocks & scripts, and other stocks as deemed by Dhan.
3. Penny Stocks' for this purpose shall includes:
   a. Stocks appearing in the list of illiquid securities issued by the Exchanges from time to time.
   b. Stocks which are highly illiquid and have a low market capitalization and 'Z' Group Securities.
   c. Any securities as may be restricted for trading by Exchanges.
4. Any other securities that may be restricted for trading by Dhan based on its internal evaluation and/or by assessment by Dhan or its Risk Management Team or depending on multiple circumstances on any particular trading day on exchanges or internal/external factors.
5. As a part of the Risk Management System, Dhan restricts clients to buy/ sell in penny stocks only on the basis of 100% upfront margin and on delivery basis. Also Dhan have or may have in place further restrictions in terms of quantity/value in each/all penny stocks together as notified by its extant circulars.
6. Dhan may at any time at its sole discretion block/restrict the client's trading account in Dhan app/website/api/trading terminal or any channel owned or managed by it that may prevent the client from placing orders in such penny stocks.
7. Further in case the client is able to place an order for penny stocks which are restricted by Dhan through Online Trading Platform or otherwise, Dhan may not accept such order.
8. Dhan shall not be held liable for restricting/prohibiting trade in penny stocks at any time.
9. Further Dhan shall not be held liable or responsible in any manner whatsoever for any refusal/cancellation of orders for trading in penny stocks/other securities and the client shall indemnify Dhan in respect of any loss caused to Dhan by virtue of the client trading in penny stocks.

D. Setting Up of Client Exposure Limits

1. As part of Risk Management Policy, Dhan shall set client's exposure limits depending on the type of securities provided as margin/available funds in the client's ledger/securities pledged for margin, plus fixed deposits/bank guarantees provided by the client and the client's profile/ financial status. Exposure limits are also set based on categories of stocks/position (derivatives) clients can trade.
2. Dhan can change the securities that are acceptable as margin and their categorization from time to time at its sole discretion. Further client categorization may also be changed based on various factors including trading pattern of clients, profile/residential status/income status/financial status of client.
3. Dhan from time to time shall apply such haircuts (the percentage difference between an asset's market value and the amount that can be used as collateral for a loan) as may be decided by, as part of the internal risk policy, on the approved securities against which the Exposure limits are given to the client.
4. Dhan may from time to time change the applicable haircut or apply a haircut higher than that specified by the Regulators / Exchanges as part of its Risk Management System. Subject to the client's exposure limits, client may trade in securities and/ or take positions in the futures and options segment. Client shall abide by the exposure limits, if any, set by Dhan or by the Exchange or Clearing Corporation or SEBI from time to time.

5. Limits/ Exposure provided shall vary based on the intraday/delivery/carry forward positions made by the client. The exposure limits set by Dhan does not by itself create any right for the client and are liable to be withdrawn at any time without notice and the client shall bear the loss on account of withdrawal of such limits.
6. The client agrees to compensate Dhan in the event of Dhan suffering any loss, harm or injury on account of exposure given and/or withdrawn
7. In case of sale of Securities, such sale may at the discretion of Dhan be provided only to the extent of the availability of securities in the account of the client (Free balance in DP, DP lien/hold marked securities, Stock available in Dhan Client unpaid securities and collateral Account).
8. Further the credit received against sale may be used for exposure as may be decided by Dhan from time to time. In case of derivatives, Clients shall be allowed to trade only up to the applicable client wise position limits set by the Exchanges/Regulators from time to time.
9. Dhan may from time to time demand additional margin from the client in the form of funds or securities if there is a requirement for the same and the client shall be required to provide the same.

E. Payment Towards Trades, Settlement, Fees, Obligations & More:

Time of Payment:

1. The client agrees and understands that Dhan provides prospective clients to transfer money upfront through payment gateway after filling up all the required details. However, the prospective client will not be registered as a client of Dhan, till the time due diligence prescribed by regulators for KYC are complied with by the client. In such cases if the client is not registered due to incomplete due diligence of KYC or any other reason, then the money received from the client will be returned/refunded when the customer requests for the same through the official Dhan help channels.
2. The client will also have to make a margin payment for shares purchased and sold either for square-off or delivery or on derivative contracts. The amount will be as charged by the relevant Exchange. However, in case the Exchange charges a margin amount over and above the normal margins, Dhan can make a margin call to the Client who will need to have to pay the relevant margin as charged by the Exchange. The client agrees and understands that Dhan would request/demand the client to provide documentary proof / evidence such as a bank statement etc.
3. The client shall make all remittances to Stock Broker (i.e. payment for all purchase transactions plus taxes, brokerage, handling charges and depository related fees and transaction fees of Stock Broker) by the value date for each transaction. The value date for all purchases will be the pay-in day less two days, where the pay-in day is specified by the Exchange Clearing House for the relevant settlement period. A notional debit may be made with respect to the Limit on the last day of the Settlement Cycle, notwithstanding that actual payment is due on a later date and such notional debit shall be reversed on receipt of payment.
4. Dhan shall remit funds to the client (i.e. payment for all sale transactions less taxes, brokerage, handling charges and depository related fees and transaction fees of Stock Broker), less any amounts deducted for shortages by the value date. The value date for all sales will be pay-out day plus two days where the pay-out day is specified by the Exchange Clearing House for the relevant settlement period.
5. Dhan shall remit funds to the client (i.e. payment for all sale transactions less taxes, brokerage, handling charges and depository related fees and transaction fees of Stock Broker), less any amounts deducted for shortages by the value date. The value date for all sales will be pay-out day plus two days where the pay-out day is specified by the Exchange Clearing House for the relevant settlement period.

Mode of Payment:

1. No cash payment will be received from/ made to the client as per the extract SEBI/Exchange/Income Tax/PMLA Regulation, Guidelines, Circulars, etc. accordingly Dhan will not be responsible for any claim of receipt/payment in cash by client from/to Dhan.
2. In the case of a purchase transaction, the client shall remit funds within the time period provided to Dhan in any of the following ways:
   2.1 Authorized electronic transfer (UPI, Net banking, etc.) of funds from Client's Bank Account to Stock Broker's bank account in the Designated Bank
   2.2 Credit will be given to the client immediately on authentication of payment authorization, however the client has to intimate Stock Broker immediately after making payment through option as mentioned.
   2.3 Payment referred shall be accepted only from the client's registered bank account.
   2.4 Payment shall be made by the Client only as referred.
   2.5 Stock Broker shall not accept/ acknowledge/ give credit for any payment made in cash.
3. In the case of a sale transaction, Dhan shall remit funds to the client within the time period provided, provided the client has delivered the securities sold to Stock Broker within the time prescribed by the following ways as requested by the client
   3.1 Electronic transfer of funds into the Bank Account of the Client registered with Dhan.
   3.2 Electronic transfer of funds into any other bank account of the Client as may be specified by the Client, and accepted by Stock Broker.
   3.3 All payments shall be made only in the name of the client.
4. Dhan will not be responsible for any kind of claims raised by the clients regarding payment made in cash.
5. Mobile number is compulsory for opening a Demat/Trading account with Dhan and Interface with a payment gateway will be offered to the client at the website/app itself.
6. Dhan shall have the prerogative to refuse payments received from any bank account where the client is not the first holder or which is not mentioned in the KYC or which the client has not got updated subsequently by submitting a written request along with adequate proof thereof as per proforma prescribed by Dhan.

7. Dhan shall not be responsible for any loss or damage arising out of such refusal of acceptance of payments in the situations mentioned above. However, due to oversight, if any such third-party payment has been accepted by Dhan and the credit for the same has been given in the client's ledger, Dhan shall have the right to immediately reverse such credit entries on noticing or becoming aware of the same.
8. In such a case, Dhan reserves the right to liquidate any of the open positions and/or any of the collaterals received/ held on behalf of the client. Dhan, its Directors and employees shall not be responsible for any consequential damages or losses.

Default in Payment:

1. The client agrees that Dhan may set off his/her credit balances on NSE/BSE/MCX, hereinafter referred to as the "Exchanges" against the debit balances in one or more accounts of the client in relation to the said Exchanges and segments of the Exchanges. Without prejudice to the Stock Broker's other rights (including the right to refer a matter to arbitration), Dhan as Stock Broker shall be entitled to liquidate/ close out all or any of the client's positions in cash segment or derivative segment on any Exchange 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.
2. Any and all losses and financial charges on account of such liquidation/ closing-out shall be charged to and borne by the client. On a default by the client to remit any money payable to Stock Broker, Stock Broker shall be entitled to appropriate the money maintained by the client in the Minimum Margin Deposit towards its dues. The Minimum Margin Deposit with Stock Broker shall be subject to a lien for the discharge of any and all indebtedness or any other obligation that the client may have to Stock Broker.
3. The brokerage services along with other product & services offered by Dhan shall be suspended to the client until such time as the client replenishes funds adequate to maintain the Minimum Margin Deposit at the stipulated level.
4. Notwithstanding anything contained in these present, any amounts which are overdue from the client towards trading either in the cash or derivative segments or on account of any other reason the client will be charged delayed payment charges at the rate of 0.05% per day or such other rate as may be determined by the Stock Broker.
5. The client hereby authorises the Stock Broker to directly debit the same to the account of the client.
6. The client also authorises the Stock Broker to liquidate any holdings, securities pledged to an extent to collect the payments defaulted by the client.
7. In the event the client makes the specific request to the stockbroker for the physical documents instead of electronic /digitally signed documents including contract notes/ statement of accounts etc. and subject to the stockbroker being in a position to do so; the client agrees to pay all such amounts that the stockbroker may charge to cover the operational cost that the stockbroker incurs in preparing and delivering the said communications, documents, reports and alerts.
8. The client hereby agrees and understands that in case of any noncompliance and/or default by the client such as cheque bouncing, trade change, F&O short margin, UCC violation, price rigging or for any other matters as may be decided by Stock broker from time to time, without prejudice to the Stock Broker's other rights, Stock Broker may levy charges/ penalties on the client and debit such charges/ penalty in the client's account.

F. Imposition of Penalty or Interest on Delayed Payment:

1. The clients are required to settle the pay-in/ provide margin within the time limits provided by Exchanges/SEBI/Dhan.
2. In case the client fails to provide the same within the prescribed time, Interest on delayed payment shall be levied at upto 0.05% per day, on the client's account on any delayed payments towards trading either in the cash or derivatives segments or on account of any other reason beyond the due date of payment as may be prescribed by Dhan.
3. Such Interest on delayed payment shall be directly debited to the account of the client at the end of every month\Week\Daily basis. This is only a penal measure and intended to bring in discipline in the clients to clear the dues in time as Dhan has to clear its obligations to the Exchange as per the time limits set by the Exchanges.
4. Dhan reserves the right of imposition of interest on delayed payment on the client account and the client shall be liable for payment of such charges at such rate as may be prescribed by Dhan from time to time.

G. Right to Sell Clients Securities or Close Clients Positions, Without Giving Notice to the Client on Account of Non-payment of Dues (Limited to Settlement/margin Obligations)

1. As a part of its Risk Management Policy, Dhan shall have the sole discretion to square off the open position of the client and/ or sell clients' securities (including securities maintained as margin with Dhan and securities lying in client's beneficiary/ depository participant) in case the client fails to meet its settlement/ margin obligations in time.
2. The specific securities to be sold and the positions to be squared off shall be decided solely by Dhan. Further, the square off of the client's open position or the selling of securities may be executed on such Exchanges and at such price as may be decided by Dhan.
3. Dhan shall have no obligation of communicating the same to the client.
4. Dhan shall not be responsible for any losses incurred by the client due to such squaring off of the open position of client.
5. Dhan reserves the right to square off client's open positions or sell clients' securities under following circumstances:
   5.1 Where the limits given to the client have been breached.
   5.2 Where the client has defaulted on their existing obligation and/or have failed to make payments/deliver securities to Dhan within the stipulated time period as may be prescribed by Dhan.
6. In addition to above, in case of equity and currency derivatives transactions,

6.1 Where the margin or security placed by the client with Dhan falls short of the applicable minimum margin as may be required to be maintained by the client.
6.2 Where Mark to Market Loss on the open position has reached the stipulated % of the margins placed with Dhan and the client has not taken any steps either to replenish the margin or reduce the Mark to Market Loss.
6.3 If the open position is neither squared off nor converted to Delivery by client within the stipulated time.

7. Dhan reserves the right to square off the open position of client and/or sell client's securities under the prescribed circumstances, but Dhan is not obligated/does not guarantee to square off open positions and/or sell client's securities.
8. The client shall be solely responsible for the trading decisions taken by the client. It shall be the responsibility of the client to make payments towards outstanding obligations and/ or applicable margins to Dhan in time irrespective of whether Dhan exercises its right to square off positions of the client in accordance with the provisions given herein above.
9. Client shall be solely responsible for any resultant losses incurred to client due to selling of client's securities by Dhan or squaring off the client's open positions or for not doing so.
10. All losses in this regard shall be borne by the client and Dhan shall be fully indemnified and held harmless by the client on this behalf.
11. Any square off executed by Dhan, resulting in selling of any security for the aforementioned reasons, will result in creation of obligation on the client. Therefore Dhan reserves the right to fulfill this obligation, on behalf of the client.

H. Right to Recover Dues and Debts From Clients:

1. The client accepts to comply with Dhan's requirement of payment of Margin/settlement obligations of the client, immediately failing which Dhan may sell, dispose, transfer or deal in any other manner the securities already placed with it as Margin/lying in the beneficiary account of Dhan or square-off all/some of the outstanding F&O positions of the client as it deems fit at its sole discretion without further reference to the client and any resultant/associated losses that may occur due to such square -off/sale shall be borne by client and Dhan shall be fully indemnified and held harmless by the client in this behalf at all times.

I. Shortages in Obligations Arising Out of Internal Netting of Trades:

1. In case the client defaults on his\her security pay-in obligation and in the event the trade has been internally netted off by Dhan, there could be internal shortages. The internal shortages are marked against the client randomly at the sole discretion of Dhan taking into account the delivery obligations through Exchanges.
2. In case of an internal shortage, the defaulting client on sell side will be debited by Internal Auction valuation debit and the client on the buy side will be credited by the same amount debited to the defaulting client.
3. Valuation Debit will be calculated by multiplying quantity short delivered on the pay-in date with the valuation price.
4. Valuation price will be calculated as below:
   a. The Valuation price shall be higher of, 2% above the closing price of Auction date in normal market of the exchange, or
   b. Highest traded price between Trade date and Auction date.
5. All losses to the client on account of the above shall be borne solely by the client and Dhan shall not be responsible for the same. In case of any claim against Dhan, the client shall indemnify Dhan in this regard.
6. All the securities having corporate action will be settled on cum basis in favour of the buyer.
7. The internal netting process will be subjected to change from time to time.

J. Conditions Under Which Client May Not Be Allowed to Take Further Positions or Broker May Close Existing Positions of Client

1. In addition to the conditions as provided under the policy of right to sell securities and close out client's open position as detailed above, Dhan shall have the right to refuse to execute trades/allow the client to take further positions and/ or close out the existing positions of client under following circumstances:
   a. As a result of any Regulatory directive/restriction
   b. Non-receipt of funds/securities and/or bouncing of cheque received from the client towards the obligations/margin/ ledger balances
   c. Due to technical reasons
   d. Securities breaching the limits specified by the Exchanges/Regulators from time to time
   e. In case of failure to meet margin including mark to market margins by the client
   f. In case securities to be transacted by clients are not in dematerialized form
   g. Any other conditions as may be specified by Dhan from time to time in view of market conditions, regulatory requirements, internal policies etc. and risk management system
   h. Due to any force majeure event beyond the control of Dhan. Dhan shall not be responsible for any loss incurred and the client shall indemnify Dhan in this regard.

K. Temporarily Suspending or Closing of Client Account at the Client Request

1. Dhan may suspend or close the trading account of the client pursuant to SEBI or any other regulatory directive for such period as may be prescribed by the respective regulator or government authority.

2. Dhan may further at its sole discretion and with/without information to the client, prohibit or restrict or block the client's access to the use of the web site or related services and the client's ability to trade due to market conditions and other internal policies including policy with respect to prevention of money laundering.
3. Client can initiate temporary suspension/closure of its account at any time by giving a request to Dhan. However, such suspension/closure will be effected subject to clearance of all dues and settlement obligations by the client and subject to approval of Dhan.
4. Trades in the account of the client during the period of such temporary suspension shall not be permitted. Notwithstanding any such suspension/ closure, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to such closure/ suspension shall continue to subsist and binding on the client. In case the account has been temporarily suspended at the request of the client, the account shall be reactivated only on submission of a written request for reactivation by the client.

L. Suspension/closure of Client Account

1. Dhan may suspend/close the client if the client breaches the terms and conditions of the member-client agreement or provides any false information or declarations. The client will be provided with adequate notice.
2. Dhan may suspend/close the client account if there is any instruction from competent authorities like regulators, statutory bodies or law enforcement agencies or if the client is suspected to be involved in any activities in violation of applicable Rules and Regulations. Any liabilities arising out of this action will be the sole responsibility of the client.

M. Treatment of Inactive Accounts:

1. In case the Trading and/or Depository Participant of the client is not operated by the client for a continuous period of twelve months the same will be considered to be 'Inactive Account'.
2. Such Inactive Account will be blocked for further transactions by the client. The client will have to submit following documents/ confirmation, for re-activation of such blocked account:
   a. Call the Customer Care centre identifying himself/herself (through validation questions) and requesting for activation of account for placing request for re-activation of account; or
   b. By placing a request for re-activation of account through the website/mobile app.
3. During the blocked period if there are any debit/ dues to Dhan in client's account, Dhan shall have the authority to liquidate the client's position to the required extent during the block period. During the block period if any corporate actions or pay-outs are due for return to the client, the same will be affected/returned by Dhan to the client's account.

N. Pledge of Clients Securities:

1. In accordance with SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016, as stock broker is entitled to have a lien on client's securities to the extent of client's indebtedness to the stock broker and stock broker may pledge those securities. The client agrees that Stock Broker in accordance with the above circular may pledge their securities to the extent of their indebtedness with their explicit authorization.
2. All the above policies and procedures of Dhan are applicable to users and client's investment and trading accounts and are subject to change/updation by Dhan from time to time. The updated policies and procedures of Dhan shall be posted on the website of Dhan (www.dhan.co) and will be available for reference to clients/users of Dhan.

UNDERTAKING / AUTHORIZATION

With respect to Member-Constituent Relationship and Mandatory & Voluntary (optional) documents executed.

1. Errors and Omissions

I understand and agree that inadvertent errors may occur, while executing orders placed by me. In such circumstances Dhan shall make all reasonable efforts to rectify the same and ensure that I am not put to any monetary loss. I understand and agree that I shall not hold Dhan responsible beyond this and claim additional damages/loss.I understand and agree that my request to modify or cancel the order shall not be deemed to have been executed unless and until the same is confirmed by Dhan.

2. Order Placement Instructions

I understand that you require written instructions from me for placing/modifying/cancelling orders. However, I realize that it may not be practical for me to give written instructions for placing/modifying/cancelling orders. Even if I have the facility to trade online through Internet and wireless technology, I may have to place orders by physically visiting/calling/emailing the call centre/branch specified for the said purpose by Dhan in case of breakdown of internet connectivity or other similar reasons. I hereby request you to kindly accept my verbal orders/instructions, in person or over phone and execute the same. I understand the risk associated with placement of verbal orders and accept the same. I shall not disown orders under the plea that the same were not placed by me provided I am sent ECN/Physical contract notes or trade confirmations through SMS and other approved modes. I/we also agree that non-receipt of bounced mail notification by you shall amount to delivery of contract note at my/our email ID. I indemnify Dhan and its employees against all trade related losses, damages, actions which you may suffer or face,as a consequence carrying out my instructions for orders placed verbally.

3. Suspicious Trading and No Market Manipulation

I undertake not to execute transactions, either singly or in concert with other clients/Market Participants, which may be viewed as manipulative trades (viz. artificially raising, depressing or maintaining the price, creation of artificial volume, synchronized trades, cross trades, self-trades, etc or which could be termed as manipulative or fraudulent trades) as defined by SEBI/Exchanges. In case I am found to be indulging in such activities, Dhan has every right to inform the Exchange/SEBI/other regulatory authority of the same and suspend/close my trading account.

4. Not Debarred by Any Regulator or by Any Regulatory Action

I hereby confirm that I have not been prohibited from participating in the securities market directly or indirectly by SEBI/Exchanges or any other regulator or Statutory authority. I agree to inform Dhan in writing, of any regulatory action taken by any Exchange or Regulatory/ Statutory authority on me in future. I also acknowledge that, in any such event in the future or Dhan comes to know of any such prevailing action, Dhan has the right to suspend/close the trading account maintained by me in Dhan with immediate effect. Dhan can at its sole discretion, close all the open positions and liquidate collaterals to the extent of debit balances, without any notice to me.

5. PMLA Declaration

I declare that I have read and understood the contents and provisions of the PMLA Act, 2002, which were also explained to me by Dhan officials. I further declare that I shall adhere to all the provisions of the PMLA Act, 2002. I further undertake and confirm that:
a. I do not have any links with any known criminals.
b. I am a genuine person and not involved or indulge knowingly or assisted, directly or indirectly, in any process or activity connected with the proceeds of crime nor am I party to it. The investment money is derived from proper means and does not involve any black or Hawala money in any manner.

6. Declaration of Residency Status / NRI Status

I understand that if the sole/first applicant has or attains NRI Status, investments can be made only upon providing Foreign Inward Remittance Certificate (FIRC) to Dhan every time the investment is made. I hereby agree to intimate any changes in my/our residency status and will abide by all prevailing rules mandated for NRI Investments.

7. Indemnification

I hereby indemnify and hold Dhan, its Directors, employees, officials and any representatives acting on behalf of Dhan harmless from and against all claims, demands, actions, proceedings, losses, damages, liabilities, charges and/or expenses that are occasioned or may be occasioned to the Dhan directly or indirectly, relating to bad delivery of shares/securities and/or third party delivery, whether authorized or unauthorized and fake/forged/stolen shares/securities/transfer documents introduced or that may be introduced by or through me during the course of my dealings/operations on the Exchange(s) and/or proof of address, identity and other supporting documents provided by me at the time of registration and/or subsequently. Further, in case of joint holdings, I hereby agree to indemnify and hold Dhan harmless from any trade related claims, demands, actions, proceedings, losses, damages, liabilities, charges and/or expenses arising from transactions in securities held jointly by me with any other person or persons, if any.

8. No Dealings in Cash

I agree that Dhan as a policy neither accepts any funds for pay-in/margin in cash nor makes any payment or allows withdrawal of funds in cash. No claim will be entertained where/if I state to have made any cash payment or deposited cash with any Branch/Sub-Broker/Remisier /Employee/Authorised Person of Dhan.

9. Disclosure of Proprietary Trading

Pursuant to SEBI Circular Number SEBI/MRD/SEC/Cir-42/2003 dated November 19, 2003, Dhan has disclosed about its policies on proprietary trades. I am aware that Dhan does proprietary trades in the cash, currency, commodity, derivatives segments at NSE, BSE & MCX.

10. Delivery of Securities

I agree and shall ensure that the shares are properly transferred to the designated demat account of Dhan, for effecting delivery to the Exchange against my sale position. Such transfers shall be entered by me within the time specified by SEBI/Exchanges/Dhan. In case I fail to transfer the shares on time to Dhan, Dhan shall not be responsible for any loss/damages arising out of such delayed transfers.

11. No Third-party Payments Accepted

Dhan shall have the prerogative to refuse payments received from any bank account where I am not the first holder or which is not mentioned in the KYC or which I have not got updated subsequently by submitting a written request along with adequate proof thereof as per proforma prescribed by Dhan. Dhan shall not be responsible for any loss or damage arising out of such refusal of acceptance of payments in the situations mentioned above. However, due to oversight, if any such third-party payment has been accepted by Dhan and the credit for the same has been given in my ledger, Dhan shall have the right to immediately reverse such credit entries on noticing or becoming aware of the same. In such a case, Dhan reserves the right to liquidate any of the open positions and/or any of the collaterals received/ held on my behalf. Dhan, its Directors, its officials and its employees shall not be responsible for any consequential damages or losses.

12. Charges for Delayed Payment

I understand that in case my account is in debit balance and/or if I have insufficient funds to manage my trading positions, I will be charged an interest of 0.05% per day as delayed payment charges. I confirm having read the rules & regulations pertaining to the levy of such interest under the policies & procedures section of this form.

13. Squaring Off of Positions & Sale /liquidation of Collateral Margins

(to the extent of Settlement Margin obligation)
I agree that I shall settle the transactions, within the Exchange specified settlement time, by making the requisite payment of funds and/or delivery of the shares. In case I fail to settle the transactions within the settlement date, then Dhan has the right to square off the open and/or unpaid positions, at an appropriate time, as it deems fit, without any notice to me. I shall not have any right or say to decide on the timing of closure of the open positions that need to be closed. Dhan, its Directors, its Employees and its Officials shall not be responsible for any trade related loss or damages arising out of such square offs. All such square off transactions shall have implied consent and authorization of mine in favour of Dhan. After such square off of open positions by Dhan, as mentioned in above clauses, if there is a debit balance, I shall pay the same immediately. However, if I do not clear off the debit balance, Dhan shall have the right to liquidate my shares and other securities (kept as collateral/margin) to the extent of the debit balance, without any intimation to me. I shall not have the right to decide on the timing of liquidation of shares and securities held in collateral/margin and the shares and securities that need to be sold or liquidated. Dhan, its Directors, its officials and its employees shall not be responsible for any trade related loss or damages arising out of such selling.

14. BSE StAR Mutual Fund Facility

I am registered as your client, and have executed the Account Opening documents (KYC Form) for the purpose of trading in the Capital Market segment of BSE Limited (BSE). I am interested in availing the BSE StAR facility of BSE for the purpose of dealing in the units of Mutual Funds Schemes permitted to be dealt with on the BSE StAR MF of the Exchange. For the purpose of availing the BSE StAR MF facility, I state that Know Your Client (KYC) details as submitted by me for the stock broking may be considered for the purpose of BSE StAR MF and I further confirm that the details contained in the same remain unchanged as on date. I am willing to abide by the terms and conditions as mentioned in the BSE Circular dated December 02, 2009 and as may be specified by the Exchange from time to time in this regard. I shall ensure compliance with the requirements as may be specified from time to time by Securities and Exchange Board of India (SEBI) and Association of Mutual Funds of India (AMFI).

I shall read and understand the contents of the Scheme Information Document (SID) and Key Information Memorandum (KIM), addenda issued regarding each Mutual Fund scheme with respect to which I choose to subscribe/redeem. I further agree to abide by the terms and conditions, rules and regulations of the Mutual Fund schemes. I therefore request you to register me as your client for participating in the BSE Star MF. I hereby confirm having read and understood the terms & conditions and disclosures mentioned above.

POLICY: VOLUNTARILY FREEZING AND UNFREEZING OF TRADING ACCOUNT

As a customer, if you think that your Dhan trading account has been compromised or there is a presence of suspicious activity, you will now be able to voluntarily freeze your trading account via IVR or by accessing the Dhan portal from app and web.

Freezing your account:

A dedicated IVR number (80698-91917) has been allocated for this specific purpose. Once you call this number from your registered mobile number on Dhan, you will be asked for your confirmation to voluntarily freeze your Dhan trading account.

As soon as the request is received over IVR (interactive voice response), we will proceed to freeze your trading account immediately. Here is what will happen:

1. All your pending orders will be cancelled with immediate effect
2. Your open positions will NOT be squared off
3. You will be logged out of all active sessions

You can also request to freeze your account via Dhan app and web. Please follow the steps below:

1. Navigate to “Manage Trading Segments” on app or web
2. Click on “Temporarily Freeze Trading Account”
3. Acknowledge and enter OTP received on registered mobile

We will be informing you via SMS and Email once we freeze your account. You will also receive details of all your open positions (if any) via Email only.

Re-enabling trading access:

You will only be allowed to enable trading access after 24 hours of voluntary freezing. You can call on the same IVR number (8655789046) and follow the instructions to unblock your trading account. To re-enable it via Dhan app or web, please follow the steps below:

1. Navigate to “Manage Trading Segments” on app or web
2. Click on “Unfreeze your Trading Account”
3. Acknowledge and enter OTP received on registered mobile

We will be informing you via SMS and Email once your account has been unfreezed and ready to trade again.

Note: This policy is in accordance with Exchange Circular NSE/INSP/61529 and 20240408-12 (BSE) w.e.f 1st July, 2024 and can be viewed here.

INVESTOR CHARTER – STOCK BROKERS

(Annexure - A)

1. 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.

2. Mission

- To provide high quality and dependable service through innovation, capacity enhancement and use of technology.
- To establish and maintain a relationship of trust and ethics with the investors.
- To observe highest standard of compliances and transparency.
- To always keep 'protection of investors' interest' as goal while providing service.
- To ensure confidentiality of information shared by investors unless such information is required to be provided in furtherance of discharging legal obligations or investors have provided specific consent to share such information.

3. Services provided to investors by stock brokers include

- **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.
- **Periodic** Settlement of client's funds.
- **Issuance** of retention statement of funds at the time of settlement.
- **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. relevant Market Infrastructure Institutions (MII) circulars.
- **Provide** a copy of Rights & Obligations document to the client.
- **Communicating** Most Important terms and Conditions (MITC) to the client.
- **Redressal** of Investor's grievances.

4. 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 (including website providing mandatory information).
- **Receive** complete information about the risks, obligations, and costs of any investment before investing.
- **Receive** a copy of all completed account forms and rights & obligation document.
- **Receive** a copy of 'Most Important Terms & Conditions' (MITC).
- **Receive** account statements that are accurate and understandable.
- **Understand** the terms and conditions of transactions you undertake.
- **Access** your funds in a prescribed 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 in form of tariff sheet.
- **Discuss** your grievances with compliance officer / compliance team / dedicated grievance redressal team of the firm and receive prompt attention to and fair consideration of your concerns.
- **Close** your zero balance accounts online with minimal documentation
- **Get** the copies of all policies (including Most Important Terms and Conditions) of the broker related to dealings of your account.
- **Not** be discriminated against in terms of services offered to equivalent clients
- **Get** only those advertisement materials from the broker which adhere to Code of Advertisement norms in place.
- **In case** of broker defaults, be compensated from the Exchange Investor Protection Fund as per the norms in place
- **Trade** in derivatives after submission of relevant financial documents to the broker subject to brokers' adequate due diligence.
- **Get** warnings on the trading systems while placing orders in securities where surveillance measures are in place
- **Get** access to products and services in a suitable manner even if differently abled
- **Get** access to educational materials of the MIIs and brokers
- **Get** access to all the exchanges of a particular segment you wish to deal with unless opted out specifically as per Broker norms
- **Deal** with one or more stockbrokers of your choice without any compulsion of minimum business
- **Have** access to the escalation matrix for communication with the broker
- **Not** be bound by any clause prescribed by the Brokers which are contravening the Regulatory provisions.

5. Various activities of stock brokers with timelines:

Sr No.	Activities	Expected Timelines
1	KYC entered into KRA System and CKYCR	3 working 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
9	Settlement of client funds	First Friday or Saturday of the month or quarter, as per the exchange's pre-announced schedule.
10	'Statement of Accounts' for Funds, Securities and Commodities	Monthly basis
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	21 calendar days from the receipt of the complaint

6. DO's and DON'Ts for Investors

DO's	DON'Ts
1. Read all documents and conditions being agreed before signing the account opening form. 2. Receive a copy of KYC, copy of account opening documents and Unique Client Code. 3. Read the product / operational framework / timelines related to various Trading and Clearing & Settlement processes. 4. Receive all information about brokerage, fees and other charges levied. 5. Register your mobile number and email ID in your trading, demat and bank accounts to get regular alerts on your transactions. 6. If executed, receive a copy of Demat Debit and Pledge Instruction (DDPI) However, DDPI is not a mandatory requirement as per SEBI / Stock Exchanges. Before granting DDPI, carefully examine the scope and implications of powers being granted.	1. Do not deal with an unregistered stockbroker. 2. Do not forget to strike off blanks in your account opening and KYC. 3. Do not submit an incomplete account opening and KYC form. 4. Do not forget to inform any change in information linked to trading account and obtain confirmation of updation in the system. 5. Do not transfer funds for trading to anyone other than a stockbroker. No payment should be made in the name of a stockbroker's employee. 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. 7. Do not opt for digital contracts, if not familiar with computers or if discrepancy is observed.

7. Receive contract notes for trades executed, showing transaction price, brokerage, GST and STT/CTT etc. as applicable, separately, within 24 hours of execution of trades. 8. Receive funds and securities/ commodities on time, as prescribed by SEBI or exchange from time to time. 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. 10. Receive statement of accounts periodically. If opted for running account settlement, account has to be settled by the stockbroker as per the option given by the client (Monthly or Quarterly). 11. In case of any grievances, approach the stockbroker, the Stock Exchange, or SEBI to get the issue resolved within the prescribed timelines. 12. Retain documents for trading activity as it helps in resolving disputes, if they arise.	8. Do not share trading password. 9. Do not fall prey to fixed / guaranteed returns schemes. 10. Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks / securities promising huge profits. 11. Do not follow herd mentality for investments. Seek expert and professional advice for your investments

Additionally, Investors may refer to DOs and DON'Ts issued by MIIs on their respective websites from time to time.

7. Grievance Redressal Mechanism

The process of investor grievance redressal is as follows:

1	Investor complaint/Grievances	An investor can lodge a complaint or grievance against a stockbroker through the following modes: 1. Filing a Complaint with the Stockbroker Investor can approach the Stockbroker at the designated Investor Grievance e-mail ID of the stockbroker. The Stockbroker will strive to redress the grievance immediately, but not later than 21 days of the receipt of the grievance 2. Filing a Complaint with the Stock Exchanges i. SCORES 2.0 (a web-based centralized grievance redressal system of SEBI.) https://scores.sebi.gov.in Two-level review for complaints/grievances against stockbrokers: • First review done by Designated body/Exchange • Second review done by SEBI ii. Email to Stock Exchange
2	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	If the Investor is not satisfied with the resolution provided by the Market Participants, then the Investor has the option to file the complaint/ grievance on SMARTODR platform for its resolution through online conciliation or arbitration.
3	Steps to be followed in ODR for Review, Conciliation and Arbitration	1. Investor to approach Market Participant for redressal of complaint 2. If investor is not satisfied with response of Market Participant, he/she has either of the following 2 options: i. May escalate the complaint on SEBI SCORES portal. ii. May also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration.

		3. Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavor to resolve the matter between the Market Participant and investor within 21 days. 4. If the matter could not be amicably resolved, then the matter shall be referred for conciliation. 5. During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator with consent of the parties to dispute. 6. If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration. 7. The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days with consent of the parties to dispute.

8. Handling of investors' 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 stockbroker defaults:

- Circular is issued to inform about declaration of Stockbroker as Defaulter.
- Information of defaulter stockbroker is disseminated on Stock Exchange website.
- Public Notice is issued informing declaration of a stockbroker as defaulter and inviting claims within specified period.
- Intimation to clients of defaulter stockbrokers 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 stockbroker.
- FAQ on processing of investors' claims against Defaulter stockbroker.
- Provision to check online status of client's claim.
- Standard Operating Procedure (SOP) for handling of Claims of Investors in the Cases of Default by Brokers
- Claim processing policy against Defaulter/Expelled members
- List of Defaulter/Expelled members and public notice issued

INVESTOR CHARTER FOR DEPOSITORIES AND DEPOSITORY PARTICIPANTS

1. Vision

Towards making Indian Securities Market - Transparent, Efficient, & Investor friendly by providing safe, reliable, transparent and trusted record keeping platform for investors to hold and transfer securities in dematerialized form.

2. Mission

- To hold securities of investors in dematerialized form and facilitate its transfer, while ensuring safekeeping of securities and protecting interest of investors
- To provide timely and accurate information to investors with regard to their holding and transfer of securities held by them.
- To provide the highest standards of investor education, investor awareness and timely services so as to enhance Investor Protection and create awareness about Investor Rights.

3. Details of business transacted by the Depository and Depository Participant (DP)

A Depository is an organization which holds securities of investors in electronic form. Depositories provide services to various market participants - Exchanges, Clearing Corporations, Depository Participants (DPs), Issuers and Investors in both primary as well as secondary markets. The depository carries out its activities through its agents which are known as Depository Participants (DP). Details available on the link - https://www.cdslindia.com/DP/dplist.aspx.

4. Description of services provided by the Depository through Depository Participants (DP) to investors

(1) Basic Services

Sr No.	Brief about the Activity / Service	Expected Timeline For processing by the DP after receipt of proper documents
1	Dematerialization of securities	7 days
2	Rematerialization of securities	7 days
3	Mutual Fund Conversion / Destatementization	5 days
4	Re-conversion / Restatementisation of Mutual fund units Restatementisation of Mutual fund units	5 days
5	Transmission of securities	7 days
6	Registering pledge request	15 days
7	Closure of demat account	30 days
8	Settlement Instruction	For T+1 day settlements, Participants shall accept instructions from the Clients, in physical form up to 4 p.m. (in case of electronic instructions up to 6.00 p.m.) on T day for pay-in of securities. For T+0 day settlements, Participants shall accept EPI instructions from the clients, till 11:00 AM on T day. Note: 'T' refers 'Trade Day'

(2) Depositories provide special services like pledge, hypothecation, internet based services etc. in addition to their core services and these include

Sr No.	Type of Activity/Service	Brief about the Activity / Service
1	Value Added Services	Depositories also provide value added services such as a. Basic Services Demat Account(BSDA): https://dhan.co/investor-charter-depository participants/ b. Transposition cum dematerialization: https://dhan.co/investor-charter depository-participants/ c. Linkages with Clearing System: https://dhan.co/investor-charter-depository participants/ d. Distribution of cash and non-cash corporate benefits (Bonus, Rights, IPOs etc.),stock lending, demat of NSC / KVP, demat of warehouse receipts etc.
2	Consolidated Account statement (CAS)	CAS is issued 10 days from the end of the month (if there were transactions in the previous month) or half yearly(if no transactions) .
3	Digitalization of services provided by the depositories	Depositories offer below technology solutions and e-facilities to their demat account holders through DPs: a. E-account opening: https://dhan.co/investor charter-depository-participants/ b. Online instructions for execution: https://dhan.co/investor-charter-depository participants/ c. e-DIS/DematGateway: https://dhan.co/investor-charter-depository participants/ d. e-CAS facility: https://dhan.co/investor-charter depository-participants/ e. Miscellaneous services: https://dhan.co/investor-charter-depository participants

5. Details of Grievance Redressal Mechanism

The Process of investor grievance redressal

1	Investor complaint/Grievances	Investor can lodge complaint/ grievance against the Depository/DP in the following ways: a. Electronic mode - (i) SCORES 2.0 (a web based centralized grievance redressal system of SEBI) https://scores.sebi.gov.in/ Two Level Review for complaint/grievance against DP: - First review done by Designated Body - Second review done by SEBI (ii) Respective Depository's web portal dedicated for the filing of compliant https://www.cdslindia.com/Footer/grievances.aspx (iii) Emails to designated email IDs of Depository complaints@cdslindia.com b. Offline mode: The complaints/ grievances lodged directly with the Depository shall be resolved within 21 days.

2	Online Dispute Resolution (ODR) platform for online Conciliation and Arbitration	If the Investor is not satisfied with the resolution provided by DP or other Market Participants, then the Investor has the option to file the complaint/grievance on SMARTODR platform for its resolution through by online conciliation or arbitration. https://smartodr.in/
3	Steps to be followed in ODR for Review, Conciliation and Arbitration	• Investor to approach Market Participant for redressal of complaint If investor is not satisfied with response of Market Participant, he/she can escalate the complaint on SEBI SCORES portal. • Alternatively, the investor may also file a complaint on SMARTODR portal for its resolution through online conciliation and arbitration. • Upon receipt of complaint on SMARTODR portal, the relevant MII will review the matter and endeavour to resolve the matter between the Market Participant and investor within 21 days. • If the matter could not be amicably resolved, then the Investor may request the MII to refer the matter case for conciliation. • During the conciliation process, the conciliator will endeavor for amicable settlement of the dispute within 21 days, which may be extended with 10 days by the conciliator. • If the conciliation is unsuccessful, then the investor may request to refer the matter for arbitration. • The arbitration process to be concluded by arbitrator(s) within 30 days, which is extendable by 30 days.

6. Guidance pertaining to special circumstances related to market activities: Termination of the Depository Participant

Sr No.	Type of special circumstances	Timeline For The Activity/ Service
1	• Depositories to terminate the participation in case a participant no longer meets the eligibility criteria and/or any other grounds as mentioned in the bye laws like suspension of trading member by the Stock Exchanges. • Participant surrenders the participation by its own wish.	• Client will have a right to transfer all its securities to any other Participant of its choice without any charges for the transfer within 30 days from the date of intimation by way of letter/email.

7. Dos and Don'ts for Investors (https://dhan.co/investor-charter-depository-participants/)

8. Rights of investors (https://dhan.co/investor-charter-depository-participants/)

9. Responsibilities of Investors (https://dhan.co/investor-charter-depository-participants/)

10. Code of Conduct for Depositories (https://dhan.co/investor-charter-depository-participants/)
(Part D of Third Schedule of SEBI (D & P) regulations, 2018)

11. Code of Conduct for Participants (https://dhan.co/investor-charter-depository-participants/)
(Part A of Third Schedule of SEBI (D & P) regulations, 2018)