

|| श्री || **LAKSHMISHREE**

The Quality of Being Virtual



Client Name

Branch Code

Client Code

Client Registration Application Form

MCX

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LAKSHMISHREE INVESTMENT & SECURITIES PVT LTD PVT. LTD.

Membership No. : 55910

Compliance Officer's Details :-

Name : Ms. Shobha Sharma
Phone Number : +91-9044039907 to 10
E-mail ID : compliance@lakshmishree.com

CEO Details :-

Name : Mr. Salil Kumar Shah
Phone Number : +91-9044039907 to 10
E-mail ID : salil@lakshmishree.com

For any grievance / dispute please contact Commodity broker (M/s Lakshmishree Investment & Securities (P) Ltd. At the below address or e-mail ID-query@lakshmishree.com and Phone No. : +91-9044039907 to 10 (In case not satisfied with the response, please contact the concerned exchange(s) at

Exchange Name
Multi Commodity Exchange of India Limited

Email-ID
grievance@mcxindia.com

Phone Number
91-022-66494070

INSTRUCTIONS / CHECK LIST FOR FILLING KYC FORM

(A) IMPORTANT POINTS:

- Self attested copy of PAN card is mandatory for all clients, including Promoters/Partners/Karta/Trustees and whole time directors and persons authorized to deal in securities on behalf of company/firm/others.
- Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
- If any proof of identity or address is in a regional language, then translation into English is required.
- Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
- If correspondence & permanent address are different, then proofs for both have to be submitted.
- Sole proprietor must make the application in his individual name & capacity.
- For non-residents and foreign nationals, (allowed to trade subject to RBI and FIPB / FEMA guidelines and other applicable statutory approvals), copy of passport/PIO Card/OCI Card and overseas address proof is mandatory.
- For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
- In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted along with other statutory approvals required for investment in commodities.
- Politically Exposed Persons (PEP) are defined as individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States or of Governments, senior politicians, senior Government/judicial/ military officers, senior executives of state owned corporations, important political party officials, etc.

(B) Proof of Identity (POI): - *List of documents admissible as Proof of Identity:*

- Unique Identification Number (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license.
- PAN card with photograph.
- Identity card/ document with applicant's Photo, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members; and Credit cards/Debit cards issued by Banks.

(C) Proof of Address (POA): - List of documents admissible as Proof of Address:

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

- Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.
- Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
- Bank Account Statement/Passbook -- Not more than 3 months old.
- Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/Gazetted Officer/Notary public/Elected representatives to the Legislative Assembly/ Parliament/Documents issued by any Govt. or Statutory Authority.
- Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members.
- The proof of address in the name of the spouse may be accepted.

(D) Exemptions/clarifications to PAN (*Sufficient documentary evidence in support of such claims to be collected.)

- In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
- Investors residing in the state of Sikkim. (Subject to the continued exemption granted by Government)

(E) List of people authorized to attest the documents:

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

(F) In case of Non-Individuals, additional documents to be obtained from non-individuals over & above the POI & POA, as mentioned below:

Types of Entity	Documentary Requirements
Corporate	<ul style="list-style-type: none"> ● Copy of the balance sheets for the last 2 financial years (to be submitted every year). ● Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the company in terms of SEBI takeover Regulations, duly certified by the company secretary/Whole time director/MD (to be submitted every year). ● Photograph, POI, POA, PAN and DIN numbers of whole time directors/two directors in charge of day to day operations. ● Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly. ● Copies of the Memorandum and Articles of Association and certificate of incorporation. ● Copy of the Board Resolution for investment in Commodity market. ● Copy of Board Resolution or declaration (on the letterhead) naming the persons authorized to deal in Commodity Derivative on behalf of company/firm/others and their specimen signatures.
Partnership Firm	<ul style="list-style-type: none"> ● Copy of the balance sheets for the last 2 financial years (to be submitted every year). ● Certificate of registration (for registered partnership firms only). ● Copy of partnership deed. ● Authorised signatories list with specimen signatures. ● Photograph, POI, POA, PAN of Partners.
Trust	<ul style="list-style-type: none"> ● Copy of the balance sheets for the last 2 financial years (to be submitted every year). ● Certificate of registration (for registered trust only). ● Copy of Trust deed. ● List of trustees certified by managing trustees/CA. ● Photograph, POI, POA, PAN of Trustees.
HUF	<ul style="list-style-type: none"> ● PAN of HUF. ● Deed of declaration of HUF/ List of coparceners. ● Bank pass-book/bank statement in the name of HUF. ● Photograph, POI, POA, PAN of Karta.
Government Bodies	<ul style="list-style-type: none"> ● Self-certification on letterhead. ● Authorized signatories list with specimen signatures.
Registered Society	<ul style="list-style-type: none"> ● Copy of Registration Certificate under Societies Registration Act. ● List of Managing Committee members. ● Committee resolution for persons authorised to act as authorised signatories with specimen signatures. ● True copy of Society Rules and Bye Laws certified by the Chairman / Secretary.

CENTRAL KYC REGISTRY | Know Your Customer (KYC) Application Form | Individual



Important Instructions:

- A) Fields marked with '*' are mandatory fields.
- B) Please fill the form in English and in BLOCK letters.
- C) Please fill the date in DD-MM-YYYY format.
- D) Please read section wise detailed guidelines / instructions at the end.
- E) List of State / U.T code as per Indian Motor Vehicle Act, 1988 is available at the end.
- F) List of two character ISO 3166 country codes is available at the end.
- G) KYC number of applicant is mandatory for update application.
- H) For particular section update, please tick (✓) in the box available before the section number and strike off the sections not required to be updated.

For office use only

(To be filled by financial institution)

Application Type* New Update

KYC Number (Mandatory for KYC update request)

Account Type* Normal Simplified (for low risk customers) Small

1. PERSONAL DETAILS (Please refer instruction A at the end)

	Prefix	First Name	Middle Name	Last Name
<input type="checkbox"/> Name* (Same as ID proof)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Maiden Name (If any*)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Father / Spouse Name*	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Mother Name*	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Date of Birth*	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Gender*	<input type="checkbox"/> M- Male	<input type="checkbox"/> F- Female	<input type="checkbox"/> T-Transgender	
Marital Status*	<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried	<input type="checkbox"/> Others	
Citizenship*	<input type="checkbox"/> IN- Indian	<input type="checkbox"/> Others (ISO 3166 Country Code <input type="text"/>)		
Residential Status*	<input type="checkbox"/> Resident Individual	<input type="checkbox"/> Non Resident Indian		
	<input type="checkbox"/> Foreign National	<input type="checkbox"/> Person of Indian Origin		
Occupation Type*	<input type="checkbox"/> S-Service (<input type="checkbox"/> Private Sector	<input type="checkbox"/> Public Sector	<input type="checkbox"/> Government Sector)	
	<input type="checkbox"/> O-Others (<input type="checkbox"/> Professional	<input type="checkbox"/> Self Employed	<input type="checkbox"/> Retired <input type="checkbox"/> Housewife <input type="checkbox"/> Student)	
	<input type="checkbox"/> B-Business			
	<input type="checkbox"/> X- Not Categorised			

PHOTO

Signature / Thumb Impression

2. TICK IF APPLICABLE RESIDENCE FOR TAX PURPOSES IN JURISDICTION(S) OUTSIDE INDIA (Please refer instruction B at the end)

ADDITIONAL DETAILS REQUIRED* (Mandatory only if section 2 is ticked)

ISO 3166 Country Code of Jurisdiction of Residence*

Tax Identification Number or equivalent (If issued by jurisdiction)*

Place / City of Birth* ISO 3166 Country Code of Birth*

3. PROOF OF IDENTITY (PoI)* (Please refer instruction C at the end)

(Certified copy of any one of the following Proof of Identity [PoI] needs to be submitted)

<input type="checkbox"/> A- Passport Number	<input type="text"/>	Passport Expiry Date	<input type="text"/>
<input type="checkbox"/> B- Voter ID Card	<input type="text"/>		
<input type="checkbox"/> C- PAN Card	<input type="text"/>		
<input type="checkbox"/> D- Driving Licence	<input type="text"/>	Driving Licence Expiry Date	<input type="text"/>
<input type="checkbox"/> E- UID (Aadhaar)	<input type="text"/>		
<input type="checkbox"/> F- NREGA Job Card	<input type="text"/>		
<input type="checkbox"/> Z- Others (any document notified by the central government)	<input type="text"/>	Identification Number	<input type="text"/>
<input type="checkbox"/> S- Simplified Measures Account - Document Type code	<input type="text"/>	Identification Number	<input type="text"/>

4. PROOF OF ADDRESS (PoA)*

4.1 CURRENT / PERMANENT/ OVERSEAS ADDRESS DETAILS (Please see instruction D at the end)

(Certified copy of any one of the following Proof of Address [PoA] needs to be submitted)

Address Type* Residential / Business Residential Business Registered Office Unspecified

Proof of Address* Passport Driving Licence UID (Aadhaar)

Voter Identity Card NREGA Job Card Others

Simplified Measures Account - Document Type code

Address

Line 1*

Line 2

Line 3

District* Pin / Post Code* State / U.T Code* City / Town / Village* ISO 3166 Country Code*

4.2 CORRESPONDENCE / LOCAL ADDRESS DETAILS * (Please see instruction E at the end)

Same as Current / Permanent / Overseas Address details (In case of multiple correspondence / local addresses, please fill 'Annexure A1')

Line 1*

Line 2

Line 3 City / Town / Village*

District* Pin / Post Code* State / U.T Code* ISO 3166 Country Code*

4.3 ADDRESS IN THE JURISDICTION DETAILS WHERE APPLICANT IS RESIDENT OUTSIDE INDIA FOR TAX PURPOSES* (Applicable if section 2 is ticked)

Same as Current / Permanent / Overseas Address details Same as Correspondence / Local Address details

Line 1*

Line 2

Line 3 City / Town / Village*

State* ZIP / Post Code* ISO 3166 Country Code*

5. CONTACT DETAILS (All communications will be sent on provided Mobile no. / Email-ID) (Please refer instruction F at the end)

Tel. (Off) - Tel. (Res) - Mobile -

FAX - Email ID

6. DETAILS OF RELATED PERSON* (In case of additional related persons, please fill 'Annexure B1') (please refer instruction G at the end)

Addition of Related Person Deletion of Related Person KYC Number of Related Person (if available*)

Related Person Type* Guardian of Minor Assignee Authorized Representative

Prefix First Name Middle Name Last Name

Name*

(If KYC number and name are provided, below details of section 6 are optional)

PROOF OF IDENTITY [PoI] OF RELATED PERSON* (Please see instruction (H) at the end)

A- Passport Number Passport Expiry Date --

B- Voter ID Card

C- PAN Card

D- Driving Licence Driving Licence Expiry Date --

E- UID (Aadhaar)

F- NREGA Job Card

Z- Others (any document notified by the central government) Identification Number

S- Simplified Measures Account - Document Type code Identification Number


7. REMARKS (If any)

8. APPLICANT DECLARATION

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

I hereby consent to receiving information from Central KYC Registry through SMS/Email on the above registered number/email address.

Date : -- Place :

 2/14 [Signature / Thumb Impression]

Signature / Thumb Impression of Applicant

9. ATTESTATION / FOR OFFICE USE ONLY

Documents Received Certified Copies

KYC VERIFICATION CARRIED OUT BY

Date --

Emp. Name

Emp. Code

Emp. Designation

Emp. Branch

INSTITUTION DETAILS

Name

Code

[Employee Signature]

[Institution Stamp]

**Know Your Client (KYC)
Application Form (For Individuals Only)**



Place for
Intermediary Logo

Application No. :

Please fill in ENGLISH and in BLOCK LETTERS

A. Identity Details (please see guidelines overleaf)

1. Name of Applicant (As appearing in supporting identification document).

Name

Father's/Spouse Name

2. Gender Male Female B. Marital status Single Married C. Date of Birth

3. Nationality Indian Other (Please specify) _____

4. Status Please tick (✓) Resident Individual Non Resident Foreign National (Passport Copy Mandatory for NRIs & Foreign Nationals)

5. PAN

 Please enclose a duly attested copy of your PAN Card

Aadhaar Number, if any: _____

6. Proof of Identity submitted for PAN exempt cases Please Tick (✓)

UID (Aadhaar) Passport Voter ID Driving Licence Others _____ (Please see guideline 'D' overleaf)

PHOTOGRAPH

Please affix
the recent passport
size photograph and
sign across it

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B. Address Details (please see guidelines overleaf)

1. Address for Residence/Correspondence

City / Town / Village		Country	Pin Code
State			

2. Contact Details

Tel. (Off.) (ISD) (STD)	Tel. (Res.) (ISD) (STD)
Mobile (ISD) (STD)	Fax (ISD) (STD)
E-Mail Id.	

3. Proof of address to be provided by Applicant. Please submit ANY ONE of the following valid documents & tick (✓) against the document attached.

Passport Ration Card Registered Lease/Sale Agreement of Residence Driving License Voter Identity Card *Latest Bank A/c Statement/Passbook
 *Latest Telephone Bill (only Land Line) *Latest Electricity Bill *Latest Gas Bill Others (Please specify) _____

*Not more than 3 Months old. Validity/Expiry date of proof of address submitted

4. Permanent Address of Resident Applicant if different from above B1 OR Overseas Address (Mandatory) for Non-Resident Applicant

City / Town / Village		Country	Pin Code
State			

5. Proof of address to be provided by Applicant. Please submit ANY ONE of the following valid documents & tick (✓) against the document attached.

Passport Ration Card Registered Lease/Sale Agreement of Residence Driving License Voter Identity Card *Latest Bank A/c Statement/Passbook
 *Latest Telephone Bill (only Land Line) *Latest Electricity Bill *Latest Gas Bill Others (Please specify) _____

*Not more than 3 Months old. Validity/Expiry date of proof of address submitted

6. Any other information: _____

DECLARATION

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

Place: _____ Date: _____

SIGNATURE OF APPLICANT

4/14

FOR OFFICE USE ONLY

AMC/Intermediary name OR code _____

(Originals Verified) Self Certified Document copies received

(Attested) True copies of documents received
Main Intermediary

Seal/Stamp of the intermediary should contain

Staff Name
Designation
Name of the Organization
Signature
Date

Seal/Stamp of the intermediary should contain

Staff Name
Designation
Name of the Organization
Signature
Date

IPV Done on

OTHER DETAILS

Gross Annual Income Details (Please Specify) : Income Range per Annum :

Below Rs. 1,00,000
 Rs. 1,00,001 to Rs. 5,00,000
 5,00,001 to Rs. 10,00,000
 10,00,001 to Rs. 25,00,000
 25,00,000 to 1,00,00,000

Above 1,00,00,000
 Net Worth as on (Date) _____ () (Net worth should not be older that 1 year)

Name, Pan, Residential address and photographs of promoters/Partners/Karta/Trustees and whole time Directors

DIN/UID of Promoters/Partners/Karta and whole time directors

Please tick, if applicable, for any of your authorized signatories Promoters/Partners/Karta/Trustees/whole time Directors :

Politically Exposed Person (PEP) Related to a Politically Exposed Person (PEP)
 Yes No

Any Other Information :

If you have a landline connection, kindly provide the same

BANK ACCOUNT(S) DETAILS : For Individuals & Non-Individuals


Bank Name																								
Branch Address																								
Bank Account No.																								
Account Type		Saving				Current				Others-in case of NRI / NRE / NRO														
MICR Number																								

DEPOSITORY ACCOUNT(S) DETAILS : For Individuals & Non-Individuals

Depository Participant Name	Depository Name (NSDL / CDSL)	Beneficiary Name	DP ID	Beneficiary ID (BO ID)
Lakshminshree Investment & Securities Pvt. Ltd.	CDSL		1 2 0 5 9 1 0 0	

TRADING PREFERENCES : For Individuals & Non-Individuals

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

SR. NO.	NAME OF THE NATIONAL COMMODITY EXCHANGES	DATE OF CONSENT FOR TRADING ON CONCERNED EXCHANGE	CLIENT SIGNATURE
1	Multi Commodity Exchange of India Limited. (MCX)		 5/14

INVESTMENT / TRADING EXPERIENCE : For Individuals & Non-Individuals

No Prior Experience Years in Commodities Years in other Investment related fields

SALES TAX REGISTRATION DETAILS : For Individuals & Non-Individuals

Local Sales Tax Registration No.	State Name	Validity Date
		D D M M Y Y Y Y
Central Sales Tax Registration No.	State Name	Validity Date
		D D M M Y Y Y Y
Other Sales Tax Registration No.	State Name	Validity Date
		D D M M Y Y Y Y

VAT DETAILS (As Applicable, State wise) : For Individuals & Non-Individuals

Local VAT Registration No.	State Name	Validity Date
		D D M M Y Y Y Y
Other VAT Registration No.	State Name	Validity Date
		D D M M Y Y Y Y

PAST REGULATORY ACTIONS : For Individuals & Non-Individuals

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

DEALINGS THROUGH OTHER MEMBERS : For Individuals & Non-Individuals

If client is dealing through the Member the following details (incase dealing with multiple Members provide details of all in a separate sheet containing all the information as mentioned below) :

Member's Name: _____

Exchange: _____

Exchange's Registration number: _____

Concerned Member's Name with whom the AP is registered: _____

Registered office address: _____

Ph: _____ Fax: _____ Email: _____ Website: _____

Client Code: _____

Details of disputes/dues pending from/to such Member : _____

ADDITIONAL DETAILS : For Individuals & Non-Individuals

- Whether you wish to receive physical contract note or Electronic Contract Note (ECN) (please specify): _____

- If ECN has been selected, provide your Email id: _____
- If you wish to receive Electronic Contract Note (ECN), an 'ECN declaration form' via email would need to be provided as per the format and procedure given at Annexure A.
- The ECN declaration form should normally be in English. In case you are not conversant with the English language, the ECN form should be bi-lingual i.e., in English and the local language known to you.
- You can revoke the ECN facility and opt for the contract note in the physical form only by giving 7 working days' notice to the member and copy of the same would be retained by you.
- Whether you wish to avail of the facility of internet trading/ wireless technology (please specify): _____
- Any other Information : _____

INTRODUCER DETAILS (Optional) : For Individuals & Non-Individuals

- Name of the Introducer : _____
(Surname) (Name) (Middle Name)
- Status of the Introducer: Authorized Person/Existing Client/Others, please specify _____
- Address and phone no. of the Introducer: _____ Signature of the Introducer: _____

NOMINATION DETAILS : For Individuals only

- I/We wish to nominate I/We do not wish to nominate
- Name of the Nominee : _____ Relationship with the Nominee : _____
- PAN of Nominee : _____ Date of Birth of Nominee : _____
- Address and Phone No. of the Nominee : _____

If Nominee is a minor, details of guardian

- Name of the Guardian : _____
- Address and Phone No. of the Nominee : _____
- Signature of Guardian : _____

WITNESSES (Only applicable in case the account holder has made nomination)

- Name : _____ ● Name : _____
- Signature : _____ ● Signature : _____
- Address : _____ ● Address : _____

DECLARATION

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

- I/We confirm having read/been explained and understood the contents of the tariff sheet and all voluntary/non-mandatory documents.

- I/We further confirm having read and understood the contents of the 'Rights and Obligations' document(s), 'Risk Disclosure Document' and 'Do's and Don't'. I/We do hereby agree to be bound by such provisions as outlined in these documents. I/We have also been informed that the standard set of documents has been displayed for Information on Member's designated website, if any.

 7/14

Place : _____

Date : _____

**Signature of Client/ (all)
Authorized Signatory (ies)*the Applicant**

FOR OFFICE USE ONLY

UCC Code allotted to the Client : _____

	Documents verified with Originals
Name of the Employee	
Employee Code	
Designation of the Employee	
Date	
Signature	

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

Date : _____

**Signature of the Authorised Signatory
Seal / Stamp of the Member**

RISK DISCLOSURE DOCUMENT

The Exchange / Securities and Exchange Board of India (SEBI) does not singly or jointly, expressly or impliedly, guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure documents nor has the Exchange / SEBI endorsed or passed any merits of participating in the Commodity Derivatives market/trading. This brief statement does not disclose all of the risks and other significant aspects of trading. You should, therefore, study derivatives trading carefully before becoming involved in it.

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

You must know and appreciate that investment in commodity futures contracts/ derivatives or other instruments traded on the Commodity Exchange(s), which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/ limited investment and/ or trading experience and low risk tolerance. You should, therefore, carefully consider whether such trading is suitable for you in the light of your financial condition. In case, you trade on the Exchange and suffer adverse consequences or loss, you shall be solely responsible for the same and the Exchange, its Clearing House and/ or Forward Markets Commission shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take the plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned member. The Client 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 commodity derivatives being traded on the Exchange.

It must be clearly understood by you that your dealings on the Exchange through a member shall be subject to your fulfilling certain formalities set out by the member, which may, *inter alia*, include your filing the know your client form, client registration form, execution of an agreement etc. And are subject to Rules, Bylaws and Business Rules of the Exchange and its Clearing Corporation/Clearing House, guidelines prescribed by SEBI from time to time and circulars as may be issued by the Exchange or its Clearing Corporation/Clearing House from time to time.

The Exchange does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any member of the Exchange and/ or third party based on any information contained in this document. Any information contained in this document must not be construed as business advice/investment advice.

No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

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

Basic Risks involved in the trading of Commodity Futures Contracts and other Commodity Derivatives Instruments on the Exchange.

Risk of Higher Volatility

Volatility refers to the dynamic changes in price that commodity derivative contracts undergo when trading activity continues on the Commodity Exchange. Generally, higher the volatility of a commodity derivatives contract, greater is its price swings. There may be normally greater volatility in thinly traded commodity derivatives contracts than in actively traded commodities/ 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 real losses.

Risk of Lower Liquidity

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

(2) Buying/ Selling without intention of giving and/ or taking delivery of certain commodities may also result into losses, because in such a situation, commodity derivative contracts may have to be squared-off at a low/ high prices, compared to the expected price levels, so as not to have any obligation to deliver/ receive such commodities.

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 commodity derivative and immediately selling it or *vice versa*. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid commodities/ commodity derivatives contracts. This in turn will hamper better price formation.

Risk Reducing orders

(1) Most of the Exchanges have a facility for investors to place "limit orders", "stop loss orders" etc. Placing of such orders (e.g. "stop loss" orders or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

(2) "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 commodity derivatives contract.

(3) "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the client received price protection, there is a possibility that the order may not be executed at all.

(4) Stop loss order is generally placed "away" from the current price of a commodity derivatives contract, and such order gets activated if and when the 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 contract approaches 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 contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

Risk of News Announcements

Traders/Manufacturers make news announcements that may impact the price of the commodities and/or commodity derivatives contracts. These announcements 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 commodity / commodity derivatives contract.

Risk of Rumours

Rumours about the price of a commodity at times float in the market through word of mouth, newspaper, websites or news agencies, etc., the investors should be wary of and should desist from acting on rumours.

System Risk

(1) 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.

(2) 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 execution of order and its confirmation.

(3) 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 commodity due to any action on account of unusual trading activity or price hitting circuit filters or for any other reason.

System / Network Congestion

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

As far as Futures Commodity Derivatives are concerned please note and get yourself acquainted with the following additional features

Effect of "Leverage" or "Gearing"

(1) The amount of margin is small relative to the value of the commodity derivatives contract so the transactions are 'leveraged' or 'geared'. Commodity Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in commodity/derivatives carry a high degree of risk. You should therefore completely understand the following statements before actually trading in commodity derivatives contracts and also trade with caution while taking into account one's circumstances, financial resources, etc.

(2) Trading in Futures Commodity Derivatives involves daily settlement of all positions. Every day the open positions are marked to market based on the closing price. If the closing price has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading on the next day.

(3) If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the Member of the Exchange may liquidate/square-up a part of or the whole position. In this case, you will be liable for any losses incurred due to such square-up/ Close Outs.

(4) Under certain market conditions, an Investor may find it difficult or impossible to execute the 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.

(5) Steps, such as, changes in the margin rate, increase in the cash margin rate etc. may be adopted in order to maintain market stability. These new measures may be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

(6) You must ask your Member of the Exchange to provide the full details of the commodity derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

Trading through Wireless Technology or any other Technology

Any additional provisions defining the features, risks, responsibilities, obligations and liabilities associated with commodities trading through wireless technology or any other technology should be brought to the notice of the client by the stock broker.

GENERAL

Deposited cash and property

You should familiarize yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm become insolvent or bankrupt. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property, which has been specifically identifiable as your own, will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the Member of the Exchange, the same shall be subject to arbitration as per the Rules, Bye-laws and Business Rules of the Exchange.

Commission and other charges

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

(2) For rights and obligations of the Members/Authorized Persons/ clients, please refer below Headlines.

(3) The term "Constituent" shall mean and include a Client, a Customer or an Investor, who deals with a member for the purpose of trading in the commodity derivatives through the mechanism provided by the Exchange.

(4) The term "member" shall mean and include a Trading Member or a Broker, who has been admitted as such by the Exchange and got a Unique Member Code from SEBI.

RIGHTS AND OBLIGATIONS OF MEMBERS, AUTHORIZED PERSONS AND CLIENTS As prescribed by SEBI and Commodity Exchanges

(01) The client shall invest/trade in those commodities / contracts/other instruments admitted to dealings on the Exchanges as defined in the Rules, Bylaws and Business Rules / Regulations of Exchanges/ **Securities and Exchange Board of India (SEBI)** and circulars/notices issued there under from time to time.

(02) The Member, Authorized Person and the client shall be bound by all the Rules, Byelaws and Business Rules 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.

(03) The client shall satisfy himself of the capacity of the Member to deal in commodities and/or deal in derivatives contracts and wishes to execute its orders through the Member and the client shall from time to time continue to satisfy itself of such capability of the Member before executing orders through the Member.

(04) The Member shall continuously satisfy itself about the genuineness and financial soundness of the client and investment objectives relevant to the services to be provided.

(05) The Member shall take steps to make the client aware of the precise nature of the Member's liability for business to be conducted, including any limitations, the liability and the capacity in which the Member acts.

(06) The Authorized Person shall provide necessary assistance and co-operate with the Member in all its dealings with the client(s).

Client Information

(07) The client shall furnish all such details in full as are required by the Member in "Account Opening Form" with supporting details, made mandatory by commodity exchanges/**SEBI** from time to time.

(08) The client shall familiarize himself with all the mandatory provisions in the Account Opening documents. Any additional clauses or documents specified by the Member shall be non-mandatory, as per terms & conditions accepted by the client.

(09) The client shall immediately notify the Member 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 Member on a periodic basis.

(10) The Member and Authorized Person shall maintain all the details of the client as mentioned in the account opening form or any other information pertaining to the client, confidentially and that they shall not disclose the same to any person/authority except as required under any law/regulatory requirements. Provided however that the Member may so disclose information about his client to any person or authority with the express permission of the client.

Margins

(11) The client shall pay applicable initial margins, withholding margins, special margins or such other margins as are considered necessary by the Member 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 Member is permitted in its sole and absolute discretion to collect additional margins (even though not required by the Exchange, Clearing House/Clearing Corporation or **SEBI**) and the client shall be obliged to pay such margins within the stipulated time.

(12) The client understands that payment of margins by the client does not necessarily imply complete satisfaction of all dues. In spite of consistently having paid margins, the client may, on the settlement of its trade, be obliged to pay (or entitled to receive) such further sums as the contract may dictate/require.

Transactions and Settlements

(13) The client shall give any order for buy or sell of commodities derivatives contract in writing or in such form or manner, as may be mutually agreed between the client and the Member however ensuring the regulatory requirements in this regard are complied with. The Member shall ensure to place orders and execute the trades of the client, only in the Unique Client Code assigned to that client.

(14) The Member 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 commodity exchange where the trade is executed.

(15) The Member shall ensure that the money 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 Member for himself/itself or for any other client or for any purpose other than the purposes mentioned in Rules, circulars, notices, guidelines of **SEBI** and/or Rules, Business Rules, Bye-laws, circulars and notices of Exchange.

(16) Where the Exchange(s) cancels trade(s) suo moto all such trades including the trade/s done on behalf of the client shall ipso facto stand cancelled, Member shall be entitled to cancel the respective contract(s) with client(s).

(17) The transactions executed on the Exchange are subject to Rules, Byelaws and Business Rules and circulars/notices issued there under of the Exchanges where the trade is executed and all parties to such trade shall have submitted to the jurisdiction of such court as may be specified by the Byelaws and Business Rules of the Exchanges where the trade is executed for the purpose of giving effect to the provisions of the Rules, Byelaws and Business Rules of the Exchanges and the circulars/notices issued there under.

Brokerage

(18) The Client shall pay to the Member 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 Member renders to the Client. The Member shall not charge brokerage more than the maximum brokerage permissible as per the Rules, Business Rules and Bye-laws of the relevant commodity exchanges and/or Rules of **SEBI**.

Liquidation and close out of position

(19) Without prejudice to the Member's other rights (including the right to refer a matter to arbitration), the client understands that the Member shall be entitled to liquidate/close out all or any of the client's positions for non-payment of margins or other amounts, outstanding debts, etc. And adjust the proceeds of such liquidation/close out, if any, against the client's liabilities/obligations. Any and all losses and financial charges on account of such liquidation/closing-out shall be charged to and borne by the client.

(20) In the event of death or insolvency of the client or his/its otherwise becoming incapable of receiving and paying for or delivering or transferring commodities which the client has ordered to be bought or sold, Member 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/commodities in favor of a Nominee shall be valid discharge by the Member against the legal heir.

Dispute Resolution

(21) The Member shall co-operate in redressing grievances of the client in respect of all transactions routed through it.

(22) The client and the Member shall refer any claims and/or disputes with respect to deposits, margin money, etc., To arbitration as per the Rules, Byelaws and Business Rules of the Exchanges where the trade is executed and circulars/notices issued thereunder as may be in force from time to time.

(23) The Member shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him vis-à-vis the client and he shall be liable to implement the arbitration awards made in such proceedings.

(24) The client/Member understands that the instructions issued by an authorized representative for dispute resolution, if any, of the client/Member shall be binding on the client/Member in accordance with the letter authorizing the said representative to deal on behalf of the said client/Member.

Termination of Relationship

(25) This relationship between the Member and the client shall be terminated; if the Member for any reason ceases to be a member of the commodity exchange including cessation of membership by reason of the Member's default, death, resignation or expulsion or if the certificate is cancelled by the Exchange.

(26) The Member, Authorized Person and the client shall be entitled to terminate the relationship between them without giving any reasons to the other party, after giving notice in writing of not less than one month to the other parties. Notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this relationship shall continue to subsist and vest in/be binding on the respective parties or his/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.

(27) In the event of demise/insolvency of the Authorized Person or the cancellation of his/its registration with the Board or/withdrawal of recognition of the Authorized Person by the commodity exchange and/or termination of the agreement with the Authorized Person by the Member, 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 Member and all clauses in the 'Rights and Obligations' document(s) governing the Member, Authorized Person and client shall continue to be in force as it is, unless the client intimates to the Member his/its intention to terminate their relationship by giving a notice in writing of not less than one month.

Additional Rights and Obligations

(28) The Member and client shall reconcile and settle their accounts from time to time as per the Rules, Business Rules, Bye Laws, Circulars, Notices and Guidelines issued by **SEBI** and the relevant Exchanges where the trade is executed.

(29) The Member shall issue a contract note to his clients 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 Member shall send contract notes to the investors within 24 hours of the execution of the trades in hard copy and/or in electronic form using digital signature.

(30) The Member shall make pay out of funds within 48 hours or delivery of commodities as per the Exchange Rules, Bye-Laws, Business Rules and Circulars, as the case may be, to the Client on 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.

(31) The Member shall send a complete 'Statement of Accounts' for both funds and commodities 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 immediately but not later than 30 calendar days of receipt thereof, to the Member. A detailed statement of accounts must be sent every month to all the clients in physical form. The proof of delivery of the same should be preserved by the Member.

(32) The Member 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, warehouse receipts, securities etc.

(33) The Client shall ensure that it has the required legal capacity to, and is authorized to, enter into the relationship with Member 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.

(34) In case, where a member surrenders his/ her/ its membership, Member gives a public notice inviting claims, if any, from investors. In case of a claim relating to transactions executed on the trading system of the Exchange, ensure that you lodge a claim with the Exchange or its Clearing Corporation / Clearing House within the stipulated period and with the supporting documents.

Electronic Contract Note (ECN)

(35) In case, client opts to receive the contract note in electronic form, he shall provide an appropriate e-mail id (created by the client) to the Member (Kindly refer Appendix A of Annexure 1). Member shall ensure that all the rules/ Business Rule/Bye-Laws/ circulars issued from time to time in this regard are complied with. The client shall communicate to the Member 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.

(36) The Member shall ensure that all ECNs sent through the E-mail shall be digitally signed, encrypted, non-tamper able and in compliance with the provisions of the IT Act, 2000. In case, ECN is sent through e-mail as an attachment, the attached file shall also be secured with the digital signature, encrypted and non-tamperable.

(37) The client shall note that non-receipt of bounced mail notification by the Member shall amount to delivery of the contract note at the e-mail ID of the client.

(38) The Member shall retain ECN and acknowledgment of the e-mail in a soft and nontamperable form in the manner prescribed by the exchange in compliance with the provisions of the IT Act, 2000 and as per the extant rules/irculars/guidelines issued by **SEBI**/Commodity 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 Member for the specified period under the extant rules/ circulars/guidelines issued by **SEB**/Commodity exchanges. The log report shall provide the details of the contract notes that are not delivered to the client/e-mails rejected or bounced back. The Member 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 rules/ circulars/guidelines issued by **SEBI**/Commodity exchanges.

(39) The Member 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 Member shall send a physical contract note to the client with in the stipulated time under the extant Regulations/ Rules, Bye-Laws, Business Rules and Circulars of **SEBI**/commodity exchanges and maintain the proof of dispatch and delivery of such physical contract notes.

(40) In addition to the e-mail communication of the ECNs to the client, the Member shall simultaneously publish the ECN on his designated web-site, if any, in a secured way and enable relevant access to the clients and for this purpose, shall allot a unique user name and password to the client, with an option to the client to save the contract note electronically and/or take a print out of the same.

(41) The Electronic Contract Note (ECN) declaration form obtained from the Client who opts to receive the contract note in electronic form must be obtained afresh before 1st April of every financial year by following the same procedure. Thus, such declaration would be valid for that financial year only.

Law and Jurisdiction

(42) In addition to the specific rights set out in this document, the Member, Authorised Person and the client shall be entitled to exercise any other rights which the Member or the client may have under the Rules, Bye-laws and Business Rules of the Exchanges in which the client chooses to trade and circulars/notices issued there under or Rules of **SEBI**.

(43) The provisions of this document shall always be subject to Government notifications, any rules, guidelines and circulars/notices issued by **SEBI** and Circulars, Rules, Business Rules and Bye laws of the relevant commodity exchanges, where the trade is executed, that may be in force from time to time.

(44) The Member 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, if either party is not satisfied with the arbitration award.

(45) 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/Business Rules and circulars/notices issued thereunder of the Exchanges/**SEBI**.

(46) All additional voluntary clauses/document added by the Member should not be in contravention with Rules/ Business Rules/ Notices/ Circulars of Exchanges/ **SEBI**. Any changes in such voluntary clauses/ document(s) need to be preceded by a notice of 15 days. Any changes in the rights and obligations which are specified by Exchanges/**SEBI** shall also be brought to the notice of the clients.

(47) If the rights and obligations of the parties hereto are altered by virtue of change in Rules of **SEBI** or Bye-laws, Rules and Business Rules of the relevant commodity exchanges where the trade is executed, such changes shall be deemed to have been incorporated herein in modification of the rights and obligations of the parties mentioned in this document.

INTERNET & WIRELESS TECHNOLOGY BASED TRADING FACILITY PROVIDED BY MEMBERS TO CLIENT

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

(01) Member is eligible for providing Internet based trading (IBT) and commodities trading through the use of wireless technology that shall include the use of devices such as mobile phone, laptop with data card, etc. which use Internet Protocol (IP). The Member shall comply with all requirements applicable to internet based trading/- commodities trading using wireless technology as may be specified by **SEBI** & the Exchanges from time to time.

(02) The client is desirous of investing/trading in commodities and for this purpose, the client is desirous of using either the internet based trading facility or the facility for commodities trading through use of wireless technology. The Member shall provide the Member's IBT Service to the Client, and the Client shall avail of the Member's IBT Service, on and subject to **SEBI**/Exchanges Provisions and the terms and conditions specified on the Member's IBT Web Site provided that they are in line with the norms prescribed by Exchanges/**SEBI**.

(03) The Member shall bring to the notice of client the features, risks, responsibilities, obligations and liabilities associated with commodities trading through wireless technology/internet or any other technology should be brought to the notice of the client by the Member.

(04) The Member shall make the client aware that the Member's IBT system itself generates the initial password and its password policy as stipulated in line with norms prescribed by Exchanges/**SEBI**.

(05) The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Member's IBT System using the Client's Username and/or Password whether or not such person was authorized to do so. Also the client is aware that authentication technologies and strict security measures are required for the internet trading/ commodities trading through wireless technology through order routed system and undertakes to ensure that the password of the client and/or his authorized representative are not revealed to any third party including employees and dealers of the Member

(06) The Client shall immediately notify the Member in writing if he forgets his password, discovers security flaw in Member's IBT System, discovers/suspects discrepancies/ unauthorized access through his username/password/ account with full details of such unauthorized use, the date, the manner and the transactions effected pursuant to such unauthorized use, etc.

(07) The Client is fully aware of and understands the risks associated with availing of a service for routing orders over the internet/ commodities trading through wireless technology and Client shall be fully liable and responsible for any and all acts done in the Client's Username/password in any manner whatsoever.

(08) The Member shall send the order/trade confirmation through email to the client at his request. The client is aware that the order/ trade confirmation is also provided on the web portal. In case client is trading using wireless technology, the Member shall send the order/trade confirmation on the device of the client.

(09) The client is aware that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. Are susceptible to interruptions and dislocations. The Member and the Exchange do not make any representation or warranty that the Member's IBT Service will be available to the Client at all times without any interruption.

(10) The Client shall not have any claim against the Exchange or the Member on account of any suspension, interruption, non-availability or malfunctioning of the Member's IBT System or Service or the Exchange's service or systems or non-execution of his orders due to any link/ system failure at the Client/Member's/Exchange end for any reason beyond the control of the Member/Exchanges.

GUIDANCE NOTE - Do's AND DON'Ts FOR THE CLIENTS

Do's

- (01)** Trade only through Registered Members of the Exchange. Check from the Exchange website at following link www.mcxindia.com, www.sebi.gov.in to see whether the Member is registered with the Exchange.
- (02)** Insist on filling up a standard 'Know Your Client (KYC)' form before you commence trading.
- (03)** Insist on getting a Unique Client Code (UCC) and ensure all your trades are done under the said UCC.
- (04)** Insist on filling up a standard 'Member-Client Agreement'.
- (05)** Insist on reading and signing a standard 'Risk Disclosure Agreement'.
- (06)** Obtain a copy of your KYC, Member-Client Agreement and / or other documents executed by you with the Member, from the Member.
- (07)** Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website at the following link http://www.ncdex.com/market_data/verifytrade.aspx. [Http://www.mcxindia.com/sitepages/tradeverifications.aspx](http://www.mcxindia.com/sitepages/tradeverifications.aspx). The trades can be verified online where trade information is available up to 5 working days from the trade date.
- (08)** Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.
- (09)** Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.
- (10)** Obtain receipt for collaterals deposited with the Member towards margins.
- (11)** Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities and details of Client-Trading Member Agreement to know your rights and duties vis-à-vis those of the Member.
- (12)** Ask all relevant questions and clear your doubts with your Member before transacting.
- (13)** Insist on receiving the bills for every settlement.
- (14)** Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.
- (15)** Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
- (16)** Keep Delivery Instruction Slips (DIS) book issued by Dps in safe possession.
- (17)** Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.
- (18)** Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.
- (19)** Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.

- (20)** Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.
- (21)** Understand and comply with accounting standards for derivatives.
- (22)** Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.
- (23)** Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for trading and the relevant provisions/ guidelines specified by **SEBI/** Commodity exchanges.
- (24)** Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of commodities with the Member, stating date, commodity, quantity, towards which bank / demat account such money or commodities (in the form of warehouse receipts) deposited and from which bank/ demat account.
- (25)** In case you have given specific authorization for maintaining running account, payout of funds or delivery of commodities (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 Member 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)** You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity exchanges without delay.
 - (C)** In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Commodity exchange.
 - (D)** Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the stock exchanges.
- (26)** You should familiarize yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the commodity derivatives market or the member becomes insolvent or bankrupt.
- (27)** Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited.
- (28)** In case your issue/problem/grievance is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to **SEBI**.

Don'ts

- (01) Do not deal with any unregistered intermediaries.
- (02) Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
- (03) Do not enter into assured returns arrangement with any Member.
- (04) Do not get carried away by luring advertisements, rumours, hot tips, explicit/ implicit promise of returns, etc.
- (05) Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
- (06) Do not start trading before reading and understanding the Risk Disclosure Agreement and entering into the prescribed agreement with the Member.
- (07) Do not neglect to set out in writing, orders for higher value given over phone.

- (08) Do not accept unsigned/duplicate contract note/ confirmation memo.
- (09) Do not accept contract note/confirmation memo signed by any unauthorized person.
- (10) Don't share your internet trading account's password with anyone.
- (11) Do not delay payment/deliveries of commodities to Member.
- (12) Do not forget to take note of risks involved in the investments.
- (13) Do not sign blank Delivery Instruction Slips (DIS) while furnishing commodities deposits and/or keep them with Depository Participants (DP) or broker to save time.
- (14) Do not pay brokerage in excess of that rates prescribed by the Exchange.
- (15) Don't issue cheques in the name of Authorized Person.

RECOMMENDATION OF BROKERAGE

To,
Lakshmishree Investment & Securities Pvt.Ltd.
401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam
Marg, Opposit Peninsula Corporate Park, Lower Parel, Mumbai - 400013

Dear Sir/Madam,
Please note that Brokerage applicable as per the details below :

BROKERAGE - MCX

	%	Minimum
Intra-Day (MCX)		
Delivery (MCX)		
Daily Square-up (MCX)		
Carry Forward		
Transaction Charges		
Stamp Duty		

For use by Lakshmishree Investment & Securities Pvt. Ltd.

Signature  8/14 _____

Name _____

Client Code _____

Date _____

Checked by _____

Authorized by _____

Date Entered by _____

Date _____

POLICIES AND PROCEDURES

A. Setting up client's exposure limits

We have margin based RMS system. Total deposits of the clients are uploaded in the system and client may take exposure on the basis of margin applicable for respective commodity. The limit may be allowed on a multiplier basis to the available capital or a specified margin depending on market conditions. Client agrees that said limit parameters is a dynamic process that is allowed at the discretion of the broker based on market conditions and their risk perception about the market. However on exceptional situations broker may use its own discretion in providing the limits and may change for client for all depending on market conditions.

B. Applicable brokerage rate: -

Brokerage will be charged within the limits prescribed by SEBI/Exchange.

C. The right to sell client's commodity derivative positions, or close client positions without giving notice to the client, on account of non-payment of client's dues

Without prejudice to the stock brokers other right (Including the right to refer the matter to arbitration), the client understands that the member shall be entitled to liquidate /close out all or any of the clients position for non payment of margins or other accounts , outstanding debts and adjust the proceeds of such liquidation /close out. If any against the clients liabilities/obligations. Any and all losses and financial charges on account of such liquidation /closing out shall be charged to borne by the client.

D. Shortages in obligations arising out of internal netting of trades

The close out policy for handling internal shortages in commodities is in line with the exchange policy.

E. Conditions under which a client may not be allowed to take further position or the broker may close the existing position of a client.-

In case overall position in derivatives contracts has reached the regulators prescribed exchange limit /market wide open interest limit then client may not be allowed to take further position till such time Regulator prescribed limit comes down to create new position. Member may close the existing position of a client to the extent of Debit balance to release the margin from the exchange. Client may take exposure upto the amount of margin available with us. Client may not be allowed to take position in case of non-availability/shortage of margin as per our RMS policy of the company

F. Temporarily suspending or closing a client's account at the client's request:-

On the request of the client in writing, the client account can be suspended temporarily and same can be activated on the written request of the client only. During the period client account is suspended, the market transaction in the client account will be prohibited. However client ledger balance settlement can take place. On the request of the client in writing, the client account can be closed provided the client account is settled. If the client wants to reopen the account in that case client has to again complete the KYC requirement.

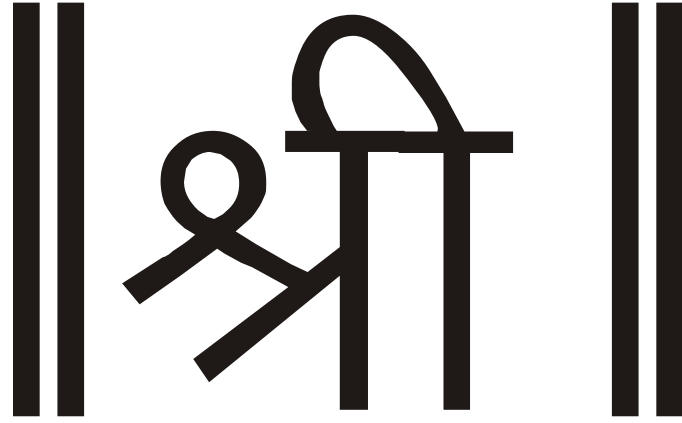
1. Deregistering a client :- Notwithstanding anything to the contrary stated in the agreement, the broker shall be entitled to terminate the agreement with immediate effect in any of the following circumstances:

- I. If the action of the client are prima facie illegal / improper or such as to manipulate the price or disturb the normal/proper functioning of commodities or disturb the normal/proper functioning of the market, either alone or in conjunction with others.
- II. If there is any commencement of a legal process against the client under any law in force;
- III. On the death/lunacy or other disability of the Client;
- IV. If the client being a partnership firm, has any steps taken by the Client and/or its partners for dissolution of the partnership;
- V. If the Client suffers any adverse material change in his/her/its financial position or defaults in any other agreement with the Stock broker;
- VI. If there is reasonable apprehension that the Client is unable to pay its debts or the Client has admitted its inability to pay its debts, as they become payable;
- VII. If the Client is in breach of any term, condition or covenant of this Agreement;
- VIII. If the Client has made any material misrepresentation of facts, including (without limitation) in relation to the Commodity
- IX. If a receiver, administrator or liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Client;
- X. If the Client have taken or suffered to be taken any action for its reorganization, liquidation or dissolution;
- XI. If the Client has voluntarily or compulsorily become the subject of proceedings under any bankruptcy or insolvency law or being a company, goes into liquidation or has a receiver
- XII. If any covenant or warranty of the Client is incorrect or untrue in any material respect;

Client Acceptance of Policies and Procedures stated hereinabove:

I/We have fully understood the same and do hereby sign the same and agree not to call into question the validity, enforceability and applicability of any provision/clauses this document any circumstances what so ever. These Policies and Procedures may be amended / changed unilaterally by the broker, provided the change is informed to me / us with through any one or more means or methods. I/we agree never to challenge the same on any grounds including delayed receipt / non receipt or any other reasons Whatsoever.

Signature  9/14



LAKSHMISHREE INVESTMENT & SECURITIES PVT LTD

NON - MANDATORY DOCUMENT

OPEN INTEREST CUM DECLARATION

To
Lakshmishree Investment & Securities Pvt.Ltd. (VOLUNTARY)
401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam
Marg, Opposit Peninsula Corporate Park, Lower Parel, Mumbai - 400013

Dear Client

Sub : Disclosure of proprietary trading by broker to client


With reference to the SEBI Circular No. SEBI/MRD/SE/Cir-42/2003 dated Nov. 19, 2003 intended to increase the transparency in the dealing between the trading member and their clients, all trading member are required to disclose to its/their clients whether they do client based business or proprietary trading as well.

Pursuant to the above, we wish to inform you that **M/s Lakshmishree Investment & Securities Pvt. Ltd.** At present does trade on proprietary account in the Commodity Segment at MCX.

I/We _____ having client code _____ with
M/s Lakshmishree Investment & Securities Pvt. Ltd. Acknowledge receipt and Understanding of the above.

Yours faithfully,

Signature: _____

Client Code:  10/14 _____

Client name: _____

AUTHORIZATION LETTER

To,
Lakshmishree Investment & Securities Pvt.Ltd. (VOLUNTARY)
401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam
Marg, Opposit Peninsula Corporate Park, Lower Parel, Mumbai - 400013
Date :

Dear Sir/Madam,

I/we have been/shall be dealing through you as my/our broker on the Commodity Exchanges such as MCX, As my/our Broker i.e. Agent I/we direct and authorize you to carry out trading/dealings on my/our behalf as per instructions given below. Please treat these instructions as written ratification of my / our verbal directions/authorizations given and carried out by you earlier.

I/we authorise Mr./Ms. _____ to deal / transact on my/our behalf and to place order give instructions, make & receive payments of deliveries and monies, collect contract notes, bills order confirmations, trade confirmations, account statements and any other documents or communication, to sign any document, settle the account, enter into any compromise and to do any and all act (s) on my/our behalf which I/we can do, and I/we the undersigned do hereby agree and declare and confirm that all the acts and things done by him/her or his/her substitutes shall be my/ our acts, deeds and things validly done by me/us to all intents and purposes.

Please treat this authorization as written ratification of my / our verbal directions/authorizations given and carried out by you earlier. I/we agree to indemnify you and keep you indemnified against all losses, damages and actions which you may suffer or face as a consequence of adhering to and carrying out my/our directions given above.

Thanking You
Yours Faithfully

Client Name: _____

Signature:  11/14 _____

RUNNING ACCOUNT AUTHORIZATION

(VOLUNTARY)

Date:-

To,
Lakshmishree Investment & Securities Pvt.Ltd.

401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam
Marg, Opposit Peninsula Corporate Park, Lower Parel, Mumbai - 400013

I/ We am/are Dealing with you as a client in Commodity market . In order to Facilitate ease of Operation and upfront requirement of margin for Trade I Authorize you as under:

- I request you to maintain running balance in my account & retain the credit balance in my account amount to Rs. _____ (**≤10,000/-**) and to use the unused funds towards my margin obligation(s) of commodity exchanges unless I instruct you otherwise.
- I request you to settle my/our funds. Once in every calender **Quarterly** **Monthly** (Tick here) or such other higher period as allowed by **SEBI/Commodity Exchange** time to time, as specified by me in your Back office System, except the funds given towards collateral/margin in the form of Bank Guarantee and/or Fixed Deposit Receipt.
- In case I have an open position on the settlement date, you may retain the requisite funds towards such margin obligation and may also retain the funds expected to be required to meet margin obligation for next 3 trading days.
- I agree not to claim any interest from you on such funds so retained by you.
- I confirm you that I will bring to your notice any dispute arising from the statement of account in writing within 7 working days from the date of receipt of funds/commodities or statement of account or statement related to it, as the case may be .
- I confirm you that I can revoke the above mentioned authority at any time

Client Name: _____

Signature:  12/14 _____

Client Code: _____

PAN No. : _____

STANDING INSTRUCTIONS

(VOLUNTARY)

Date:-

To,
Lakshmishree Investment & Securities Pvt.Ltd.
401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam
Marg, Opposit Peninsula Corporate Park, Lower Parel, Mumbai - 400013

I/We am/ are dealing in securities with you at commodity and in order to facilitate ease of operations. I /We authorize you as under

• I /we understand that you require written instructions for receiving/ modifying/cancelling orders. However, since it is not practical to give written instructions for order, I hereby authorize you to kindly accept my/our authorised representatives verbal instructions/ orders in person or over phone and execute the same. I /we understand the risk associated with verbal orders and accept the same, and agree that I/we shall not be entitled to disown orders under the plea that same were not undermine/our instructions.

• I/We hereby authorize you not to provide me Order confirmation/ Modifications/ Cancellation Slips and Trade confirmation slips to avoid unnecessary paper work. I/We shall get the required details from contract issued by you.

• I/We will inform you the change in my /our email/ contact number if any in future either by post or through digitally signed email.

• Trading of commodity is in Electronic mode , base on VSAT leased line ISDN, Modem and VPN, Combination of technologies and computer systems to place and route orders. I/We understand that there exist a possibility of communication failure or system problems or slow or delayed response from system or trading halt of any such other problem/glitch whereby not being able to establish access to the trading system/network which may be beyond the control and may result in delay in processing or note processing buy or sell order either in part or full

I/We agree that I/we shall be fully liable and responsible for any such problems and glitch

• I/We shall abide by the rules regulations/guidelines circulars of the exchange issue from time to time as applicable and shall be liable for non adherence

• I /we hereby authorize you to debit related charges for services, to my/our trading account. Please treat this authorization as written ratification of my/our verbal directions/authorizations given and carried out by you earlier. I/We agree to indemnify you and keep you indemnified against all losses, damages and actions which you may suffer or face as a consequence of adhering to and carrying out my/our directions given above.

I confirm that i can revoke the above authority at any time.

Thanking You
Yours faithfully

Client Name: _____

Signature:  13/14 _____

Client Code: _____

PAN No. : _____

Electronic Contract Note [ECN] DECLARATION

To,
LAKSHMISHREE INVESTMENT & SECURITIES PVT. LTD.

(Annexure-A)

Dear Madam / Sir,

I, _____ a client with member
M/s. Lakshmishree Investment & Securities Pvt. Ltd. of MCX Exchange undertake as follows :

- I am aware that the Member has to provide physical contract note in respect of all the trades placed by me unless I myself want the same in the electronic form.
- I am aware that the Member has to provide electronic contract note for my convenience on my request only.
- Though the Member is required to deliver physical contract note, I find that it is inconvenient for me to receive physical contract notes. Therefore, I am voluntarily requesting for delivery of electronic contract note pertaining to all the trades carried out /ordered by me.
- I have access to a computer and am a regular internet user, having sufficient knowledge of handling operations.
- My E-mail ID is _____ this has been created by me and not by someone else.
- I am aware that this declaration form should be in English or in any other Indian language known to me.

[The above declaration has been read and understood by me. I am aware of the risk involved in dispensing with the physical contract note, and do hereby take full responsibility for the same]

(The above lines must be reproduced in own handwriting of the client.)


Client Name : _____

Unique Client Code : _____

PAN : _____

Address : _____

This declaration will remain valid till it is revoked by the client

Signature of the Client :  14/14 _____

Date : _____

Place : _____

Verification of the client signature done by, Name of the designated officer of the Lakshmishree Investment & Securities Pvt.Ltd.

Signature : _____

Date : _____

|| श्री || **LAKSHMISHREE**
The Quality of Being Virtual

Member : MCX

Registered Office : 401, Marathon Icon, Marathon Nextgen Campus, Ganpatrao Kadam Marg, Opposit Peninsula Corporate Park
Lower Parel, Mumbai-400013 • **Phone :** (022) 43431818 • **Fax :** (022) 43431814

Correspondence Office : 57, 2nd Floor, Gandhi Nagar, Sigra, Varanasi-221010 • **Phone :** 9044039907 to 10 • **Fax :** (0542) 2227809

E-mail : info@lakshmishree.com • **Website :** www.lakshmishree.com